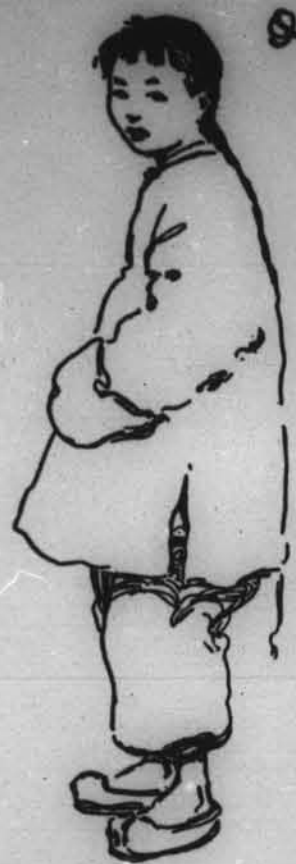
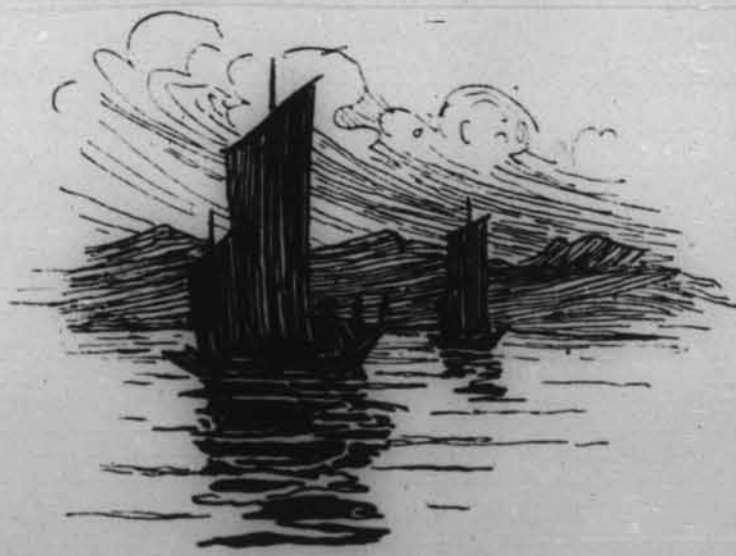


The  
Willard  
Straight  
Papers



at  
Cornell University



Reel Number

5

*The Willard Straight Papers at Cornell University*

002653



Reel 5 December 1911 - August 1917

The first part of the reel is made up of correspondence during Straight's last months in China. On 22 December Straight confided to McKnight that he would prefer to deal with the most reactionary Manchu than with the rebel leader Wu Ting-fang.

Telegrams sent the Straights at the holidays provide an index to their closest friends. On 12 January 1912 Straight wrote a memorandum of a conversation with Prince Pu Lun, and on the twentieth he wrote another about the objections of Russia and Japan to the Chinese Currency Loan Agreement.

On February first Straight wrote William James Calhoun, U.S. minister to Peking, about talks he had in Shanghai with Dr. Chen Chin-tao, Thomas F. Millard, Sze, T'ang, and others. On the fourth he wrote the J. P. Morgan Co. an analysis of attempts by the Chinese to establish a stable government. On 24 February he summarized for Bland the loan negotiations with China, and praised

Reel 5 page 2

American policy in the Philippines. A letter to Grenfell on 3 March describes the burning and looting of Peking that sent the Straights and other foreigners to the American Legation for safety. The passport issued for their journey through Siberia is dated 20 March 1912. A printed summary of negotiations for a Chinese reorganization loan is dated 23 June. Letters to Bland, Maurice Casenave, Fletcher, McKnight, Dr. Paul S. Reinsch, James Augustus Thomas and Charles F. Whigham attest to Straight's continued interest in Chinese investment, and on 14 November 1912 he spoke about the Chinese loan negotiations before an audience at Clark University. On 7 March 1913 Straight sent Paul M. Warburg a memorandum on American diplomacy, and on 9 December he wrote Daniel A. de Menocal that the American Group felt the Chinese should offer them any contemplated railroad loans, since their Chinchou-Aigun agreement had been disregarded.

The few Straight letters in 1914 concern the National Foreign Trade Council, the development of India House as a club for men associated with foreign trade, and the plan to start publishing the New Republic in the fall. The first letter from editor Herbert



Reel 5 page 3

Croly is dated 29 November 1914. Copies of Straight's letters through the next months indicate his continuing interest in the development of the magazine. Letters in the fall of 1915 explain his resignation from the J. P. Morgan Company and his move to the American International Corporation.

Among letters written on shipboard on 17 March 1916 is Straight's note to George Kennan enclosing a nine-page article on E. H. Harriman's interest in the Far East. A Croly letter the next day mentions Vincent Massey and Lionel Curtis and their association with groups in Canada and England studying foreign policy. In March Straight and Thomas Nelson Perkins reported from London to Charles A. Stone about numerous foreign investment projects. After returning to the United States, Straight wrote letters to James Bryce and Gilbert Parker about the American attitude toward Britain. On 23 October 1916 he wrote a letter to appear in the New Republic dissociating himself from the magazine's endorsement of President Wilson.

Notes in January 1917 refer to a report on the mobilization of the National Guard. On February fifth Straight wrote Dr. Reinsch of his hopes for American-Japanese cooperation in a Chinese canal project, and on the first of August he wrote Croly, "I'm about the only person still interested in fostering this idea of internationalizing Chinese finance - which is, I believe, the only safeguard for China's future."



REEL 5

Segment 1

December 1911-March 1912

Segment 2

April 1912-December 1913

Segment 3

January 1914-March 1916

Segment 4

April 1916-August 1917





***START***

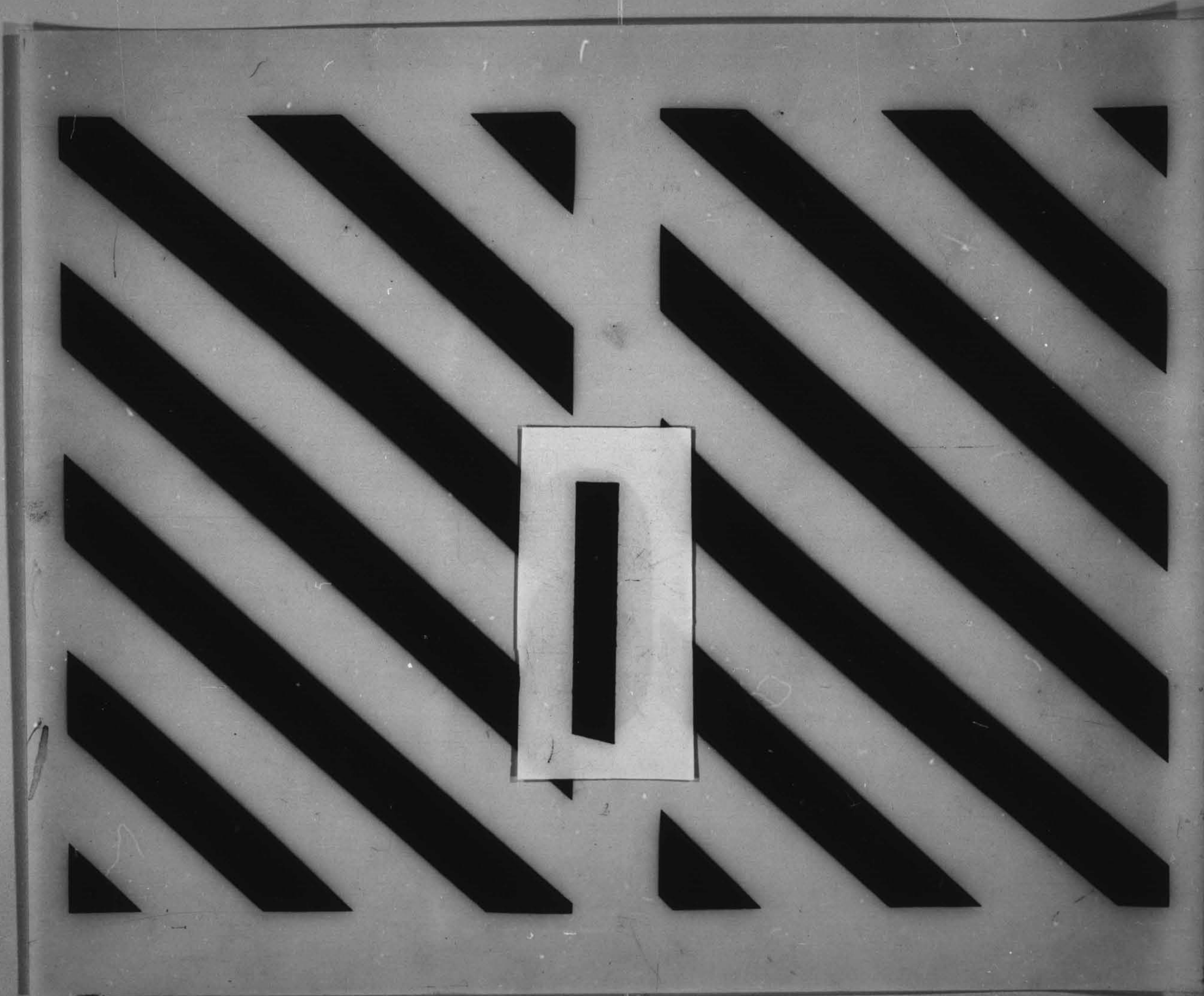
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*of* CORNELL UNIVERSITY  
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*The Willard Straight Papers at Cornell University*

002653





*The Willard Straight Papers at Cornell University*

002653



[Dec. 2, 1911]

2059

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

Telegrams accepted for all Telegraph Stations in the world

STATION

TELEGRAM Nr. 40. 333 Class 13 Words.

Given in at London the 2 1911 H. 58 M. 5 m.

Willard Straight  
American Legation Peking  
Expecting you xmas  
please wire plans  
worrying  
Pauline



*22. Old Broad Street.*  
*London* 4th December 1911  
*E.C.*

My dear Willard,

I am pleased to get your letter of the 17th and hope that my previous letters, including copy of that to Davison, did not cause you <sup>to</sup> think I was taking a frivolous view of what are of course vital and dangerous times. I really do most sincerely sympathise with you in your troubles at present, as a charming wife makes you view things from a less free-and-easy point of view than when you were a dashing young Consul at Mukden. On the other hand, from your accounts when you were here the Legation enclosure is perfectly safe, and you would have due warning if it were necessary to leave your present house.

With reference to the outside attempts to make loans to the Government, Addis is very firm in not acceding to these and I think we should hardly be justified in departing from the decision arrived at in Paris.

I dined with Mrs. Almeric and your friend Lady Muriel last week and both of course were full of enquiries as to your welfare. I endeavoured to reassure the former by telling her that you were able at any time to put Dorothy in a safe place.

I believe our talkative imposter, General Homer Lea, has left for China with Sun Yat Sen. The latter's presence here was kept quite secret until the day he left for Paris when the Daily Mail discovered him and gave him a public advertisement.

W.D.S.

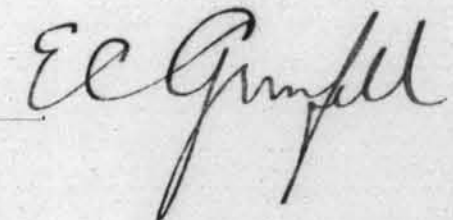
-2-

4/12/1911

I have sent on your report as regards ffrench to Herman Harjes, and suggested that he should advise you or ffrench if he wished the latter to call on him on his way through Paris. I am much pleased to hear you do not think seriously of his ailment.

Yours ever,

W. D. Straight, Esq.,  
Pekin.





[c. 12-6-113]

2709

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

Telegrams accepted for all Telegraph Stations in the World.

TELEGRAM Nr. 367 Class 25 STATION Words.  
Given in at Paris the 1911 H. 11.5 M. 1m

Straight Skin

Referring your letter  
concerning regarding french  
as am probably sailing  
american January tenth  
desirable french arrive  
here not later than  
fourth January Harjes



c. [Dec. 6, 1911]

Suggested Memorandum to be handed to the Four Ministers.

Your Excellency:-

As Your Excellency is aware the Premier, His Excellency Yuan Shih Kai, has recently, through his Agents, been negotiating with the Representative of the British and Chinese Corporation for a loan to be secured by the surplus revenues of the Imperial Railways of North China.

The Representative of the British & Chinese Corporation, in accordance with the terms of the Inter-Group Agreement, signed in London on the 10th of November, 1910, has referred this matter to the Representatives of the Hongkong & Shanghai Banking Corporation, Deutsch-Asiatische Bank, Banque de l'Indo-Chine and the American Group, and the matter has now been submitted to their principals.

The Groups in Europe and America have informed the representatives that while not opposed in principle to loans to China, at the same time they were not prepared to make such loans unless assured by their representatives, of the establishment of a responsible Chinese Government.

Owing to the disturbed state of the country, however, and the fact that but four of the eighteen provinces are nominally under the control of the Throne it is impossible for the representatives to claim that the authorities now resident in Peking constitute a responsible Government of China.

Notwithstanding this fact the representatives, while fully recognizing the many considerations which may make it both desirable and expedient to remain strictly mutual pending further political developments are, after careful deliberation, constrained to feel that the consequences of such inaction may be far more disastrous than those which might possibly result should the Four Groups now come to the assistance of Yuan Shih Kai.

The prolongation of the present disorders in China will inflict increasing injury to foreign trade and not only

c. [Dec. 6, 1911]

2-

the Groups but the general commercial interests of your nationals will suffer. It is this fact rather than their desire successfully to negotiate the loan now under discussion that has induced the Representatives to approach Your Excellency in this manner.

The Representatives shared the general hope that the acceptance by the Throne of the so-called nineteen articles providing for the adoption of the constitution and the appointment of Yuan Shih Kai as Premier would satisfy the leaders of the revolt. This happy consummation has not yet come to pass. The Premier is using his best endeavours to reconcile the discordant elements throughout the Empire and the Representatives trust that they voice Your Excellency's opinion in stating that Yuan Shih Kai is the one man competent to force the disaffected provinces to recognize anew the authority of the Throne.

Up to the present all efforts at reconciliation have failed and the revolutionary leaders have insisted that they would discuss no compromise until after the abdication of the Manchus.

Yuan is at present handicapped by the want of funds. Unless financial assistance be forthcoming his efforts are almost certain to fail.

The Representatives recognize that should the Groups lend money to Yuan at this time the activities of the rebels, which heretofore have been anti-dynastic, might easily become anti-foreign.

At the same time Yuan's failure to establish what, at best, would be but a loosely knitted federation of jealous and mutually antagonistic provinces would bring about a condition so chaotic that militant, if not administrative, foreign intervention would become almost inevitable.

It is the fear of such eventualities that induces the representatives to feel that necessary financial assistance should, if possible, be given the Premier at this time.



It is impossible, nevertheless, to ignore the grave danger by which such action might be attended. To avoid this danger and at the same time to assist Yuan Shih Kai in his work of reconstruction the Representatives venture to call to Your Excellency's attention the fact that, to a measure at least, the unwillingness of the revolutionary leaders to accept and to support the Constitutional Monarchy is due to their lack of faith in the sincerity of the promises made by the Manchu Government.

The Representatives venture to ask, therefore, whether it would not be possible to bring about a cessation of hostilities if the Powers should, on the one hand recognize the establishment of the Constitutional Monarchy, and on the other guarantee to the revolutionary leaders that the Throne would be held to the promises made to the Chinese people and to the World. Such an act of friendly constructive intervention would, we believe, be appreciated by both sides.

The Representatives further trust that if Your Excellency is inclined to the opinion that some such action would result in the establishment of more stable conditions he will feel it possible to view with favour the continuation and early conclusion of negotiations for a loan to enable the Premier to conserve and extend the authority of his Government, which we venture to believe constitutes the most promising nucleus for a recognized Government of China.

c. [Dec. 1911]

(QUOTE NOTE RECEIVED)

In reply I have the honour to inform your Excellency that on the \_\_\_\_ day of (Moon) the National Assembly adopted a series of 19 Articles which had for their purpose the establishment of a constitutional monarchy for the future Government of China, a copy of which articles are herewith transmitted for your information.

Your Excellency is further informed that afterwards the foregoing articles were by the National Assembly submitted to His Imperial Majesty, the Emperor of China, for his imperial consideration and approval; that on the \_\_\_\_ day of \_\_\_\_ 1911 His Majesty, the Emperor, gave his gracious consent and approval of said several articles, and by solemn edict issued and published on the \_\_\_\_ day of 1911, the said articles and each of them were declared adopted as the basis for the establishment of a perpetual constitutional monarchy, a copy of which edict is herewith transmitted.

Your Excellency is further informed that afterwards on \_\_\_\_ his Imperial Majesty, the Prince Regent, and the Imperial Princes of the royal family, in conformity to the ancient customs of the Empire and as evidence of His and their acceptance of said several articles and of his and their pledge to hereafter honour and obey the same, in order that the permanent peace of the country and prosperity of the people may be forever secured and maintained, repaired to the Hall of \_\_\_\_ and there before and on the sacred tablets of His and Their illustrious ancestors, solemnly vowed to forever maintain and obey said articles and each of them.

Wherefore Your Excellency's attention is called to the fact that in and by the \_\_\_\_ article of the aforesaid articles it is provided (here quote)

Wherefore, Your Excellency is informed that in order to conform and carry out the will of the people and of the National Assembly, as expressed in said \_\_\_\_ Article, His Imperial Majesty's Government can no longer comply with the

cc. Dec. 6, 1911



2-

[c. Dec. 6, 1911]

agreement or understanding between the Governments signatories to the Protocol of 1901, by having a Prince Imperial at the head of the Foreign Office;

And Your Excellency is further informed that on \_\_\_\_\_ His Excellency Yuan Shih Kai was, by Imperial Edict of that date, appointed Premier and that subsequently, in conformity to the requirements of said Nineteen articles he named and appointed the following several persons to constitute the Wai Wu Pu, viz: \_\_\_\_\_ President, \_\_\_\_\_ Vice-President, etc. etc. which appointments were afterwards approved and confirmed by Imperial Edict. Wherefore Your Excellency is informed that the several parties last named, in the order and with the respective rank and titles above named now constitute the lawfully organized Wai Wu Pu of the Empire.

I have the honour, in reply to your note, to communicate the foregoing facts to Your Excellency and also to advise you that I have addressed a similar communication to Your Excellency's colleagues.

I have further the honour to beg that Your Excellency will lay this matter before Your Government with the request that it consent to the modification of the arrangement under the Protocol, whereby an Imperial Prince has been the President of the Board of Foreign Affairs necessitated by the promulgation of the Constitutional Monarchy.

3

TELEGRAM SENT DECEMBER 6TH, 1911.

MORGAN FOR DAVISON NEW YORK:

PERSONAL. Situation now seems hopeful in case Groups willing to make loan, failure do so may result in chaos even in Districts now under Yuan Shih Kai's control STOP Hillier, Cordes, Casenave here and I reluctantly admit believe your interests would be better served by retaining me here watching developments. Personally, however, persistent inaction is irksome because I feel so strongly that long continued joint action by revolutionary leaders impossible and that failure support Yuan Shih Kai immediately may be disastrous STOP Would greatly appreciate if you would advise me whether you desire us remain here until crisis over or whether you are likely wish us return home in near future. Refer to my letter of November 12th. Is there any chance the American Group will desire engage Williams?

Straight.



[C. 12-13-11]

3783  
4

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

Telegrams accepted for all Telegraph Stations in the World

TELEGRAM Nr. 2335 Class 9 Words 400  
Given in at Cairo the 13 1900 H. 12 M. 400/m

*Straight Peking*  
*Did you receive*  
*telegram regarding French*  
*Hayes*

December 12th, 1911.

Dear Teddy:-

Very many thanks for the copy of your letter to Davie regarding the interview which you and Addis had with Napoleon and George Washington. Your letter was most amusing and I delight to think of you as a marplot plying unsuspecting patriots with strong liquor in order to extract from them the inner-most secrets of their hearts.

From the tone of your letter I judge that you did not take China's hope epitomized in these two worthies, too seriously. Homerlea has written an able book; more than that I do not know about him. As for Sun Yat Sen I have followed his career with interest for some years and am reluctantly forced to confess that I think most of his conversation is of the pipe dream variety. Throughout this revolutionary movement the noise and publicity has emanated from a few garrulous individuals, pre-eminently among whom stands His Eccentricity Wu T'ing Fang. The Doctor and perhaps little Homer can also go into this class. The people who have really done the fighting are not, as far as we can find out, allied with the Doctor's little company of hot air artists. If ever a Revolutionary Government exercising an authority



2-

over more than one Province, or a portion of a Province, is constituted, it will not, I think, have for its President Dr. Sun Yat Sen; nor for its Commander-in-Chief, Tom Thumb.

Personally, I doubt very much whether, in view of the dissension, jealousy and recrimination which now seems rife among the revolutionists, if there will ever be a Centralized Rebel Government, and I think that there is little question that Yuan, if he can only secure financial support at this time, will be able to re-establish the mastery of Peking.

Yuan may, as you seem to understand Hillier to have said, be an opportunist. Opportunism in tactics, in fact, when directed by a consistent, tenacious, and powerful strategist, is the secret of success in China, as elsewhere, and I believe that Yuan has the necessary qualifications and is playing his game in a masterly manner.

Matters have now, it is generally recognized, reached a crisis. If the Groups make Yuan the loan he desires I believe the scale may be turned; if not, anarchy will ensue. If this is so this is no place for a Representative of the Octopus, and I think we shall come home.

French expects to get away next Tuesday. I am more grateful than I can say, to you, for having arranged things for him.

Dorothy sends her love and we both wish you all a Merry Xmas.

Yours,

E. C. Grenfell, Esquire,  
London.

POSTAL TELEGRAPH - COMMERCIAL CABLES

DELIVERY NO.

CABLEGRAM

RECEIVED AT

EMMETT ARCADE,  
59th ST. & MADISON AVE.,  
3896 PLAZA.

10 NY B 13 - 1005 AM

Peking Dec 12, 1911

Boirtaeb NY ( Miss Beatrice Bend  
563 Park Ave )

DAVISMNCAB LESDESIR ESUSREMAI NHERESOMET  
IMELONGERAE RANSTHER EFOREINDE FINITECOMI  
NGSOONASPO SSIBLELO VEDOROTHY.

No inquiry respecting this message can be attended to without the production of this paper. Repetitions of doubtful words should be obtained through the Company's offices, and not by DIRECT application to the sender.



December 15th., 1911.

Dear Teddy; -

When Cordes returned a few weeks ago he told me that Santa Claus Ehrich of the German Group was in the throes of preparing a memorandum to be submitted to the Paris Conference regarding the organization of an executive committee of the four groups, one representative from each, who could meet and discuss, and even decide subject to ratification by their respective Consortiums or whatever you call 'em. This infant however, from what Hillier tells me, never saw the light in Paris, and even yet may be slumbering in Santa's mind, or in some pigeon hole of his orderly desk. Cordes confessed that German restiveness under the Warburg influence was responsible for the idea. Apparently Maxie and Davie's friend Spot are on the Tectonic nerves. Nor do I gather that they like the overwhelming numbers which usually represent the American Group at conferences. Ehrich's notion was to have Urbig, Addis, Simon and yourself, both for the handling of all correspondence, and for representation in conferences when such might be called.

I told Cordes that some such arrangement seemed entirely practical to me especially since the inter-group

relationship seemed likely to be permanent, and therefore justified some more business like organization.

K.L. & Co. would probably not hail the suggestion with cheers, but it seems to me that we should not put the long suffering colleagues under a oratorical wheel just because we have little troubles amongst ourselves. Do you not agree? I have talked with Hillier about the matter also, en passant, and he is of a like opinion. Addis has more than once expressed himself. It may be that you feel that you cannot move in the matter, but I thought I'd tell you of the conversation anyway, in case anything should come up, or in case you should ever deem it possible to intimate to Addis that a suggestion of this sort if it were made, would not be unwelcome.

We are still hoping that something can be done for Yuan. It is difficult for you to conceive I suppose, how strongly we here in Peking feel that he is the only man who can save the situation. The appointment of Wu tingfang as the Chief Delegate of the "evolutionists" in the forthcoming conference damns them and their cause more than anything that has as yet occurred. Apparently Shanghai continues to take him seriously, which only confirms the view I have always had that Shanghai's vision is circumscribed by the limits of the concession. They fear a Boycott! Three gunboats in the river and a few well chosen words to Wu would prevent that. If nothing is done the Government's which have failed to support Yuan, and the bankers who have failed to give him money will have to bear the odium of bringing about armed foreign intervention and



possibly the break up of this Empire. Perhaps I exaggerate the chances and ~~these~~ paint the picture far too darkly, This is the way it looks to me at any rate.

French gets off on Tuesday and will see you about January first, I hope that we ourselves may be coming home before long, especially if this inaction and fence straddling continues.

Dorothy says to tell you to come out and visit us and I join in the invitation. We'll turn on a riot for your special benefit.

Yours ,

December 18, 1911.

Dear Harry;-

Perhaps you are as bored with this whole business as I , in which case this letter will be as much of an infliction to receive as it is hard to write. To tell you the truth I have been so sick about things that I have refrained from looking at a typewriter lest I fall into temptation and uncover the profane thoughts that have been uppermost in me mind.

The Geare matter has distressed me greatly. I gather from your telegrams that the case against him is pretty bad. I am still of the opinion however that though he may have been indiscreet he has not been intentionally disloyal. He has so many good qualities, has worked so hard and so willingly in the pinch of last year, that I am more than sorry that he is now under a shadow. At the same time he has in some respects been foolish and over-young , faults which I am sure he will correct, and which , though they have caused me at some times some concern , are more than counterbalanced in my mind by what has seemed to be his honesty , good will , and willingness to keep his nose to the grindstone when necessary. I sincerely trust that you will be able to be lenient with him and give him another chance.



I also ventured to ask you to do something for Casenave's son, and am hoping to hear from you. I telegraphed about the matter because Casenave wanted the boy to leave Paris immediately after Christmas and if you are able to find a place for him Casenave will cable Paris, and start the necessary preparations. It's apparently a case of mother's apron strings, too much money for the young man's good, and Papas desire to have him get up against the real things of life, which Casenave feels can be more easily done if the boy leaves France entirely.

The situation has not improved since last I wrote you. Yuan has it is true consolidated his position, and had he been able to borrow from the Groups sufficient funds to make him feel that he could carry on for a time he would have been ~~in~~ able ~~position~~ to talk with some degree of firmness to the blatherskites with whom Tang is now negotiating in Shanghai. As it stands however, although the revolutionists <sup>learn are</sup> as far as we can pretty well bust, Yuan has not enough to pay his soldiers for many days longer. The Rebels know this and may make demands which Yuan cannot feel strong enough to refuse. Nor will he in the precarious state of his finances be able to prolong the negotiations. I should not be surprised if as a result of the Shanghai conference the Manchus were chucked out and Yuan made President for he is apparently recognized by both sides as the Only Man in the country, If he does take the Presidency he will soon be Dictator. It is this fact, and my belief that Yuan would come out on top whichever way the game went that has induced me to represent so strongly the necessity for

advancing him funds. I do not know exactly what his game may be, but I have believed that he was the horse to back, and had we given him money enough to feel that he could play his hand carefully and firmly we should not have regretted it. If he lives, we would have had the financing of the reorganization which he will undertake. Should he be assassinated, our claims would still have been good, for though the rebels have announced that they would recognize no loans concluded after October 11th. the foreign Governments could easily have insisted that any contracts we might have made should be binding on no matter what Government might be installed here.

I presume that when the smoke clears away Yuan will have to come to the four Groups anyway. If I were he however, I'd go to everyone else first, for a friend in need is the only real friend, and our hesitation to support what he and all of us know to be the only possible nucleus for an organized Government, in response to the blowings of a crowd of bankrupts and hot-air artists at Shanghai, can hardly be expected to give Yuan the warmest of feelings for us.

Though personally I have wished that the Americans or the Americans and Germans might go ahead irrespective of our wobbling British friends, I have appreciated your position at home and your desire to stick together. My principle kick has been that the British Minister here has, it seems to me, been too much influenced by the representations of Shanghai, and has failed to see the disastrous consequences of a failure to support the only organized Government. At the same time I can appreciate



the reasons for this reluctance to take sides.

In any case the British have held, and do hold, the key to the position, and whatever my personal feelings may be there is no question in my mind that we must play with them even though their inaction is annoying. If we had a fleet in the Pacific and were ready to assume the responsibilities which our entry into this field as an active force should impose it would be a different matter. I do not mean to advocate war by any means. I only wish that we were strong enough to talk, and that we were not discredited bluffers as we are.

Our prestige has suffered more than you perhaps realize. The "Neutralization Proposals" and the "American Adviser" incidents still stick to us, and we must pussy foot for some time to come in consequence.

Although the Japanese are now attacking Germany and are leaving us alone for the time being, the Russians are still damning us. They claim that our entry into the China field has been responsible for the present disorders. They assert that we still cherish the idea of neutralizing Manchuria, that the Currency Loan is but the old idea in a new form. They insist that we are persistently anti-Russian, that this is proven by our insertion of Article XVI in the Currency Agreement, by the hooray about Morgan Shuster in Persia, by our attempts to get railway concessions in Turkey, by the agitation over Jewish passports for Russia. The fact that most of our disagreements have arisen because Russia herself is in these various places playing a selfish and aggressive game, inconsistent with her frequent "open door" declarations, makes no difference

Iswolsky at Paris, the officials in Petersburg and the people here, are endeavouring to play on French and Japanese susceptibilities, to create suspicion of our good faith, and the honesty of our intentions. The Russians are I think, just as I reported from Petersburg, trying to bring up all manner of charges against us in order to justify them in being nasty to us, and to warrant their attempting to check anything in which we are particularly concerned.

Casenave has received one or two most interesting letters from Simon in Paris. It is apparent, as Casenave says, that Simon, who is susceptible to flattery has been much gratified by the fact that Iswolsky has on several occasions talked to him most frankly, and where he before disliked the Russians and distrusted their policy, he now writes Casenave to beware of being led by me - I am the goat apparently, - into any move which the Russians would not like. Simon quite frankly welcomes the present upheaval in China, because it will enable the Banks to exact more profitable loan terms from China, and most of all because it relegates the Currency Loan to the background. He says that it may now never be issued, that he is delighted, because he feels that the French made a great mistake in ever being tied up with the Americans in this business. He cusses us out quite frankly and seems to feel that we are to blame for all his troubles. The Russian seed has fallen on fallow ground and the French are apparently only too willing to blame us for all their troubles. In the meantime Iswolsky and the Petersburg Government continue to bombard the French Government and the Bank.



- 6 -

with representations regarding Article XVI and with insinuations regarding American policy. It looks to me as if a serious attempt were being made to break up the quadruple combination which is not looked on with favor by either Russia or Japan.

The London Agreement has but little longer to run, and one of these fine days we may find the French standing from under. Poor Casenave is heartbroken, but can do nothing. The situation would not be so serious were it not for the fact that, judging from Sir Edward Grey's recent speech, England as well as France regards Russian friendship as all important in view of the growing menace of Germany. Great Britain is letting Russia play horse in Persia, and I doubt if we can find much British support against either Russian or Japanese aggression in China.

We have heretofore been regarded as the champions of the "Open Door". I fear that we must abandon the role, and that in the readjustment which is bound to follow the present row here admit to a participation in all Chinese business our Russian and Japanese friends. In any case it would be a grave mistake as I see it, for us to initiate any more business for a long time. We must leave this to England, relying on her either to square or to admit her Pirate brethren. In this way we can escape the odium of letting the Russians and Japanese into the combination, which otherwise might injure our own position with the Chinese.

I write you thus fully, for I am afraid that they are all trying to frame up a game against us again. Cannot something be done to conciliate and reassure the French, and can we not

- 7 -

be particularly careful to watch friend Addis, and prevent any disruption of the Quadruple Groups?

The sitting tight policy has been written on the wall for some time, but in addition to being quiet, it seems to me that we should watch the ball very closely these days, and not let any little loans or anything of that sort go by without a participation, for each common interest in which we are engaged is one more guarantee of the permanence of the combination.

Please do not think that this political discussion is too complicated, and that it concerns the making of history only, not the making of money. Out of this present political maelstrom much business will come, and I hope that we shall continue to hold our seat on the bandwagon. It's going to require some careful handling though if Simon's letters to Casenave are indicative of what we are up against.

I am sending a copy of this to Teddy.

With love to you all from us both,

Yours,



THE AMERICAN GROUP.

大美國資本家

W. D. Straight.  
Special Representative.  
CABLE ADDRESS:  
STRAIGHT PEKING.

Letter No. 218  
File No. 12-

Messrs. J. P. Morgan & Company,  
For the American Group,  
No. 23 Wall Street,  
New York City.

Gentlemen:-

Supplementing my letter No. 215 of December 4th in which reference was made to the plan submitted to His Excellency Yuan Shih Kai by Lord ffrench, I beg to state that the proposition was as follows.

Lord ffrench desired the Chinese Government to give him an assurance that, if the Chinchou-Aigun or Peking-Harbin Railway were not built within a period of two years from the date of signature of his proposed contract, the Chinese Government would give Messrs. Pauling & Company a contract for some other railway of equivalent mileage.

He proposed, if Yuan concented to this scheme, to return at once to Europe, there to use his good offices with his Government to reinforce the representations made by the Group representatives regarding an immediate loan to the Chinese Imperial Government.

In case Yuan was unwilling to give him the desired assurance he stated that Messrs. Pauling & Company, who had, for four years at great expense, by their efforts to secure railway construction in Manchuria bolstered the tottering Chinese sovereign in that region, would be obliged to feel

PEKING, CHINA.  
December 18, 1911.

30

2- J. P. M. & Co.  
Letter No. 218-

free to abandon their efforts in this direction and possibly to submit a claim for damages, to the Chinese Government.

I did not act jointly with Lord ffrench in suggesting to the Chinese Government that the American Group as well as Messrs. Pauling & Company be given compensation.

I trust that the Group will approve my position for the following reasons: 1. Yuan might have been able to give Lord ffrench such a contract on his own responsibility, the introduction of <sup>the</sup> question of a loan, however, would have necessitated reference to the National Assembly. 2. In case the Chinchou-Aigun or Peking-Harbin railways were not constructed the Chinese Government might very well give Messrs. Pauling & Company a contract on some railroad, the construction of which was being financed by the Four Groups as, for instance, the Hukuang Railways; in which case the Groups could, without great difficulty, come to an arrangement with Messrs. Pauling & Company. 3. In case Yuan had given Lord ffrench the desired assurances and Messrs. Pauling & Company had, later, secured the contract for the construction of a railroad for which no loan had been secured, I believed that the fact that such contract was given in lieu of the original Chinchou-Aigun contract would entitle the American Group to the right to finance such construction.

After considerable negotiation His Excellency Yuan Shih Kai informed Lord ffrench that while, if the present troubles in China were settled and he remained in power, he would do something for Messrs. Pauling & Company he did not feel himself in a position to give Lord ffrench a contract



3- J. P. M. & Co.  
Letter No. 218

such as he requested.

Lord ffrench therefore intends to leave Peking on the 19th of December. Messrs. Pauling & Company will not, I am sure, make any claim for damages for the non-fulfillment of the Agreement of October 2nd, 1909, without first consulting the American Group.

Yours truly,

*Willard Straight*

s/c

December 19th., 1911.

Dear Teddy:-

I am enclosing herewith copy of a letter mailed today to Davie. The letters from Simon to Casenave are pretty bad and indicate that the French are in a funk about the Russian situation. This of course you know, but I am not sure how fully New York realizes the delicacy of our position, and the attempts which Iswolsky and the Russians, Japanese also I presume, are making to break up the Quadruple Groups.

Yours,



Dear Mr. Straight,

In reply to your very kind letter inviting me to lunch with you on Thursday next I regret exceedingly that owing to an important engagement on that day I am unable to accept.

With regrets and compliments,

Card enclosed: Prince Tsai Chen

Peking 19<sup>th</sup> Dec. 1911.

THE AMERICAN GROUP.

大美國資本家

W. D. Straight.  
Special Representative.  
CABLE ADDRESS:  
STRAIGHT PEKING.

PEKING, CHINA.

December 22nd, 1911.

346

Dear Frank:-

You probably do not concur in my feeling that I am a lobster for not having written you before. It would be an assumption of importance on my part to think that you did. At the same time I do, and had I written several times it would have been seldom ~~more~~ compared to the ~~unusual~~ frequency with which we have both spoken of you and wondered how you were getting along. We fear it has been terribly lonely for you and now in this Holiday season most of all, and we wish that we might have done our part toward comforting you as best we might. You'll say that that is all very well but why the devil didn't I drop you a line. That's true too, but to tell you honestly, I have been selfishly happy, and have preferred to talk rather than to pour out my heart through the keys of this neglected machine.

We had hoped of course either to be at home or to be on our way by this time, but New York seems farther away than it did even on the day we reached Peking. I am told on all sides that the situation is extremely interesting, that we are seeing the awakening of a great people, that Liberty is soaring over the rice-fields, and that autocracy, corruption, squeeze



sowardice, avarice, intrigue, and all the evils inherent in any oriental administration, but now conveniently mill-stoned on the Manchu neck, are about to disappear, and <sup>that</sup> equality, fraternity and honesty, hitherto hidden beneath the blushes of a modest Chinese proletariat, are to become the watchwords of national development. That may be! But I for one do not believe that the Manchus deserve the celerity with which they have been tin-canned, nor that the garrulous patriots, are going to find as they apparently hope, a panacea for all China's ills in an orgy of hot-air, and republican nonsense.

The old crowd were bad enough. The Rebels are infinitely worse. When it comes to a choice between the most reactionary Manchu, and that ass, Wu Ting Fang, I should prefer the Manchu every time. If Yuan's programme for a constitutional monarchy can be carried out, and if his life is spared long enough to enable him to reconstruct a strong central authority, I believe there will be radical reforms and that China will progress rapidly, and that the revolution will have been a blessing to the whole country, in that it forced the Manchus to bring Yuan back to power, and ridded the ~~manchu~~ Government of a selfish and grafting Princely clique. If, on the other hand, Yuan is forced to adopt a republic, to give autonomy to the provinces to decentralise, even more than under the old administration, there will be chaos, constant disturbance, and but little satisfactory business for the honest banker unless the foreign powers actively intervene. Toward the latter condition I am afraid China is at present drifting, and largely because the Govern-

ments did not permit the Groups to support Yuan when he most needed it, i.e. before the meeting of the Peace Conference in Shanghai. This of course is my personal opinion, and I am quite ready to admit that I may be mistaken, but I am afraid that the penalty for taking the revolution too seriously, and the failure to act quickly and definitely in supporting Yuan, will be an expensive intervention and all manner of diplomatic complications at some later date. However! Qui vivra, verra, and I cannot set up in business as a prophet just yet.

So much for rot.

I'm terribly sorry about Geare. I think you will find that there have been some extenuating circumstances, and despite your telegrams I still hope he can explain matters. Please do not be too hard on him but give him another chance if you can.

Many thanks for looking after the Customs broker business. I hope we shall see you before long. We both send you our sympathy always, and much affection.

Yours,

*S.*



[12-23-11]

- 2 -

THE AMERICAN GROUP.  
大美國資本家

W. D. Straight.  
Special Representative.  
CABLE ADDRESS:  
STRAIGHT PEKING.

PEKING, CHINA.  
December 23rd., 1911.

38

Dear Harry :-

Your telegram received this morning stating that my attitude vis a vis Mr. Swa-Schwab - was understood relieved me. I should equally with yourself regret any other than a friendly relation, and cannot understand how my position could have been misinterpreted. From your first message I gathered that the gentleman in question objected to something I had done since his departure from Peking rather than anything that had happened during his visit. The letter, a copy of which is enclosed, was the only thing that as far as I know could possibly have been taken as indicative of any attitude at all, as I have never discussed Mr. Swab with any Chinese officials, or any one else, except in the most general way, save of course when I took pains to allay the suspicions of my whilom colleagues, Messrs. Brent and Eggeling, who relieved Cordes and Hillier during their absence, and who when it was rumoured about that Schwab had concluded a loan contract for 20,000,000 Taels, at once by insinuation accused the Group of having stung them. Whether Mr. Swab informed the Chinese that J.P.M. & Co. would take the bonds he received in payment for the construction I do not know. At any rate it was rumoured about

that this would be done, and the report as far as I know came from Chinese sources, to Eggeling, and through our sweet friends in the Russian Legation, who are always working to create friction amongst the members of our little Committee of four, to the Japanese and then on and about. Brent and Eggeling, who were bright, intelligent, sensible, thought Casenave and I were trying to fool them most of the time, and that we were both behind the Cottu Loan! Such is life in China! So when they spoke of Swab and his business I denied that he had made a loan, said that I knew what he had done, that we were not interested, but that if ever we became associated with the enterprise, the other three Groups would be given a chance. I trust that this was not indigest. Later the "Journal de Peking" a subsidized Russian paper, published by a Frenchman, quoted- whether it was actually quoted or not I don't know, an article from a Shanghai journal, also Russian subsidized, stating that J.P. M. were behind Schwab in the deal he had put through. Gillis himself called my attention to the article in question. It seemed best in the circumstances to deny the thing, which I did, as per letter enclosed. Swa-Schwab may object to the "alleged", but I thought it as well even to question whether he had done anything at all. I hope that you approve my action.

As to Mr. Schwab while he was here I fear that we did not fall on his neck. On arrival he attempted, I understand to go about for a few days under an assumed



- 3 -

name , and although he stopped at Gillis's most of the time, as far as I know, had a Fairy at the Hotel, and going about with him. We asked him to lunch one day which seemed rather a concession under the circumstances. He did not come however. I saw him but once to talk to, for any length of time , and then he sent for me to tell me of his contract. Twice I met him on the street , and that is all of my connection with Mr . Sewab.

Please do not think me irreverent , or even , frivolous. I confess that I do not care for the gentleman, nor would I seek him in a crowd for the pleasure of his company, but I really do not think that he has any cause to complain of me as being unfriendly , nor do I believe you need feel any concern lest I should have endeavoured to discredit him.

Hoping you have had a Merry Christmas , and will have a happier New Year , next year , even that you did this , you notice I have allowed for time in transmission we are both , devotedly,

Yours,

*W. H. Straight*

[12-23-11]

499

# THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*Cfo*  
*8.52 PM*  
*Q.*

Telegrams accepted for all Telegraph Stations in the World

*northern*

STATION

TELEGRAM Nr. 48 13 Class 7 Words.

Given in at *New York* 190 H. M. /m.

*Straight Isola*

*Peking*

*Love merry Christmas*

*Hastings*



618

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*By 24/12*  
 Telegrams accepted for all Telegraph Stations in the World

*Station*  
 STATION

TELEGRAM Nr. *87/478* Class *8* Words.

Given in at *Sakutsk Gore 23* 190 H. *17* M. *35* /m.

*Straight Peking*  
*Many happy returns to*  
*you both*

623

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*By 3*  
 Telegrams accepted for all Telegraph Stations in the World

STATION

TELEGRAM Nr. *26 14* Class *16* Words.

Given in at *New York* the *190* miles H. M. /m.

*Straight Peking*  
*Mrs Davy joins me in*  
*love and christmas*  
*greetings to Mrs Willard*  
*and goodself*



624

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*Cfo*  
 3 Telegrams accepted for all Telegraph Stations in the World

*On* STATION  
 TELEGRAM Nr. 18 *7* Class *7* Words.  
 Given in at *New York* *mid* H. M. /m.

Straight  
*peking*  
 Love *And* *Seasons* *alblopybgo*  
 greeting *to* *amirbahon* *both*  
 ucknight

625

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*Cfo*  
 3 Telegrams accepted for all Telegraph Stations in the World

*Q* STATION  
 TELEGRAM Nr. 14 *471* Class *7* Words.  
 Given in at *London* the *23* 190 *2* H. *300* M. /m.

Straight *peking*  
*Best* *whims.*  
*Aywaswyap* *dorothyand*  
*yourself*  
*Greenfell Whigham*



629  
THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

3 Telegrams accepted for all Telegraph Stations in the World

STATION  
TELEGRAM Nr. 21 11 Class 5 Words.  
Given in at New York the nil 190 H. M. /m.

Isola Peking

Merry Xmas Titine

631  
THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

4 Telegrams accepted for all Telegraph Stations in the World

STATION  
TELEGRAM Nr. 31 18 Class 4 Words.  
Given in at New York the nil 190 H. M. /m.

Isola

Peking

Love

Tottie



632

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

Telegrams accepted for all Telegraph Stations in the World

STATION

TELEGRAM Nr. 32 19 Class 22 Words.

Given in at new york 190 mil H. M. /m.

Straight

American group Peking  
Merry Xmas and happy  
new year from us all  
hope you are coming  
home soon

Harry and Payne

740

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

Telegrams accepted for all Telegraph Stations in the World

STATION

TELEGRAM Nr. 15/4 Class 4 Words.

Given in at new york 190 mil H. M. /m.

Straight Peking  
Merry mas mayherman



741

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*Gfo*  
 Telegrams accepted for all Telegraph Stations in the World

STATION  
 TELEGRAM Nr. *16/5* Class *5* Words.  
 Given in at *New York* the 190 *nil* H. *nil* M. *nil* /m.

*Straight*  
*Merry* *Peking*  
*christmas*  
*Frances*

745

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*Gfo*  
 Telegrams accepted for all Telegraph Stations in the World *Extension*

STATION  
 TELEGRAM Nr. *20/21* Class *6* Words.  
 Given in at *Lisbon* the 190 *21* H. *2* M. *as* /m.

*Straight*  
*All* *good* *wishes*  
*morgan* *Peking*



749

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

Telegrams accepted for all Telegraph Stations in the World

TELEGRAM Nr. 22/6 Class 5 Words. STATION  
 Given in at New York the 11 1901 H.  M.  /m.

Isola Peking  
 Merry Christmas Elizfred

750

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

Telegrams accepted for all Telegraph Stations in the World

TELEGRAM Nr. 24/7 Class 9 Words. STATION  
 Given in at Pittsfield Mass the 10 1901 H.  M.  /m.

Isola Peking  
 Xmas greetings to both  
 love Marnie Beatrice



763  
THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

1/5 Telegrams accepted for all Telegraph Stations in the World

W.H.  
TELEGRAM Nr. 17-7904 P 5 STATION  
Class Words.  
Given in at Shanghai the 25 190 H. 11 M. 15 /m

Straight Peking

Merry Christmas

Hanson

872  
THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

7.36 p  
Telegrams accepted for all Telegraph Stations in the World

TELEGRAM Nr. 75/2080 Class P Words. 11  
Given in at Shanghai the 25 190 H. 10 M. 10 /m

Mrs Willard Straight  
Peking  
Greetings and best wishes  
C.D. Jameson



857

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

3 *Go* Telegrams accepted for all Telegraph Stations in the World

*Cuen*

STATION  
TELEGRAM Nr. *9.2* Class *10* Words.  
*Newyork* *nil* *nil*  
Given in at the 190 H. M. /m.

*Mr and Mrs*  
*Hillard Straight*  
*Peking*  
*Love happy Christmas*  
*Barneys*

858

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

3 *Go* Telegrams accepted for all Telegraph Stations in the World

*Cuen*

STATION  
TELEGRAM Nr. *3* Class *5* Words.  
*Newyork* *nil* *nil*  
Given in at the 190 H. M. /m.

*Straight*  
*Peking*  
*Merry Xmas*  
*Lindley*



865

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*Chong*  
 Telegrams accepted for all Telegraph Stations in the World

STATION  
 TELEGRAM Nr. *3410* Class *11* Words.  
 Given in at *Oysterbay ny* *186* H. M. /m.

*Willard Straight*  
*Peking*

*Merry Christmas happy*  
*newyear come soon love*  
*Alnick*

866

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*Chong*  
 Telegrams accepted for all Telegraph Stations in the World

STATION  
 TELEGRAM Nr. *324* Class *11* Words. *6*  
 Given in at *Oysterbay ny* *186* H. M. /m.

*Willard Straight*  
*Peking*

*Merry Christmas*  
*Ethkum*



970

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

Telegrams accepted for all Telegraph Stations in the World  
 Station  
 TELEGRAM Nr. 16 7 Class 17 Words.  
 Given at Peking the 26 1901 H. 10 40m /m.

Williard Straight  
 American Legation Peking  
 China

A merry Christmas dearest  
 love to you both come  
 soon

Pauline

975

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

Telegrams accepted for all Telegraph Stations in the World  
 Station  
 TELEGRAM Nr. 140 113 Class 9 Words.  
 Given at London the 26 1901 H. 10 10m /m.

Straight Amlegation  
 Peking

Merry Xmas Happy  
 new Year  
 In laws



25th December 1911.

My dear Dorothy and Willard,

It was jolly nice of you to wire to me to Irkutsk and I have just now opened the parcels which you gave me before I left to be opened on Christmas day. I can only thank you very heartily and assure you that the clock, the cigar holder, and the little mascot are much appreciated by me and will be treasured in memory of the givers.

I had a few hours in Harbin and saw Watson with whom I had a bottle of "fiz" and drank your health. I am having a very dull trip. There is hardly anyone with whom I can foregather. Dr Kirke, whom Watson introduced me to in Harbin, sits with me at meals and although he is quite a decent fellow he is not particularly lively. The other passengers are a queer lot and amongst them is a famous swindler called Eddy, Morrison can tell you all about him, who I believe is being sent home as an undesirable by the British Government.

I have not had a word of news about the position in China since I left, but I look forward to hearing from you either when I get to Paris and London letting me know if there is any alteration in the dope you would like administered.

I expect that if nothing definite has happened by this that you, Master Willard, are getting a bit ratty and inclined to chafe but I haven't half the sympathy with you that I used to have and I shant tell you why otherwise Mistress Dorothy might blush and in any case I have not got the gift of expressing what I feel. I might try and break into poetry or protest with swear words which latter would shock Mistress Dorothy. It must be hard on you, Master Willard, to be cut off from such little reliefs as saying "hang" and "blow", still, there are compensations. I shall drink both your healths to-night with many a

[12-25-11]

2

heartily wish that you may have many many happy New years and that the New Year may soon see us together again.

Give my love to the purple cows.

Your affectionate

M'lord.

Gentle Willard has a bride

Naughty cuss words go outside

Fair and gentle Dorothy

Makes the willard gentle be

Time there was when Willard swore

Words that breathed wrath and gore

Now, should the gentle willard swear,

Dorothy would comb his hair.



[12-26-11]

I owe Mr. W. D. Straight the sum of Py\$1570.00  
 LESS amount credited by him account furniture,  
 carpets, pictures, lamps, etc. as per the attach-  
 ed Memorandum..... 195.00  
 The Total amount due is..... Py\$1375.00

I am leaving with Mr. Straight the sum of  
 Py\$270.00 to be used for the payment of outstanding accounts  
 when same are presented for payment. Whatever the balance  
 may be after the said accounts are paid will be credited,  
 by Mr. Straight, to my account.

*Wm. D. Straight*

December 26th, 1911.

Vicars 50.24.  
 Lehigh 23.09.  
 Hotel 43.75  
 Postage 5.80  
 Club 68.52  
 Canteen 3. —  
 Others 8.50  
197.90

270.00  
 197.90  
71.10

1375.00  
 71.10  
1303.90 *that was left by Seare*

KUHN, LOEB & CO.

*William and Pine Streets,*

*New York, Dec. 26th 1911.*

Dear Mr. Straight:

Thanks for your letter of November 27th which  
 I was very glad to receive.

Indeed things do move in your staid old part of the  
 world and the heathen Chinese seem this time to have taken the bit  
 in their teeth. What a year of upset and turmoil it has been -  
 Morocco-Turkey-Persia-China. I wonder what will come of it all  
 and whether the great powers, especially England and Germany will suc-  
 ceed in reconciling their conflicting interests sufficiently not  
 to fly at each others throats. A fight between England and  
 Germany, in which France and probably other nations could not  
 help but be involved, would be too awful a calamity to contemplate  
 and a great misfortune for the entire civilized world, not to  
 mention the pain which it would cause to the gentle Andrew Carnegie;  
 it would seem to the onlooker as if a conference of reasonable  
 men could adjust all essential matters involving or threatening  
 serious controversy and remove the dynamite from the international  
 situation for years to come, but the present aspect of affairs  
 and the public temper in the countries concerned does seem to give  
 ground for real apprehension, though I cannot help feeling that  
 when the responsible statesmen are brought face to face with all  
 a war would mean, they will yet shrink from the terrible risk, suffering  
 and loss.



W. S.

- 2 -

12/26/11.

Here, we are beginning to enter the period of superficial turmoil which normally precedes a presidential election. At present it looks like Wilson and Taft. Roosevelt, it is believed, could defeat anybody if he wanted to run and went at it with his usual vigor, but I do not think he does want to - as yet.

I am not writing anything about Chinese affairs because the present aspect of things is sure to be superseded by new and definite developments before this letter reached you, as with the Peace Conference at Shanghai and the attitude of the powers, it appears evident that things are moving toward a conclusion, one way or another.

I trust you and Mrs. Straight are in the best of health in the midst of the strenuous and exciting events and circumstances surrounding you, and I am looking forward to the pleasure of seeing you both in New York before very long. Please remember me to Mrs. Straight, and believe me, with kindest regards and all good wishes of the Season,

Very sincerely yours,

*W. D. Straight*

Willard D. Straight,  
Peking, China.

B

THE AMERICAN GROUP.

大美國資本家

W. D. Straight,  
Special Representative.  
CABLE ADDRESS:  
STRAIGHT PEKING.

PEKING, CHINA.

December 28th., 1911.

28A

Dear Harry:-

Under another cover I am today addressing the Group regarding a possible successor for myself, in which I lay emphasis on the threadbare proposition of the necessity of acquiring the International Bank. Please do not think this further evidence of restlessness on my part for it is'nt. But as I wrote you in November, while I am quite willing to play this present China hand to a finish, I do'nt want to come in for each fresh deal. Special trips to the East on special work would of course be excepted. It is not fair to Dorothy to keep her here indefinitely, nor would it be fair to make her take the tiresome trip evry year. More than that I personally feel that I have had enough of it and want to become identified with things at home, rather than be taken permanently as a Chinaman, and regarded as only useful in this field.

The interest which Salomon has shown in this recent proposition for a loan, is not the first time he has considered entering the China business. Last autumn he nearly engaged a special representative, and he has I understand on several occasions flirted with the International Bank who, I believe, have always replied that they were committed to the Group.



It is quite on the cards that there will continue to be other firms, outside the Group, who will from time to time try to butt in here. These outsiders, while not in the Group's class, may make it very embarrassing for the State Department, as well as for your representative here, to such an extent perhaps as to weaken the undivided Governmental support which it is essential a Group should have to be successful in this essentially international, not interneecine, game.

You are a very busy man, as are all the other members of the Group. There are many matters, too small to be worthy of your attention, which necessarily come to you, in Group meetings, because, as far as I could see it at any rate, there was no one else who could give a decision. This must be a nuisance to you, and at the same time it is not altogether satisfactory from the point of view of getting results out here, for you have not the time to work out the scheme for an organization, banking and commercial, such as we should have to hold our own in the every day commercial contest, as well as in the big loan deals. And its by getting a sound footing for our manufacturers in this very every day business, that ~~it~~<sup>has</sup>, it would seem to me, been the principal justification for our State Department in running counter to a pretty strong sentiment amongst politicians, and giving its support to the Group.

Our task out here is, and will for some years be, a political one. The Government's support is essential to success, and, as I see it, the Government cannot continue that support, <sup>so easily</sup> if rival banking groups spring up and make trouble or unless

our manufacturers get more of a look in. Therefore it would seem to me that two situations must be met, first, to enlarge the scope of the Group, and second, to work out some sort of a representative American selling organization, to act in harmony with the financial representatives, as well as the Legation and the consulates.

Would it not be possible therefore,

1. To enlarge the Group, either by taking in other houses on the basis of a small participation, or by creating an extensive underwriting organization, in New York, Chicago, St. Louis, Boston, and wherever else it might be necessary, thus making the Group a nationally representative institution?

2. To make the International Bank the Agents in China for such a reorganized Group on condition that the Bank put in a new set of managers at home and abroad, and to let the I.B.C. conduct all loan negotiations, acting with a Group executive committee in New York, and with Grenfell in London on questions of broad commitment?

3. To have the I.B.C. Manager in New York act with the Managers of a selling organization to be created by some of our leading manufacturers, and the I.B.C. Agents in China cooperate with the selling agents in China?

Machinery such as this would be effective not only in the East but in South America, and wherever else it was necessary to assist American Financial, Commercial or Industrial enterprise by diplomatic representations.



[12-28-11]


- 4 -

I fear you will laugh at this as a pipe dream, and I am sure that such an organization would be difficult to perfect. At the same time we have made such a good start in breaking into this hitherto close preserve, and there are such opportunities for an American export trade here, and in South America, if once we have a proper organization, that I venture to put it before you. Unless we do get the organization, moreover, we are not going to get the business, for I fear that it will not be possible to wait for the business to come before making arrangements to handle it. The others all have their organization, and we cannot expect to compete with a commercial machine in foreign hands unless we have one of our own.

You may wonder what all this has to do with my desire to get out of the China job. I would like to leave Peking and I should also like to continue in this game from the other end, for I really feel that having started an establishment here, a more definite and tangible organization should be formed both at home and in China.

Please think it over one of these days if you have time and see if you think there is anything in it. In any case pray accept apologies for the length of the screed.

Yours,



December 29th. 1911.

Dear Eads :-

Our idea about the Alumni Fund is a bully one, and if any one ought to contribute to that same it is I who had no cinch in getting through on what was allowed me myself. Herewith total of \$ 350.00 . \$ 100.00 for the particular case in hand, and \$ 250.00 as first installment of an annual contribution of \$ 500.00 . We can make other arrangements perhaps when I come home, but let it stand at that for the present and I'll send you another \$ 250.00 in June if I am not at home myself to go over the whole question with you. As to the Committee, Bully, let 'em go at that. You have my proxy on such questions as long as I am not at home myself to look after the matter.

Please write me Hienie's address if you can get it. Send a copy of your letter to Morgan Grenfell 22 Old Broad Street, London, lest I should have started for home as I hope before an answer could reach me.

Love to Mrs. Eads and the Kid, and to all other who come in that old tallyho to enquire.

Fraternally Yours,



December 29th., 1911.

Dear Frank;+

You may not like the new spelling, but you are lucky not to get two small ff's. Thanks for your Christams cable, we sent you one in return to Locust Valley where we assumed you would be spending the day. We wish that it might have been a brighter one for you, Old Man, and our hearts were with you in the loneliness that must have been too awful even though everyone was doing their best to make it easier for you.

I have reeled off a number of letters, to the Group, and more especially to H.P.D. about a successor for myself, the Group organization and many other things. Of course I don't know what will happen, but I trust that some action will be taken soon for while I am quite willing to see this through for a time? I shall not wish to come back except for special reasons and would like to feel on leaving that there was some American here who had worked with me and whom I could leave in Charge without qualms of conscience. Gatrell's fine but for political reasons it would be better to have an American at the head.

As regards a stenographer, however, if you send one out, please get me a quiet man, a university man preferred.

[12-29-11]  
- 2 -

The position in China is a peculiar one. You are brought into much more intimate personal contact with a secretary than at home, the society of the place is small, everyone is in it more or less, and a man to be satisfactory in the job should be some one who cannot only do his work well but who does not have his trousers bagging at the knees, who does not show embarrassment in the presence of ladies, who has not sports before the eyes, who does not in fact need Lydia Pinkham's pills for the relief of any of these maladies common to youth who have not been housebroken. He should be a fellow whom you can ask to dinner to meet anyone, who is interested in outdoor sports and who can enter into the life of the place such as it is. The other kind, and in this category unfortunately, too many Americans in the East are classed, are used to doing their work and finding their pleasure in the theatres, or some where along the White Way. There is no White Way out here, and the man who has no other thoughts than these generally ends up at the Hotel Bar, and in the Houses of Prostitution whereeking's gilded youth finds its excitements after the labours of the day. The man we want here should also be studiously inclined and interested in reading, or with some other resource in himself, otherwise he is almost certain to get in with the wrong crowd. It may be difficult to find the right man, but you are more apt to find a college man who meets these requirements than the usual New York stenographer, and I'd rather have a poor stenographer who can keep his mouth shut and be presentable, than a 198 words a minute man, who talks about office hours,



and weps for the white lights. There are neither, for work must be done whenever it comes, not at all or all the time, and there are no light operas, no cafes, no automobiles, and coney islands, for youth to disport itself at. There is interesting work, ponies to ride, tennis to be played and books to be read, and an international society of some respectability and surprising dulness, which plays bridge at the club, sometimes drinks too much, though without being vicious, has its races, and its skating, and other simple pleasures, but which takes itself seriously after all. Into this a man must fit somehow, the better he fits the happier he will be, and if he doe'snt fit he will sooner or later go to the devil. He may do that anyway, for the East is a short cut to the Primrose path, but he is less apt to if he can become part of the community.

Do you catch my drift? This must otach the mail anyway, so Amen to the Homily, which might be read with benifit by any young man about to begin life in the Far East.

Yours,

December 29th., 1911.

Dear Harry; -

Run of conversation to the typewriter! Such is life without a secretary!

I took it upon myself to advance Geare's travelling expenses from the Group's funds for several reasons. In the first place, while he has, from your telegrams, been, apparently most indiscreet, I do not think him disloyal, nor do I believe that whatever he did, was done with vicious intent. Therefore, in view of the really excellent and hard work that he has done it seemed pretty hard to fire him outright, and to leave him stranded as he would have been. He, moreover, had run up some debts which he could doubtless have cleaned out had he remained, but which he could not fix on two weeks notice. These Dorothy, out of the goodness of her heart paid off, Geare giving me a note for the same. Had he been put on the beach he would have made, or might have made it very embarrassing for he knew, naturally, almost everything that was going on, and there are plenty of newspaper men, particularly Britishers who would have loved to print stories in the local China press about the American Group and its activities. Therefore it



seemed best to bet him off and keep him as much under obligation to us as possible in order to prevent him from being nasty. I don't know that he would have been but it did not seem desirable to take any chances.

As to his future, if that interests you at all. He is a very good man and a hard worker. He is a little too rough for my purposes however, and while I have ~~the~~ much liking for him I do not care to have him with me again, as I prefer a quieter type. He would however be an excellent man for some commercial house, and would, especially after his lesson, probably gradually lose some of the excess spirits which have not entitled him to be included in the thoroughly house-broken class. So I hope that if the circumstances attendant upon his recall will permit that you will not stand in the way but perhaps help him into another position.

We were delighted to receive your telegram on Christmas and hope that you received ours sent to Locust Valley. We wish we might have been good neighbours and had a run over to see you all. Not yet but I hope soon.

Yours,

[copy]

December 29th, 1911.

Dear Mr. Robinson:-

Thanks for your cable received this morning about sub-letting this house of yours and ours, I am sorry that we had to trouble you and sorrier that we can see no chances of occupying it ourselves. Both Dorothy and I appreciate very much all the kind thoughts, and the arrangements of our distinguished landlords, and it would have been a great pleasure to have been, what shall I say, your children-in-law pro-tem. However, with this revolution and the consequent general upset we simply have to hand on watching things lest some one put it over on us, and while it is interesting and exciting, I wish the darned lid had stayed on until we got well out of the country, and so far away that they could not in kindness of heart have sent us back.

I wired you that we were mailing the signed lease. I wish we were, but I had it out here to sign, and it mysteriously disappeared. If I can find it I shall mail it at once, if not, you say that the telegraphic authority will be sufficient, and I presume that this letter in itself constitutes an acceptance of your offer for the House at 750 Park Avenue for four (4) months, i. e., from January



[12-29-11]

- 2 -

1st to May 1st, 1912, at a total price of \$8,000.00;

Thank you again for your letter. Please give our love to Mrs. Robinson, and Mose, and take some yourself, for there's a great deal for your family always, I can tell you.

Yours sincerely,

WILLARD STRAIGHT.

Douglas Robinson, Esquire,  
128 Broadway,  
New York City.

[1911] 3123  
THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

349m  
Telegrams accepted for all Telegraph Stations in the World

STATION  
TELEGRAM Nr. 9/2 Class 7 Words.  
Given in at New York the 191 H. M. /m.

Straight Peking  
Rilidvaawy hobvewiasg  
epasy wactibblumy  
McKnight



1912

1941

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

6566  
Telegrams accepted for all Telegraph Stations in the World

STATION  
TELEGRAM Nr. 114 Class nil Words nil  
Given in at Reno Nevada the 190 H. M. /m.

Straight Telling

New Year's  
annce  
am year

A Merry Christmas  
and  
A Happy New Year  
To Mr. Geare  
from  
C. H. Myers

1912

1942

THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

821 m  
Telegrams accepted for all Telegraph Stations in the World

STATION  
TELEGRAM Nr. 19-5 Class 5 Words.  
Given in at New York the nil 190 H. nil /m.

Isola

Teking

Happy New Year

Beatrice



1912

1639

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

250m Telegrams accepted for all Telegraph Stations in the World

STATION

TELEGRAM Nr. 14-299 Class 10 Words.

Given in at Paris the 30-12 1901 H. 12 M. 28 /m.

Straight Peking

Best wishes happy new  
year you both  
Ivyherman

1912

1926

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

1150m Telegrams accepted for all Telegraph Stations in the World

STATION

TELEGRAM Nr. 246 157 Class 6 Words.

Given in at Paris the 1 1901 H. 11 M. 50 /m.

Straight Peking

Happiest new year  
both  
Miladlov



1912

1658

## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*Cy 3/12*  
 Telegrams accepted for all Telegraph Stations in the World

*Stgoch* STATION  
 TELEGRAM Nr. *17/13* Class *5* Words.  
 Given in at *the nil* 190 H. M. /m.

*Straights Peking*  
*Neargrets willbrawl*  
*Parispring*

1912

1896

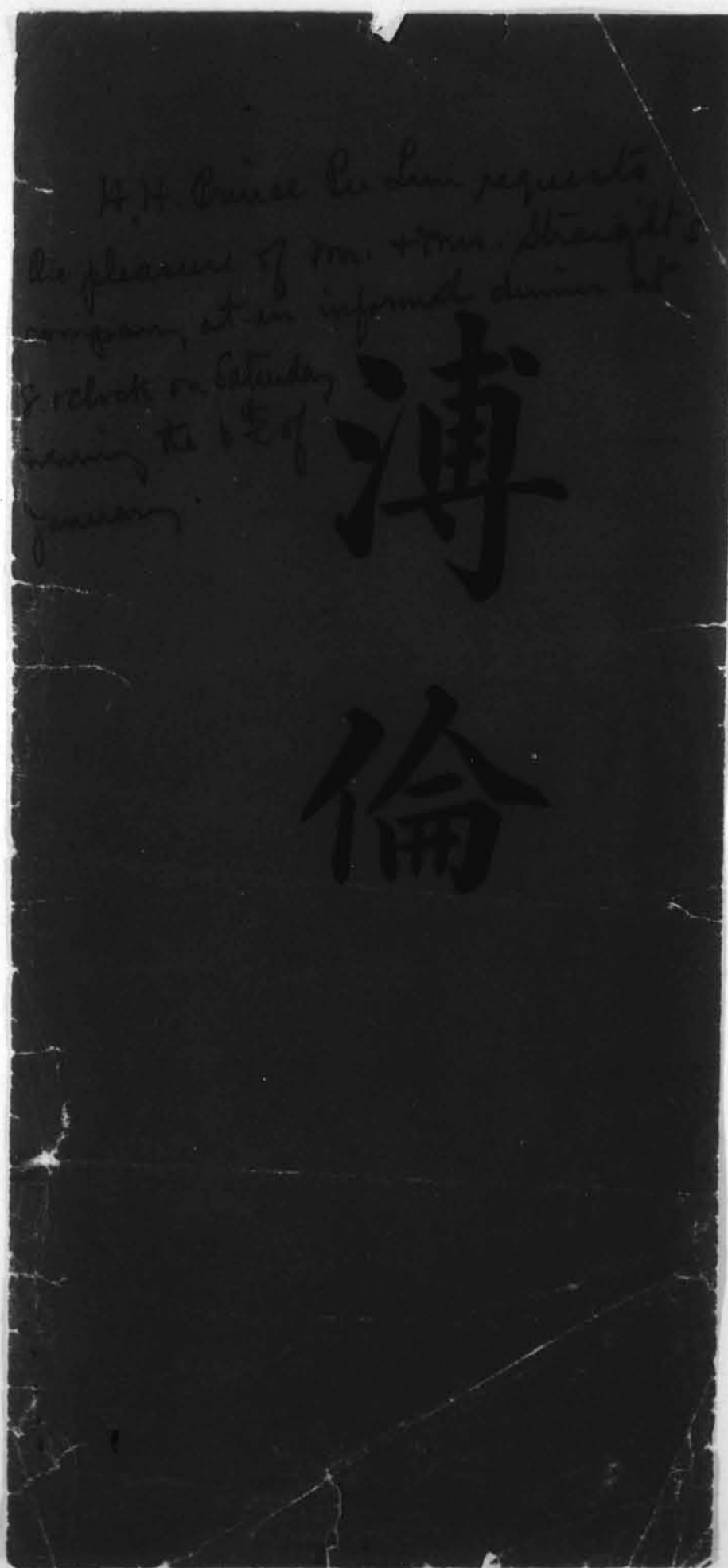
## THE IMPERIAL CHINESE TELEGRAPH ADMINISTRATION.

*730P*  
 Telegrams accepted for all Telegraph Stations in the World

*C/Lus* STATION  
 TELEGRAM Nr. *143/10172* Words.  
 Given in at *Harbin* the *1/1* 191 H. M. *5* /m.

*Straight Peking*  
*a happy new year*  
*to both*  
*Watson*





The Willard Straight Papers at Cornell University

002695



January 4th, 1912.

Accountants Investigation Bureau,  
Room 1509 No. 43 Cedar St.,  
New York City.

Dear Sir:-

In reply to your letter of November 8th, regarding  
Mr. John Francis Moore, I would say that I knew Mr. Moore  
when he was a private in the U. S. Marine Corps in Seoul, Korea.  
I have seen him several times since. He is a good man -  
sober, bright, industrious, and trustworthy.

Yours very truly,

Okada Engineering Office.  
Naniwa-cho, Dairen.

Jan. 4, 1912.

Willard W. Straight Esq.  
Peking.

I beg you to accept my hearty  
congratulation of Happy New Year  
and prosperous of your sweet Home.  
Very truly yours.

Bush T. Sugiyama

P.S. Since last Dec 24th I had moved  
from New Chwang to Dairen.



W. D. Straight.  
Special Representative.  
CABLE ADDRESS:  
STRAIGHT PEKING.

THE AMERICAN GROUP.  
大美國資本家

PEKING, CHINA.  
January 9th., 1912.

Letter No. 233.  
File No. 8.

Messrs. J. P. Morgan & Co.,  
For the American Group,  
23 Wall Street,  
New York City.

Gentlemen:-

I have the honour to call to your attention the provisions of Article XVII of the Currency Loan Agreement stipulating that in case, owing to some political or financial crisis, the bonds are not issued within six months from the "date of notification" i.e. by April 14th., 1912, the Banks are entitled to request an extension of time - the markets still being unfavorable - but that, should the Chinese Government refuse to grant such extension, the contract shall become null and void subject to the repayment of advances under the provisions of Article VIII, Section 6.

It may be considered as reasonably certain that an issue of Chinese bonds, taken at 94  $\frac{1}{2}$ , on or before the 14th. of April will be unprofitable if not impossible.

From the present indications I fear that there will not, by the date above mentioned, be established either here or in Nanking, a Government that can justifiably be called more responsible than was the Imperial Government at Peking when

Messrs. J.P.M. & Co.

Letter No. 223. Page 2-

when Yuan Shih Kai first assumed the Premiership.

There may in fact be an administration in the North as well as in the South. To whom then shall the Banks address their request for an extension of the time for issue?

If the request be made to, and granted by, the at-present-Imperial Government under Yuan Shih Kai, will not the Revolutionary authorities regard the renewal of this financial obligation as, virtually, a new loan, protest it and refuse to recognize as binding, should they assume control, the Northern Government's sanction of an extension of time?

If the request for an extension is addressed to both Governments, is not each liable to refuse because recognition has thus been given to the other?

If one Government is approached and consents to an extension, in which the other does not acquiesce, or if both are addressed and one refuses, to whom will the Banks look for the repayment of the advance of £ 400,000?

Until this advance is repaid of course the Loan Contract is binding, and whatever Chinese Government or Governments emerge from the present crisis, will doubtless be held to a recognition of the obligations of the Imperial Government which it has replaced.

The further question arises, however, whether the Group would be willing to make the loan on the old agreement. Would they not wish to impose conditions of control not contemplated by that instrument?

To secure the preservation of the Chinese Government's obligation



Messrs. J.P.M. & Co.

Letter No. 223. Page 3-

obligation under the agreement and at the same time to enable the Group to negotiate a control not originally stipulated, - joint diplomatic pressure by the four interested Powers will be necessary.

I fear however that it will be difficult to secure such joint action. The pressure of Russia on France and of Russia and Japan on Great Britain has been great. Russia and Japan are determined if possible to secure an acknowledgment of their special position in Manchuria and Mongolia. Russia has in fact already taken steps to that end. Great Britain and France deem Russian and Japanese support to be an essential feature of their diplomatic game against Germany. They will, therefore, I am afraid be only too inclined to take advantage of China's chaotic condition to satisfy their respective allies by allowing the Currency Loan to become a dead letter unless steps be taken, much more radical than those contemplated at the time of the Berlin Conference, to come to an arrangement with Japan and Russia regarding their protest against Article XVI and their claims to recognition as the dominant powers in the North.

The unwillingness of the Governments to permit the Groups to loan funds to Yuan Shih Kai, and the "neutrality" which has been observed, has constituted a virtual recognition of the belligerency of the rebels, and has resulted in the gradual weakening of the Peking Government, to which alone the Legations have nevertheless been accredited throughout, and which is still, I believe, the most promising nucleus for a reconstituted central authority.

Messrs. J. P. M. & Co.  
Letter No. 223- Page-4-

Had the financial support which Yuan desired, been accorded him on his assumption of the Premiership, before many of the cities now under the revolutionary control had denounced the authority of Peking, before even the present Republican Government had arrogated to itself the powers it now claims, I think that there is little doubt that he would have been able to quash the revolt and establish a constitutional monarchy on a firm basis.

Had this been done, the Currency Loan might still have been issued within the six months period allowed by the contract. The Russian and Japanese objection to Article XVI might have caused some inconvenience, it is true, but they would not have presented the difficulties with which it is now necessary to reckon.

As already pointed out, it will be necessary, I believe to depend upon diplomatic pressure on whatever may be the Chinese Governments or Government in April next, to assure the recognition of this obligation and the ultimate issue of the Currency Loan. That pressure to be effective must be jointly exerted by the four powers and such joint action will I fear depend upon the conciliation of Russia and Japan.

The price for the preservation of the Currency Loan will, it would seem, of necessity be the recognition of Japanese and Russian predominance in Manchuria. In any case, and aside from the question of the loan, I am inclined to regard that recognition as inevitable in the settlement which must follow.



Messrs. J.P.M. & Co.

Letter No. 223. Page 5-

follow the present upheaval. This may mean ultimate annexation of this territory by the two powers, and that possibility, in view of Russia's action in Mongolia, cannot be considered altogether remote.

The American Government after its repeated declarations as to the preservation of the integrity of the Chinese Empire, may be reluctant to permit the Group to take any action, anticipating what may mean the eventual cession of Chinese territory to Russia or Japan. At the same time the adoption in China of a system of Government which will, I believe, - whatever its form - be based on a large measure of provincial autonomy, must to a large extent modify the views originally held. It will be difficult to bring the preservation of

the Manchu Imperial dominion, including Mongolia and Tibet, to even a quasi-popular Chinese administration, within the realm of practical politics. It may therefore be found expedient to come to some understanding with Russia and Japan as to their position in Manchuria and Mongolia, in return for a promise that they would no longer attempt to block the Currency Loan, and would furthermore act together with the four powers in China proper.

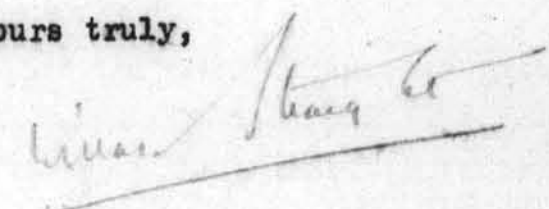
Cooperation of this sort, moreover which alone could virtually exclude free lances like Baron Cottu, is all the more necessary if the Groups desire to make adequate control of expenditures a sine qua non of any future loans.

These matters are submitted for your consideration at  
this

Messrs. J.P.M. & Co.  
Letter No. 223. ~~page 4~~

this time for it would seem that the revolution and the situation it has created, necessitates an adjustment with Russia and Japan, if the Currency Loan is to be preserved, and gives the Groups an opportunity in renewing negotiations regarding this loan with the Chinese, both to alter the Agreement in such manner as to make it satisfactory to these two powers, and to insist upon a measure of control not contemplated by the original instrument,

Yours truly,





Misc.

NOTES ON SOME CONVERSATIONS WITH H.H. PRINCE PU LUN.

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Prior to the war between China and Japan in 1894-1895, China's views regarding foreign countries were based almost exclusively upon her relations with England and France. Her relations with the United States having always been friendly in character occasioned China no great concern.

Very different was the mental attitude assumed toward the countries whose successive victories culminating, in 1860, in the flight of the Court to Jehol, and the investment of Peking had, with the treaties which followed each collision, given rise to feelings of sullen hatred and fear.

To Japan scarcely a thought excepting perhaps of utter disdain was ever given. Proud boasts were made by China's Generals when war was declared, and they, and their troops went to the front elated with the conviction that so insignificant as a country as Japan, whose whole population did not exceed in number that of one or two of China's provinces, would soon be chastized into submission.

The result of this collision between the exponents of the Old and the New in Far Eastern political history was a startling one. China was weighed in the ballances. Her cherished traditions were found lacking in value. Neither numbers nor bluster was of the slightest avail. China the Giant was humbled by Japan the Dwarf.

The reverses on sea and land and the diplomatic relations which led up to the signature of the treaty of peace showed that Japan had quietly but rapidly forged ahead of China and had become a new and mighty factor in the Far East. The war revealed the results of years of speculation and the gross inefficiency caused thereby.

The more progressive among China's thinkers were aroused. They saw that immediate reforms in every department

(2)

of the Government were necessary if China was to regain her lost position or, in fact, was to hold on to what remained.

Chief among these thinkers was Li Hung Chang upon whose shoulders had lain the responsibility of representing China at the peace negotiations. His visit to Japan enabled him to judge of the full insignificance of Japan's new position and realizing China's helplessness to stem the tide of her advance, he conceived the idea of taking advantage of the consternation with which Western Nations were viewing these events to induce them to take concerted action along the lines of restricting Japan to the immediate results of her victories.

For the purpose of testing the temper of these interested nations he made a tour of the West. It was not fruitful of results such as he was seeking.

Meanwhile progressive articles were appearing in ever increasing numbers in the native press and the sentiment aroused thereby reached the Palace itself.

H.I.M. Kuang Hsu showed extraordinary interest in all that was transpiring and, what is more to the point, a quite unlooked for amount of sympathy with the advocates of reform.

Translations of foreign books upon all conceivable subjects were introduced into the Palace and it soon became the fashion to talk Reform. But with the exception of a few earnest men whom His Majesty had gathered about him the advocates of reform in the official ranks were mere hypocrites.

The Emperor, sincere in his convictions went ahead too rapidly with the result that a powerful reactionary party was forced to reveal itself.

The general facts of the Coup d'Etat are known. Those who brought it about were fighting for their vested interests in a political system which had enriched their forbears for many generations. For years they have been ~~masters~~ masters of the situation. They have fattened upon the emoluments which



(3)

their exalted position has secured to them. Funds which have been raised for the army, the navy, for education, for local government and other patriotic purposes, have been largely distributed among them. With the triumph of the reform party would come auditors and investigators who could not be hoodwinked as the rank and file of the people had been. This specter could not be faced. An encounter with it was therefore avoided by the series of political moves which sent the Emperor and his enlightened councillors into exile and brought the purblind, arrogant, self-seeking reactionary party into power again.

There is one incident connected with the events of this period which though generally believed to be true is open to question namely the part said to have been taken by Yuan Shih Kai.

The Emperor needed his services in that time of stress but the fact that these services were needed in Peking would seem to prove the extreme unlikelihood of his being sent to Tientsin on the mission assigned to him namely to take the life of Jung Lu. Yuan Shih Kai could not have gone to Tientsin, have assassinated Jung Lu and have returned to Peking in time to protect the Emperor from the inevitable wrath of the Empress Dowager. Moreover, the Emperor was not at all disposed to take extreme measures even with his opponents.

The Empress Dowager, then, came into full power again and surrounded by her clique of triumphant reactionaries the task of nullifying the Emperor's efforts toward reform was commenced.

The antipathy toward reform was extended to include foreign influences of all and every sort for did not the heretical ideas entertained by the Emperor come from abroad?

Solemn warnings from educated reformers, able, logical writings in progressive papers, threats of secession, only served

(4)

to confirm the fools in their folly. The Empress Dowager was completely dominated by the counsels of the men who had restored her to the throne and who had prevailed upon her to go the length of appointing as Heir Apparent their nominee.. Anti foreignism was fostered and finally came the Boxer madness.

It is impossible to understand the blind fury with which Boxer tenets were spread. The Empress Dowager implied her doubts by frequent anxious questions as to the truth of the Boxer's claims to invulnerability, to divine origin and as to their power over nature. To all of these questions Prince Tuan and his demented colleagues gave unqualified assurances of the genuineness and trustworthiness of the movement.

When the Chien Men of Peking was burning the fire having spread from a neighbouring street which was being burned by Boxers, Prince Pu Lun went to Prince Tuan who was then Chief of the Boxer organization and asked him whether he could now believe in the efficacy of Boxerism? What were the Supernatural Boxers doing that they could not confine the fire to the property of foreigners or to Chinese property under the ban of being in sympathy with reform? What was the use of a cult which resulted in the burning of Peking's gates?

Prince Pu Lun's effort to bring Prince Tuan to his senses was thrust rudely aside and aspersions were cast upon his loyalty so that for some time he was in danger of being denounced as a Boxer sympathizer of the hatred reformers a subterfuge much in vogue in those days when it was desired to bring about the downfall of outspoken people.

The inevitable happened. China was once again invaded by foreign troops this time by troops of eight great nations. The Capital fell and the Rulers fled accompanied by their mad counsellors.

With the Empire at their mercy terms exacted by the Allied Powers were agreed to and the Court returned.

Reconstruction, reorganization, reform were again the



(5)

talk of the day. The wiser among the progressives saw in this crisis one more opportunity to start afresh. The Native Press made constitutional questions to overshadow all others in their leaders. A deputation which included H.H. Duke Tsai Tse an able Viceroy and many other intelligent men was sent abroad to study political institutions. They returned with voluminous notes which were duly edited and printed. What was the sum total in results? The names of two of the State Boards were replaced by synonyms-that is all. But the ideas inculcated by the press were germinating in men's minds. The prospect of a Constitution drew to Peking men well acquainted with political history. Provincial Assemblies were formed and out of these the National Assembly.

Prince Pu Lun had been abroad and had clearly seen to what disaster the Empire was drifting. He was appointed President of the National Assembly. He spared no effort to get into touch with men with rational or progressive ideas. By private conferences, by study of political literature under returned students, and by public utterance he made supreme efforts to get at the mind of the people and to win their confidence. He was ready to be the pupil of anyone who could impart to him ought that bore upon the art and science of government.

By this time, of course, a new Emperor - a boy of four - was occupying the Throne and his father was Regent. In this manner was lost another opportunity to place upon the Throne an adult. Prince Ching, Na Tung and the same old clique maintained their supremacy,

Prince Pu Lun paid a hearty tribute to the kindness invariably shown to him by the Prince Regent but bewailed the fact that nothing he might say or advise ever availed to arouse the Regent into taking the independent action demanded by the situation.

Prince Pu Lun finds it impossible to understand the

(6)

attitude of Duke Tsai Tse. This member of the Imperial House was the recipient of extraordinary favour from the Prince Regent and their relations were of a most affectionate character. He had been abroad and had been credited with much that was of practical value in the reports of the mission to the West.

Knowing of this Prince Pu Lun frequently sought to induce the Duke to bring before the Prince Regent the real state of affairs as revealed by the proceedings of the National Assembly and by private intercourse with its diverse members. If only the Duke had been a man of action he might have proved a tower of strength. But no evidence has ever been seen that points to his having moved a finger to help.

Alone Prince Pu Lun could do nothing. He saw that to try to hoodwink the people by empty promises, by offering the shadow of what they were demanding instead of the reality not only meant failure but must bring disaster. He states that the open declaration of rebellion now shaking the Empire to its foundation could be seen long ago by anyone with eyes to see and brains to comprehend the signs of the times. Prince Pu Lun, indeed prophesy just what has happened. But his warnings were made light of, his purposes misinterpreted and the hearts of the people were lost.

The outstanding fact that the people were giving unmistakable evidence of discontent was relegated to the fathermost confines of the minds of those willfully criminal Ministers of State. At first, the popular demands were reasonable and consistent with the age in which we live. Had these been ~~listened~~ listened to and an earnest attempt have been made to redress wrongs all might have been well. But the same blind arrogance has prevailed and the situation has now become hopeless.

To accomplish anything one must have either reason or force or both. With both lacking nothing but failure must be looked for,

Yuan Shih Kai is able and patriotic but for some



(7)

unaccountable reason he has failed to make use of either the reason which belongs to the Government side of the present struggle or the force which was at his disposal and which might have been increased had he demanded it.

Yuan's choice of Tong Shao Yi to represent the Government at the Shanghai conference was most unfortunate and has ~~given~~ given rise to much suspicion regarding Yuan himself. Tong's only claim to a place in the Government consists in his knowledge of English and political history. If the present troubles had been of an international character his talents might have been used to advantage but to send him to manage a purely domestic matter was to doom his mission to failure.

Now the truth is known. Inefficiency, blindness, and corruption have been bearing fruits after their kind. And still there are some who talk of recovering what has been lost. Still there are some who would make light of the awful condition and who shower maledictions upon the people whom they have forced to declare their inability to bear any longer with the past maladministration. The Manchu oligarchy has no one to blame but its own members.

[1912]  
[copy]

January 11th, 1912

Dear George:- [George Bronson Rea] pg.

I had been much disappointed at not seeing you again before your departure of which I learned the day after you had beaten it. I was however very glad to have your letter and your ideas therein expressed.

The points you make are most interesting and I cannot deny that I myself entirely agree. However, this opinion is personal and I am afraid that if you print dope of this character you will do no good and only have it react on you yourself and your paper.

Is it worth it? If you were fighting for a good cause, for people who appreciated your championship, or who were deserving of the sympathy and hard knocks we have all put into their cause it would be very different. I cannot see that this lot is entitled to the trouble you are apparently willing to take on their behalf. You have one end of the story from Chou, we see our friend Tsai and admire him, but are you sure that they are not all trying to use us as tools in a game, which is essentially selfish, regarding which they have never taken us fully into their confidence, and out of which if we enter it very actively we are but too apt to emerge as the goats.

This talk of opportunism may come strangely from me who have always rather been inclined to pride myself on



motives not wholly utilitarian, and who at certain times in the heyday of my youth, was quite as anxious to champion what I believed to be the deserving, though wayward China against the machinations of the world's land grabbers.

I do not feel this as keenly now, nor I trust because I have lost my ideals, but because the experiences of the past few years have made me feel that our enthusiasms have perhaps carried us too far and that it would really be wiser and better, with a view to playing our own country's game which after all is the most important, to regard this China business in a more dispassionate, if not more cynical, way.

I confess that I had, and for that matter still have, a deal of enthusiasm, personal, for Yuan Shih Kai and his cause. I did all I could, which was not much, to obtain assistance for him. My efforts were inspired by a good deal of the old time love of battling for what seemed a cause, but my representations to the Group were based on what I believe still to have been sound business premises. I still think that had the Groups and Governments come to Yuan's assistance the troubles would have been over, and that their failure to do so was an error of business judgment, if indeed as far as Great Britain was concerned there was not some actively selfish reason for non-interference. Personally too I agree with what you say as to a republic, and would be inclined to echo your criticism of both British

and American policy, and draw the same conclusions if I felt that a statement that these two powers did believe a republic the best thing for China to be warranted.

I do not think that you are justified in making this assertion. I do not think that either Government whatever their mistakes may have been in the present crisis can be accused of directly favoring a Chinese republic or of having stultified their Indian or Philippine policies by so doing. That their neutrality may have been more beneficial to the revolutionists than to Yuan's Government I will admit, but they cannot because of this result, be said to have favored a republic.

Your argument therefore I think is faulty. It would be easy to punch holes in it it seems to me, and I hope that for your own sake you will modify it, for if you don't I fear it will hurt yourself, and I don't see why you should run the risk of being charged with tilting at windmills.

On the other hand should you desire to criticise the Governments for a policy of weak kneed expediency, which wobbled and waggled, where it was obvious that a strong diplomatic hand might have restored order, I think that, while you may make enemies, it would be in a good cause, for it would be difficult to answer your arguments. You could point out I think that on the one side was Yuan an experienced statesman, with an organized Government, which, had it been assisted with funds at the proper time,



could have rapidly extended its powers and brought the rebellious provinces into the fold once more, and that on the other sides were a lot of self-seeking blatherskites, theorists, and hot-air artists, who, if they succeeded in establishing a semblance of a Government, were bound eventually to fall out amongst themselves.

Point out that support for Yuan would not have meant the imposition of Manchu autocracy on a suffering people, that Yuan represented some reform and progress, while the others stood for schemes wholly impracticable of execution. Reform was certain. The question was by whom it should be inaugurated, who would have the best chance of governing the country well, and commanding the respect of foreign powers.

Point out that it was not a question so much of a republic or a constitutional monarchy as it was the efficiency of the agency that would have to be depended upon to reorganize the central Government.

Give the diplomats credit also for their fears of boycott, and anti-foreign uprisings.

Draw the lesson if you will, as regards India and the Philippines, and show that if a republic is established what the effect may be in these possessions of ours. But don't say that the British and ourselves have been inconsistent because we supported a republic in China.

The article is yours of course and you can do what you damn please, and probably will, but I have ventured to take it upon myself to express my views on the points you made in your letter. We are probably in disagreement as to the form rather than as to the substance, but it has seemed to me that there is far too much practical work for you to do to have you running any risk of being deprecated as a visionary, who is trying to fight Yuan's battles for YUan's sake. If you put your support on the basis of good government, the necessity of re-establishing stable conditions that trade may go on, and make your criticism of a republic and the attitude of the two Governments on these grounds it would be more wise. Take it from me.

Yours,  
S.



January 11, 1912.

Rev. E. C. Lobenstine,

Hon. Secretary,

Central China Famine Relief Committee,

16 Kiukiang Road, Shanghai.

Dear Mr. Lobenstine:-

I regret exceedingly that your letter of December 23rd., regarding the soliciting of subscriptions for Famine Relief Work, has been so long unanswered.

The revolution has so much occupied the mind of the general foreign public in China, that conditions of famine which were predicted in the early fall, have been overshadowed now that they are a reality.

I am very much interested in the work and shall be glad to take the matter up immediately and see what can be done.

With best wishes for success in the work,

Yours very truly,

Telegram

January 12, 1912.

MORGAN LONDON PLEASE RENEW SUBSCRIPTIONS  
STEVENS AND BRENTANOS PARIS S

*Personal*  
*Personal*



January 12, 1912.

Mr. Bush T. Sugiyama,  
Okada Engineering Office,  
Naniwa-cho, Dairen.

Dear Mr. Sugiyama:-

Your very kind letter of holiday greetings has been received and I thank you very much for your good wishes.

I did not answer your letter of October 13th., for you intimated that you were coming to Peking soon, and I therefore expected to see you here.

If it is not too late, may I wish you also a happy and successful year?

Yours very truly,

23 Wall Street.  
New York.

*Rec'd  
As to 26th 12*  
January 16th, 1912.

Dear Willard:-

I am very glad indeed to have your letter of December 22nd, and I do not blame you at all for having been so late in writing - in fact, although I have missed hearing from you, I should not have blamed you if you had not written at all, and should have quite understood it. I am glad to know, though, that both you and Mrs. Straight have thought of me some times and you may be sure that you and your happiness <sup>have</sup> has been very often in my own thoughts.

I had hoped, as you also had, that you would be home before this, and I should have liked to have spent some quiet evenings with you but, as you say, it seems very uncertain as to when you will get away, although I hope for your sake that this letter will reach Peking after you have left there.

As you have noted, there has been a great deal of neutrality on the part of the international banking group, and very little action. Undoubtedly the British Government is influenced by the British Minister in Peking, who, in turn, must be strongly under the influence of the Hongkong Bank in Hongkong and Shanghai. Properly enough, our Government do not wish to take the initiative in any action in regard to China, and the



W. D. S. #2.

1-16-12.

Group naturally do not feel like undertaking any business on their own responsibility during present unsettled conditions. I think I can assure you, however, that there is no feeling of hopelessness here and the atmosphere is not as depressing as it was during these memorable days prior to the abandonment of the Chinchou-Aigun project. Do you remember these dark days?

I was very sorry, too, about Geare. Mr. Vanderlip dug up the facts against him through his Washington correspondents, and I must say that they got them pretty thoroughly. According to their report Geare's father offered that letter of yours to which we have referred in our telegrams for sale to the newspapers, although, of course, he did not wish to publish it over your name. Geare's father claims that he did not offer the letter for sale but only as an indication of about the kind of stuff which he could furnish in an article which he himself would write. Then, too, there was a letter from Geare to his father in which Geare asked his father to get him a position as correspondent for some American paper at a salary of about \$150.00 a month, which he would be very capable of filling, he thought, since he was in close touch with the Legations, etc. - this presumably to be undertaken in connection with the work of the Group.

I think you will agree with me that these actions showed a degree of youth and folly which incapacitated Geare from further employment in your office, although I personally do not believe that Geare was guilty of anything but extreme folly. However, I quite acquiesce in the judgment that he should have been discharged, for drastic action of that kind is sometimes necessary

W. D. S. #3.

1-16-12.

necessary for the sake of example to others. Indeed, I believe it will be for Geare's own good in that it teaches him a lesson. I think his whole trouble resulted from wanting to get rich too fast.

I am afraid that I have very little of general interest to tell you, for I am living very quietly and see few people. Miss Davison, Henrietta's sister, is keeping house for me this winter, and I am still living in the same apartment which I had last year. I am maintaining a district nurse in the town of Troy, as a memorial to Henrietta, and I am taking a great deal of interest in this work.

Please give my regards to Dorothy (may I call her that? I have always thought of her in that way since the talk we had in Paris), and believe me,

Very sincerely yours,

*J. A. McKnight*



- 2 -

January 16th., 1912.

Dear Charles :-

We were delighted to hear from you the other day, and I am as equally apologetic for not having written you before as to the dope here. As a matter of fact however there has been not a great deal of change in the atmosphere, save that it smells worse, while the actual events you have seen chronicled in the morning papers.

As we wired you the other day, the Russians seem to have taken control in Mongolia, and your Government apparently is in the know. The Japanese we gather will do nothing in Manchuria as they do not consider it worth while at present to take more than they already have. The Dependencies are, however pretty well lost to China I fear, and I cannot see that there is to be much profit in endeavoring to retain them. The "anchus" should be out of the picture before this letter reaches you. They would not put up the money to enable Yuan to fight, and I much doubt whether there would have been a scrap anyway for as far as we can make out Yuan has been playing it safe, not offending the other side by too much blood-letting, and waiting to take advantage of disorganization amongst the rebels or abdication by the "anchus" to place himself at the head of affairs. This I expect he will be able to do within the next week or two if he be not assassinated in the meantime.

When he does ~~xxxxxxx~~ I doubt if he will have much time to try and hold the dependencies. He will have too much to do in the Eighteen Provinces and this fact makes me feel that the time has perhaps come when we must all consider coming to an arrangement with the Russians. I hate to do it, but why should we stand out for China's integrity when the Chinese themselves have busted the game?

Your friend Morrison has been talking about you and about P. & Co. in a most uncomplimentary manner. His comes to me direct, though of course he would not say these things to me. He seems to be very thick with Chicane and Cartier, and apparently has written the "Times" saying that British Interests should combine with French and Russian to build the Kalgan Kiachta. The Americans he says must be excluded. He is very bitter against us, for some reason or other.

I do not know exactly what his game is, but it seemed wise to put you on at once hence my telegram of today to Grenfell.

We are much concerned about your wire saying that your job was not settled and are wondering what it means. We hope that it will be all right.

Dorothy wants me to tell you that she was so pleased at your calling her Dorothy and she hopes you always will. We hope Your Lady is well and flourishing and that things will clear up well for you.

We tried to take a trip to Manila and Shanghai but were held up as New York feared that something might come up here that would make our presence necessary. I can see no business in sight for a long time yet. However, wait is the dope, and wait we will, for a while, but not too long.

With much love from us both to you both,

Yours,



[1912] pg  
January 16th., 1911.

Dear Harry;- ✓

Through London I am today wiring to the Group giving some idea of the Russian position and the attitude which the British seem inclined , as far as official indications go. - for I do not speak of the H.&.S. Bank- to take toward us. This dope is in a way supplementary to what I sent on in my last letter to the Group which will , in turn be confirmed , by a joint letter which we all contemplate sending on .

There is not really a great deal more to say than is put in the wire;. I hate to harp all the time on the suspicions and jealousies of our friends. But they are our daily diet here , and as they very considerably affect business , you cant afford to neglect them even though politics you state , are not what you want to play with. Unfortunately, and particularly now, if the political end is not done the business one will not follow.

Owing to the situation in Europe both Russia and France are bootlicking Russia, who can do anything practically she wants out here , apparently. In addition to this ~~XXXXXX~~ there is reason to believe that Great Britain contemplates a move in Thibet , and that she therefore has been quite glad

[1-16-12]  
- 2 -

of the recent Russian incursion into Mongolia. As to Japan in Manchuria , I doubt if she will do very much for the time being . She doesnt need to for she has practical control anyway and there is no necessity therefore of assuming the responsibility of Government.

As far as the Chinese themselves go , it looks now as if friend Yuan had given up all hope of retaining the Manchu throne. He is apparently playing for time , and by judicious juggling waiting until the revolutionists in the south become disorganized, which seems not far-off, and until the Manchus get so scared that they will abdicate and name him as Dictator , charging him with the protection of their interests. He will then be Top-Dog all around , and will be able to reorganize a Government without any more fighting, which he like other disciples of Mr. Andrew Carnegie , of course deplores.

When this comes, and with my fingers crossed I say that it should within two or three weeks, Mr. Yuan will be in a job where conciliation of the foreigners will have to be his fire-side motto. He will have all he can do to clear his domestic situation and little time to look after Mongolia and Thibet or even Manchuria. I should not be surprised were the capital moved to Nanking, which is much more the center of China , though not of the Empire, and doubt very much whether the new Government will make any serious attempt to prevent Russia , Great Britain and Japan from doing what they want. Strange as it may seem , I think the Jappies will do less than any one else as far as land grabbing goes, but they will be little Work-While-\*You- Sleeps in the new administration.



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It is rather galling to me to admit being well-licked, but as far as Manchuria goes I think we'd better take out medicine, and with this general upset as a good excuse, come to some arrangement with Russia and Japan which will enable the four Groups to do business in their respective spheres of influence. This suggestion is based on the theory that the Chinese themselves will not attempt to keep up the struggle for sovereignty in the home of their hated "anchu over-lords, and if they dont want to wh-y should we.

The Russians here are very bitter over the Jewish passport business . They ask with very good reason whether we would admit Chinese, Koreans, Mongols, of whom there are thousands amongst Russian subjects, should any of these people come to the United States bearing Russian passports as they are perfectly entitled to do. The answer is of course, No. The Russians quite rightly point out that where there is Race Legislation <sup>two</sup> in ~~any~~ countries , any abandonment thereof along lines of nationality must be mutual. The French and English are much disturbed about the anti-American feeling in Russia for both France and England are Russia's political bed-fellows, and they fear a great deal of difficulty in trying to get the Russians to take us in too. It's very unfortunate and will require careful handling.

Thanks for your telegram the other day. "e will not of course go away since you feel like that , but I doubt very much whether the next weeks will bring much chance for business no matter how interesting the political developments may be.

- 4 -

There is no danger as far as we can foresee , and we both prefer to stay here rather than to cause you any uneasiness by a fear that being away we might miss some trick.

Dorothy sends her love to you and Mrs. Davy as do I,

Yours,

Copy to E.C.Grenfell.



January 16th., 1912.

Dear Teddy; <sup>X</sup>

Enclosed copy of a letter to Davy which sets forth things as I can see them from this end for the time being. Next week, new installment of ideas! I trust that I do not wrong your Government in the rather bald statements made. Such is the position as we make it here. We may be ~~mistaken~~, but it seemed as well to let you know both by wire and by letter.

Morrison is a man with considerable influence, and this he uses without always seeing just where he is going. I am writing French about the things Morrison is saying concerning him and Pauling and Co. and hope you will be good enough to let him see my letter to Davy.

Morrison's activities are directed against the Hongkong Bank quite as much as against the rest of us and apparently he is playing very intimately with the de Moyer outfit, including my friend the Belgian Minister, who is as nice fellow but as mean a schemer as can be found in this viper's nest. Please do not tell Addis the source of your information, or mention Morrisons name, but you might if you cared to do so tell him what the game seems to be. With the Chinese I do not doubt that friend Morrison is doing all he

- 2 -

can to point to the fact that the Four Groups may constitute a monopoly. I wish they did.

We are dragging along. Tried to take a trip to Manila and Shanghai but were kept at the post. I sincerely hope we can get out of this before long, for while it is interesting, there is a sort of a general feeling of saue qui peutin the atmosphere, and it smells worse, therefore, even than usual.

Dorothy sends her love. Hope we can all ride together before long.

Yours,

Enclosure.



Currency Loan.

**THE AMERICAN GROUP.**

大美國資本家

W. D. Straight.  
Special Representative.  
CABLE ADDRESS:  
STRAIGHT PEKING.

Letter No. 226.

File No. 8.

Messrs. J. P. Morgan & Co.,  
For the American Group,  
23 Wall Street,  
New York City.

Gentlemen:-

Enclosed I beg to transmit, in duplicate, a Memorandum regarding the possible effects of Article XVII of the Currency Loan Agreement, in view of the Russian and Japanese objections to Article XVI thereof, and the situation created by the present revolution in China. This memorandum has been approved by my colleagues, Messrs. Hillier, Cordes, and Casenave, who are also forwarding copies thereof to their principals. We have further handed copies of this document to our respective Legations. A copy of my letter to the American Minister, is enclosed herewith.

This Memorandum supplements my Letter No. 223 of January 9th. In this connection I might state that the French Minister here has informed me that his Government would not support the Groups in resisting any demands made by Russia and Japan. He further informed me that if the Groups intended to insist upon anything

PEKING, CHINA.  
January 20th, 1912.

*ack. 7/15/12  
Copy to group & State  
Sept. 7/15/12*

*150*

[1-20-12]

- 2 -

anything bordering on financial control he felt sure that Russia and Japan would insist upon receiving a participation in any loan upon which such control was based.

It would seem from such indications as are observable here that Great Britain may be inclined to adopt a similar attitude. The Germans seem more ready to act on rights secured to the Groups under the Loan Agreement irrespective of what Russia and Japan may desire.

Personally I should deeply regret acquiescence in Russian and Japanese demands, which up to the present have seemed to me to be unreasonable. Whether it is practical or possible to refuse to recognize the force behind these demands is another question. I trust, however, that if the Groups deem it expedient to come to terms with these two powers rather than to endeavour to support a struggling China, that the American Group, and the American Government will so handle the situation, as to be placed in the position of yielding to the inevitable by following the lead of Great Britain or France, rather than to take any action which would place the onus, of what must be considered a surrender, on American shoulders.

Yours truly,

*W. D. Straight*

Enclosures as stated.

Copy to E. C. Grenfell, Esquire.



We have the honour to call to your attention the provision of Article XVII of the Currency Loan Agreement stipulating that if, owing to a political or financial crisis, it is found impossible to issue the loan within six months from the "Date of notification", i.e. by April 14th., 1912, the Banks shall, in case the markets are still unfavorable, be entitled to request an extension of time within which to perform their contract, but that, should the Chinese Government refuse to grant such extension, the contract shall become null and void subject to the repayment of all advances under the provisions of Article VIII, Section 6, of the Agreement.

It is, we submit, reasonably certain that it will be impossible to issue the Currency Loan, on or before April 14th. 1912, unless the terms of the loan contract be altered.

While recognizing that it is of course impossible now definitely to anticipate the course of action which it may be desirable to follow by the date mentioned, we nevertheless have deemed it wise to submit for your consideration certain facts which we believe will constitute important elements in the situation with which it will then be necessary to deal.

It would seem probable that the Groups will find it unprofitable, if not inadvisable, to issue the Loan unless terms better than those stipulated under the present contract can be arranged with the Chinese Government. In addition to paying a lower price for the bonds, the Groups may also deem it wise to insist on obtaining guarantees regarding the proper expenditure of loan funds more definite than those contemplated before the exposure of Chinese administrative inefficiency by the present crisis.

If this be so, it will be necessary to hold the Chinese

to

to their obligations under the old contract until a fresh instrument can be negotiated.

This can be done, if by April 14th., next there be a Chinese Government competent and willing to grant such extension of time for issue as the Groups may request, or despite whatever Government or Governments may be in power if, in refusing to grant an extension, the Chinese are unable to nullify the loan Agreement by repaying the advance of £ 400,000.

Assuming that either through an extension of time or because of a failure to repay the advance, the loan Agreement remains in force, the Groups will then be obliged to rely, to a great extent on diplomatic pressure to secure China's consent to the more stringent conditions which they may consider essential in a new contract.

The effectiveness of such diplomatic pressure will depend upon the degree of cooperation between the four Legations.

Russia and Japan object to Article XVI of the Currency Loan Agreement. It is not impossible that, unless they be satisfied by the alteration of the Agreement, they might take advantage of the terms of Article XVII to insist that China refuse any extension requested or even enable China to secure the £400,000 to repay the advance and thus nullify the loan Agreement.

Although these two powers might not act in the manner suggested, they will assuredly maintain their hostility to Article XVI in its present form and they will continue to resent the pledging of Manchurian revenues as security for a loan in which they do not participate. Furthermore in case the Groups in revising the Loan Agreement insist upon a system of audit or control, applicable even indirectly to general Chinese finance, both Russia and Japan will undoubtedly demand a share in such control, and admission to any loan based upon its establishment.

In



In view of the hearing already accorded the Russian and Japanese objections to Article XVI, it is to be doubted whether the admittedly ~~phenomenal~~ joint action of the four powers with regard to the preservation or alteration of the contract, can now be obtained unless steps be taken to conciliate Russia and Japan.

It might be possible of course, in revising the loan Agreement, should the Groups deem this to be necessary, to remove the objectionable features from the Article in question.

The question regarding the pledging of Manchurian revenues would still remain, however, as would the matter of financial supervision or control, should that be contemplated.

Is it not therefore probable that the mere amendment or deletion of Article XVI would not now satisfy the protesting powers?

Manchuria, Mongolia and Thibet have been joined to China proper, solely by the bond of Manchu sovereignty. The eventual abdication of the Manchus seems inevitable. The quasi-popular purely Chinese administration which is likely to grow out of the present revolution will be occupied with domestic problems and will find considerable difficulty should it attempt to do so, in establishing its authority throughout the dependencies formerly controlled by the Imperial Government.

It is not inconceivable that Russia and Japan may take advantage of this situation, and in the readjustment which will follow the present upheaval, demand general recognition for their predominant interests in these regions.

If this demand is made, the four powers must either

- (1) Support a Chinese Republic in asserting its right to the entire heritage of the Manchus.
- (2) Frankly accept the Russian and Japanese claims.
- or (3) Tacitly acquiesce therein, without acceptance, but without protest.

On

On the other hand it is conceivable that neither Russia nor Japan will put forward any definite demand for the recognition of their position. These two powers may be content to insist upon the deletion of Article XVI, or its radical amendment, either of which propositions, if accepted by the four Governments and the Groups, would constitute a de facto if not a de jure acquiescence in the Russian and Japanese contention as to their dominant influence in Manchuria.

But aside from the Manchurian features of the Currency Loan, if the Groups contemplate insisting upon financial supervision as the condition of a revised Agreement, will not Japan and Russia demand a participation therein?

The question naturally arises therefore as to whether the four Governments, in view of the situation likely to result from the revolution, will be prepared to support the Groups in resisting the possible demands of Russia and Japan.

If they are not, it would perhaps be desirable for the Groups to recognize the inevitable, make a virtue of necessity, and consider the possibility of reaching some general understanding with Russian and Japanese interests as to loans for Chinese reorganization and for Manchurian and Mongolian development.

At the same time it should not be forgotten that the four Groups have owed their influence very largely to the Chinese belief that they desired to profit by the legitimate development of China for, and by, the Chinese themselves, rather than to cooperate in what was considered to be the Russo-Japanese policy of exploitation.

That being the case, it is not improbable that whatever Chinese Government now be organized, would resent any action by the four Groups, calculated either directly or indirectly to be subversive of its authority in Mongolia or Manchuria, and such feeling, if aroused might be prejudicial to the four Groups'



Groups' chances for business in China proper.

We lay these possible contingencies before you in the hope that you may give them your serious attention and instruct us in due course as to the action which you propose to take regarding the Currency Loan.

Okada Engineering Office.  
Naniwa-cho, Dairen, Manchuria.  
January 20 1912.

W. D. Straight Esq.  
Peking.

Dear Sir,

Your esteemed letter dated 12th inst. came to my hand and I am very glad to know you are quite well. I am here, continually looking great performance Imperial Chinese Theatre which is astonishing whole the world. We are taught when school-boy that revolution may almost be called a national institution in China for if we look at her history we can find everywhere the phrase "he assumed independence and called himself king". But it is question for Chinamen, defect of self-control to form noble republics such as United States or France.

I have heard Mr Carnegie and Mr Hearst has much sympathy upon Revolutionary Party through Dr Wutenfang. But according my investigation Chinamen have no qualification to form independent nation, so I earnestly advice to you at this extraordinary opportunity it is your honorable mission to endeavor in planting the deep root to be convert China into American Protectorate at future. Above is not only my ideal but can be practicable reliability. I shall be pleased to hear further your opinion.

your very truly,

Bush T. Sugiyama



January 22nd., 1912.

Dear Mr. Schiff:-

Your letter of November 15th. was duly presented by Mr. Midzuno a day or two ago. He is most pleasant and I am very glad indeed that you should have taken the trouble to give him this letter, as the relationship established thereby will, I trust, be both pleasant and profitable.

He seems bent upon making friends amongst the foreigners here, which is wise, for in the past the Japanese have been too much inclined to stay by themselves. His views on the situation, which he seems quite unusually ready to express, are most interesting, and we are looking forward to seeing him frequently.

Very many thanks for your kind expressions for Mrs. Straight and myself. We hope that Mrs. Schiff and yourself are enjoying your winter and that you are both in the best of health.

Here we have been having our full measure of excitement and while I do not believe that we need fear any outbreak in Peking, it has seemed during the past few days that there might be trouble and we have therefore taken advantage of Mr. Calhoun's kind offer and moved into the Legation, where we are going to stop for a few days at any rate. There is no sense in taking any chances.

The revolutionary movement has been a most astounding one. It has gathered headway in the south constantly, while in the north the Manchu authority does not rest on any solid basis of popular loyalty to the Throne. As a matter of fact I do not think the people of China care greatly whether there be a republic or a constitutional monarchy as long as they are allowed to earn their livings in peace.

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Therefore while admitting that the south has gone over to the rebel cause in the most remarkably short space of time, I think it has been due to the desire of the people to be let alone, and their consequent willingness to accept the principles enunciated by the nearest man with a gun, rather than to any real sentiment one way or the other. They know little and care less, of what is going on. In some of the larger cities, now, however, where the revolutionaries have control, they have apparently stirred up a good deal of anti-Manchu feeling.

The leaders of the revolution, bar Li Yuan Hung and Huang Hsing, who did the fighting - such as it was, - are either hot-headed youths who have been pumped full of revolutionary feeling while in Japan as students, or Shanghai merchants who went bankrupt during the rubber boom of a year ago, and who are now trying to rehabilitate their bank accounts, at the expense of the unsuspecting and patriotically inclined public. Wu Ting Fang, as you doubtless know one of the most notorious grafters Chinese officialdom has ever known, and this trait, combined with an inordinate vanity, has, together with his failure to secure a lucrative post under the Peking Government on his return from Washington, been responsible for his patriotic ebullitions.

The representatives of the various Groups did all they could to induce the Legations to support Yuan Shih Kai when he first assumed the Premiership. This was not done, however, and we seem fast drifting toward chaos, and armed foreign intervention. I still feel as I did then, that Yuan could have saved the Imperial authority, which is the one logical central power, and kept the Empire together had he been able to secure a foreign loan, and the moral support of the foreign Governments which such a loan would have given, at the outset. It now seems too late. The Rebel party is far stronger than it was two months ago, and inaction in the north, has weakened the Imperialist Morale. At the same time while the revolutionist leaders seem to present a solid front to Yuan, they are quarrelling amongst themselves, blackmailing the public to secure funds to carry on their Government. The situation is altogether most complicated and there is a general feeling here that it will go from bad to worse, and that the Powers will be bound to intervene. It was this eventually which we foresaw and which we tried to forestall when we recommended that Yuan be given funds ten weeks ago.



The British have held the key to the position, and have maintained, consistently an attitude of neutrality which has resulted however, greatly to the advantage of the rebels. There is no question in my mind that the American Government has been wise in letting the British take the lead, and in withholding support from Yuan as long as Great Britain refused to allow the British Group to make a loan. I am inclined to think however that the verdict of history will be that Great Britain has played either a foolish or a very selfish game. Foolish is the country is allowed to fall to pieces, selfish, if Great Britain, by her subsequent action proves, that partition, or ~~former~~ practical foreign domination, is the end she has had in view.

With warmest wishes to Mrs. Schiff and to yourself and your partners, in which my wife joins, believe me,

Sincerely yours,

Jacob H. Schiff, Esquire,  
New York.

23 Wall Street.  
New York.

January 22nd, 1912.

*Recd.  
Feb. 26<sup>th</sup> 1912*

Dear Willard:-

I am just in receipt of your letter of the 29th of December. I received your Christmas cable at Locust Valley, where, as you supposed, I was spending the day, and it was very much appreciated. Again thank you for your thought of me.

As to arrangements for the Peking Office, I can give you very little information. I think every one feels that you have done splendidly to stay out there so patiently and so long, but I think the Group are waiting to get a little better idea as to what will eventuate in China before making further arrangements. If it were to develop that no business could be expected for a long time because of unsettled conditions, I suppose the Group would decide simply to send a locum tenens to keep the office open and maintain our place there; on the other hand, if, as we hope, a government strong enough to maintain international obligations is created, the Group would probably wish to relieve you with a first class man, approximating as nearly as possible to your own standard. This latter I take it would meet with your own views, since you would not wish to be commuting back and forth at uncertain intervals.



-2-

It has been tentatively suggested that I might go over in the first named capacity, and I should be willing to do it, of course. Perhaps I shall be sent when the situation develops far enough to find out whether a person of my qualifications would suffice. However, I know no more than you do about what will be the ultimate solution, and you understand I am simply gossiping with you in an informal way in this letter. Miller, of the State Department, has been thought of, I believe, and personally I think he would be a good man for the permanent position. He is very discreet and reliable, and I believe would be a clever negotiator, in spite of the fact that his social qualifications are not brilliant.

If I ever should go to China I would take the last few paragraphs of your letter as a testament and text book, for they are filled with pungent advice. You have doubtless by this time secured some sort of a stenographer in Peking, but I presume you could hardly have gotten any one there who would be entirely satisfactory to you. I suggest that you let us know on this point as quickly as you can, inasmuch as, when the Group decide to send some one out there, they might as well send a secretary at the same time.

I think you will be gratified to know that the interest of the Group in South America and China does not seem to have been materially diminished by the lack of remunerative appreciation which they have received in those countries. Nothing definite has

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been done as yet toward a permanent organization in South America, but I hear it mentioned every now and then as a thing which will have to be taken up at some early time. The difficulty is, you know, in getting the attention of so many busy men on a problem which is, after all, not one immediately pressing.

I have not seen Geare yet and I do not believe that he has arrived at the office. By the way, what do you suppose French will do now? I hope that he will either be continued in Pauling & Co.'s service or get some other lucrative work, for I have great respect and liking for him. I have not heard a word from him since since I saw him last summer.

With kindest regards, believe me,

Very sincerely,

*J. H. Wright*

P. S. Mr. Harjes has just been in and inquired very particularly for news of you.



January 22nd., 1912.

Your Excellency:-

I beg to enclose herewith a copy of my letter, dated January 20th., to the American Group, transmitting a Memorandum, copy of which is also enclosed herewith, regarding the possibilities which may arise from the provisions of Article XVII of the Currency Loan Agreement.

My British, German, and French colleagues have forwarded to their principals copies of this memorandum, which expresses our joint views, and have also handed copies of the same to their respective Legations.

I venture to hope that Your Excellency will bring this matter to the attention of the Department of State, as the course which the Groups must follow when it becomes necessary to deal with any situation created by an enforcement of the provisions of Article XVII, or by further Russian and Japanese objection to the terms of Article XVI, depends primarily upon the attitude of the interested Governments.

I have the honour to be, Sir,

Your obedient servant,

His Excellency

W. J. Calhoun,

etc. etc., etc.,

The American Minister,

Peking.

Currency Loan.

THE AMERICAN GROUP.

大美國資本家

W. D. Straight.  
Special Representative.  
CABLE ADDRESS:  
STRAIGHT PEKING.

Letter No. 227.  
File No. 8.

PEKING, CHINA.  
January 22nd., 1912.

Messrs. J. P. Morgan

For the American Group,

23 Wall Street,

New York City.

Gentlemen:-

Enclosed I beg to transmit copy of a letter received from Dr. Chen Chin Tao, now Minister of Finance in the so-called Republican Government at Nanking, as well as a copy of what I trust you will consider a sufficiently pleasant, but innocuous, reply thereto.

The situation here is so uncertain that it is not impossible that when the time comes for re-opening negotiations for the Currency Loan, the representatives may be called upon to deal with Dr. Chen. This possibility bespoken a soft answer, while the necessity of avoiding anything like recognition, even implied, of the Republic, bespoken caution.

Yours truly,

Enclosure as stated.  
Copy to E. C. Grenfell, Esquire.



COPY.

[encl. 1-22-12]

Shanghai, January 10th., 1912.

Mr. Willard Straight,

Peking.

My dear Mr. Straight:-

Perhaps you have been watching with interest the development of the present revolution. After a careful investigation I have found that all the southern provinces have been in one accord and are now settled; and the people here are most earnestly looking forward to the time when China is a recognized republic. As to the northern provinces, I am most gratified to know that the people there are in full sympathy with their fellow-countrymen of the south, but, on account of the presence and close watch of Peking troops there, they are not able to turn their real sentiment into action and this they greatly abhor. It is almost surprising to the observer, and even to myself at the outset, to see that the people of China are so enthusiastic for a new form of Government.

You would probably have already known that I have since left Peking, been elected to the charge of Finance of the new Republic. I have accepted the office for the reason that representatives from all classes of people - from the merchants, the students, both male and female, as well as from other walks of life, have repeatedly and pitifully begged me to take up and to help them. I felt I could not refuse. Moreover I was of opinion that by joining the party which public opinion so much favors one would be strengthening it and this would be better than to stand aloof and look on and so to allow the period of struggle to be prolonged. If one has at all studied the history of the French Revolution and that of other revolutions this would be the natural and correct view to take in this present situation.

- 2 -

I am sure that with your vast knowledge of your country it is not news to you when I say that the actual field of commerce and industry of China lies ~~south~~ in the region south of the Yangtze. It is here where you will find the people rich and it is also this part of the country where the proceeds of the new Currency Loan will naturally be most absorbed. May I here take the opportunity to assure you that the new Government of the Republic of China will respect with utmost strictness the terms of the Currency Loan Agreement, but of course I need not mention that you will keep absolute neutrality.

I always feel that it is a privilege to me to have known you so well. The many meetings that we have had together often remind me of the pleasant occasions that I have ever had. My only hope now is that the Peking Government will give way, and peace be soon restored and business be revived so that we may meet again soon. In this, as your interest are in common with mine I hope you will do all you can to render your valuable assistance.

I may tell you confidentially that your class-mate and intimate friend Alfred Sze is also with us in the new republic.

I hope both yourself and Mrs. Straight are keeping in good health. Please remember me to her and also to my ~~friends~~ <sup>friends</sup> Messrs. Cordes, Hillier, Casenave. To these gentlemen you will perhaps give my views on the present political crisis.

Yours very sincerely,

( Signed ) Chan Tao Chan.



[encl. 1-22-12]

Copy

January 18th., 1912

Dear Dr. Chen:-

very many thanks for your most interesting letter which reached me day before yesterday. I have as you suggested communicated your views to Messrs. Hillier, Cordes and Casenave, and we are all at one with you in hoping that peace may soon be restored and business revived. We are also gratified by your assurances regarding the Currency Loan and feel that the Republican Government is fortunate in securing the services of so able a Minister as yourself.

Permit me to thank you for your kind expressions for Mrs. Straight and myself which we heartily reciprocate.

Wishing you a happy and prosperous New Year,

Believe me, my dear Dr. Chen,

very truly yours

His Excellency,  
Dr. Chin Tao Chen,  
etc. etc. etc.,  
Minister of Finance,  
Shanghai.

[copy]

January 22nd, 1912.

Douglass Robinson, Esquire,  
128 Broadway,  
New York City.

Dear Mr. Robinson:-

Many thanks for your cable informing us that the house had been sublet to Mr. Taylor, for three months, beginning with January 18th, at \$1,200.00 per month. As we wired you we accepted the offer, and in reply to your subsequent cable requested you to hold the check for the rent paid you by Mr. Taylor. We are today cabling you to apply the amount paid you, which we assume to be \$3,600.00 to our account, that being the intent of our former cable which we fear was not quite clear. Dorothy understands from Miss Bend, that her Secretary has already made certain payments on the rent. We are therefore informing her of the contents of this letter and requesting her to arrange for the payment of the balance due you.

We wish that we were going to be there ourselves to live in the house, but I fear that we will not even have the tail end of the lease as things seem to be going from bad to worse here, and it looks as if we might have to stay on for



[1-22-12]

- 2 -

a long time to come. Give our love to Mrs. Robinson  
please, and to the other members of your family.

Sincerely yours,

WILLARD STRAIGHT.

[copy]

January 23rd, 1912.

Dear Mr. President:-

When I heard the news of your election, I had  
intended to congratulate you. On reading Ez Kendall's article  
I shall not congratulate the Standard Oil Company. Please  
give it my best, engraved, engrossed, or illuminated as you  
please, and damn the expense, for you are reputed to be a  
rich organization. Are you not?

Fine business. I am proud to have known you and  
hope that you will remember that you knew me. Thank you.

I was going to say that I sent you my warmest wishes,  
but hot stuff like that might cause trouble in the Oil-Home.  
Any way it's fine. We hope to come home some day when the  
revolutionists stop revolting, and the meantime, we shall  
boom Standard Oil.

Yours,

WILLARD STRAIGHT.

Walter C. Teagle, Esquire,

Vice-President,

Standard Oil Company,

Broadway, New York.



January 25th., 1912.

Morgan, Grenfell & Co.,  
22 Old Broad Street,  
London.

Gentlemen:-

Enclosed please find my check of January 25th  
on J. P. Morgan & Co., for Five hundred (G \$500. ) Dollars  
Gold, which kindly credit to my account with you.

Yours truly,

Letter No. 230.

File No. 8.

Near Shanghai,

January 28th., 1912.

Messrs. J. P. Morgan & Co.,  
For the American Group,  
23 Wall Street,  
New York City.

Gentlemen:-

Supplementing my letter No. 226 of January  
20th., with which I transmitted for your information a  
Memorandum prepared by my colleagues and myself regarding  
the contingencies which might arise from Article XVII of  
the Currency Loan Agreement, I venture to lay before you  
certain personal views which I trust you will consider in  
dealing with this matter.

In the Memorandum referred to, we endeavoured to  
present the problem in all its phases. We refrained from  
making any recommendation as to the attitude which the Groups  
might adopt. At the same time the emphasis, which I re-  
luctantly believe to be warranted, laid upon the determination  
of Russia and Japan to secure recognition for their dominant  
position in Manchuria, together with the oft remarked  
unwillingness of France and Great Britain to gainsay their  
allies, may induce you to feel it to your interest to come  
to some arrangement with Japan and Russia, even at the risk  
of offending China whose domestic difficulties now make her  
a ready prey to foreign aggression.

As your representative, I cannot deny that such a  
course would be both practical and profitable, nor can I  
recommend any other save on moral, and on ultimate business  
grounds.

Before taking any definite step however, I trust that  
you will consider the circumstances which made the successful  
entry of the American Group into Chinese Finance possible-  
an entry which despite its small pecuniary results thus far,  
is little short of remarkable if you consider the firmly

entrenched

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entrenched position of our present colleagues and late rivals, the number of years they had been established and the volume of business they had done in this period, as compared with the short space of time in which the American Group secured contracts which though some of them abortive- were considerable

The readiness of the Chinese to admit us to the Hukuang Loan, their quick conclusion of the Chinchou-Aigun and the Preliminary Currency Loan Agreements was due to their faith in the disinterested motives of the American Government and American Finance. The difficulties encountered in the negotiations for the Currency Loan Final Agreement arose largely from the fact that we desired to secure a participation therein for our tripartite friends.

The Chinese in the north, and I believe the leaders among the revolutionists still consider Americans the fairest and least selfish of foreigners.

Whether Imperialist or Republicans are successful in the present struggle, the settlement of their mutual differences will be followed, I believe, by a period of commercial and industrial development such as China has never before known.

The Chinese signed with the American Group both the Chinchou-Aigun and Currency Loan Agreements because they believed in the declarations of the American Government regarding the preservation of the "Open Door" and because they relied upon American support, not to interfere with the legitimate aims of Japan and Russia in Manchuria, but to assist China in resisting the selfish and aggressive designs of these two powers.

It may be that the considerations suggested in the joint Memorandum forwarded with my last letter on this subject, i.e. the rupture of the bond between China proper, and Manchuria and Mongolia, caused by the downfall of the Imperial authority may cause the Government which will eventually arise from the ashes of the Manchu regime, to abandon any serious claim to these two rich dependencies. The new Government may in fact be inclined to recognize the predominance of Russia and Japan

in

in these regions if they in turn will permit the peaceful development of the eighteen provinces of China proper.

Should the Chinese Government whatever it may be, adopt the attitude suggested, it would be folly for the American Government or Group not to take advantage of the opportunity thus afforded to reach an understanding with Russia and Japan, both as to the Manchurian features of the Currency Loan and as to the Chinchou-Aigun railway which might then be constructed under their auspices.

It seems doubtful, however, whether the situation will be sufficiently clear by April 14th., when some action must be taken, to permit the Group to acquiesce in Russian and Japanese pretensions in Manchuria without incurring the resentment of new found Chinese nationalism.

For the sake of our good name, which has been our greatest strength, therefore, and further that we may not estrange Chinese public sentiment, more powerful now than ever before, I trust that before an understanding with Russia and Japan be proposed, an attempt will be made to act jointly with Germany in carrying through the Currency Loan contract despite the objections of these two powers. Should this fail and if the American Government will not support the Group in endeavouring alone to adhere to the provisions of Article XVI, I trust that the matter will be so handled, that, as suggested in my previous letter, England and France and not ourselves will be forced to bear the onus of an action which will, I fear, shake the faith of the Chinese in the value of the "Open Door" declarations of the American Government.

Yours truly,

*Kilian Straight*  
*per J.P.M.*

Copy to E.C. Grenfell Esquire.



Shanghai ,

January 29th., 1912.

Dear Doc:-

Herewith another screed. Please have it copied out, press copied, and the original forwarded to New York with a copy to Grenfell in London, but nothing to anyone else, not even the old man. Things have gone very pleasantly. I'll write again later.

Yours:-

*Recd  
Feb. 26<sup>th</sup> 12*  
22 Old Broad Street,  
London E.C. 1st February 1912

My dear Straight,

I read with interest your letter of the 16th, as also the enclosure to Davie.

The whole situation in China is so befogged that I have no doubt we are just as able to draw conclusions, accurate or inaccurate, as you folk on the spot.

We have not been impressed here with Morrison's cables to the "Times", which appear to be sent merely with the idea of showing that he is busy.

I saw French this morning and discussed your letter to Davie with him. He is not going to Russia with the Syndicate as the fact that he is not conversant with French and German made a prejudice against him, though my partner Herman Harjes was most anxious to have him. Like so many Syndicates organised with indefinite exploration ideas it has not succeeded yet in effecting very much. In order to do anything it ought to have a capable man in Russia entirely devoted to the Syndicate as a whole and not to any individual member.

We have been considering the question of protecting the interest payments on Chinese loans by the four Groups in quarters. The only party that stands to gain by this would be the HongKong Bank as it is responsible for practically twice as much as the French and German Groups respectively.

It has been more and more borne in on me that the



W.D.S.

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1/2/1912

Japanese and Russians are so strong geographically that we shall have to come to terms with them as regards Banking influence. I do not think there is anything up in Thibet as far as the British Government is concerned.

I am very sorry that you could not get away to Manila for a change, but it is the principle defect of the American Group's organization that they have no banking office there and therefore no staff from which to provide a locum tenens in the chief's absence.

Things here are very quiet as the shadow of the Morocco trouble is still dark over Europe and politics in America do not make a happy situation there.

Please give my kindest regards to Dorothy and tell her I have got a pony waiting for her when she returns here.

Yours ever,

*EC Gumpell*

W. D. Straight, Esq.,  
c/o American Legation,  
Peking.

February 1, 1912.

Dear Doc:-

Enclosed a copy of my letter to Mr. Cal which please use at your discretion, showing it to Casenave and telling Hillier what therein seems of interest. I haven't time to duplicate the dope about the political situation, as I am nearly dead beat not having worked so hard since I left New York. On second thoughts you had better read the parts you want to to Casenave, Hillier and Cordes, and show the whole letter to no one. I am also enclosing a memo on certain business that came up here. The stuff about the famine loan was telegraphed, and the other matter concerning my conversation with Chen I gave to Hunter who said he would mail it to Hillier. It did not seem necessary to him to wire about it.

New York wires me that they want me home as soon as possible, and wish me to remain in Peking only long enough to get McKnight well started. That means that we ought to be leaving by the end of March. You might engage passage on the Wagons Lights train of the 26th tentatively and tell Henning to say nothing about it. Or better still do nothing just yet except find out whether the trains at that time are very full.

Please have Chambers arrange if he can to have his house ready for McKnight about the eighth of March. We may wait here and all come up together or we may come up a little ahead. That I will let you know by wire later, but Chambers



- 2 -

will have to make his arrangements for quarters elsewhere  
I am afraid as we cant put McKnight up ourselves.

Get the files all ready and everything in ship  
shape for a critical inspection.

Good luck to you. Say nothing about our going  
away. More dope anon.

Yours,

[copy]

February 1st, 1912.

Dear Mr. Cal:-

We are off tomorrow afternoon and tho' its late at  
night I must keep my promise, for the satisfaction of my own  
conscience, even though it be at your expense.

The Doc turned up today with McCormick and Ferguson,  
and you'll be getting the real dope from the former within a  
few days, so to lay the red carpet as it were, for the Doc, I  
must needs send this screed before we leave the Hongkong.

Shanghai has not turned my head as yet and I cannot  
see that foreign opinion down here when crystallized is so greatly  
different from that at Peking. It does appear to me that most  
people have done what you might call hand to mouth thinking  
and have left the evil of the morrow to itself in their concern  
for the troubles of each day. It seems to be the general idea  
that Sun Yat Sen is a figure head, and that the real people who  
press the button are keeping rather in the background, though  
Huang Hsing seems to be thought to be the driving force behind  
the blackmail and graft which is universally admitted. There  
is a generally expressed belief that the one hope for the early  
restoration of order and resumption of trade conditions approach-  
ing normal is for Yuan, backed by the northern army, to take con-  
trol. A republic as such seems to be regarded as chimerical, and  
a dictatorship conceded to be the only possible form of Govern-



ment, a constitutional monarchy being admittedly preferable save for the corollary retention of the Manchus, which everyone believes to have been the real issue.

I have seen Tang, Sze, Chen Chin Tao, all the Bank Managers and a large number of commercial people together with the newspaper outfit. The Manager of the German Bank, Figge, was outspoken in his condemnation of British methods and thought that the H. & S. Bank and Jardine Matheson and Co. had been playing their own game from the outset, and that British policy had been dictated by these interests through Fraser, the Consul General and not by the Legation at Peking. He quite frankly said that had we loaned Yuan money when he first assumed the Premiership the trouble would have been over by this time.

There are persistent reports, which I have been unable to confirm that the Hongkong Bank loaned three million taels on the China Merchants Company's steamers, and I know for a fact that the institution in question was ready to make a dicker with the revolutionary authorities to furnish them with bullion on easy terms, the same to be paid for in dollars to be minted at Nanking, in due course. The reason the deal fell through was that the Chinese were putting zinc in their dollars, and the Hongkong Bank refused to make a contract unless the Revolutionists put a foreigner in charge of the Mint. My authority is the man whom the Bank wanted to take charge in their interest, and to whom they made an offer, whom they sent to Nanking to make a report, and who refused the job because the rebels

wouldn't give him a free hand in the supervision of minting and assaying.

So we have here a little further evidence of the double cross work that has been going on. Incidentally if you happen to see an interview with me about Sir John in today's paper I trust that you will approve, though the published statement is not to be reconciled either with my conviction or my previous words on the subject. The dope as given seemed the wisest, don't you think so?

Then came to me with a long song and dance today, and I am sending it on to Gatrell who will tell you all about it.

It is difficult in the mist of falsehood and intrigue which envelops this situation to make any definite analysis of anything, but when I saw Tang, though he really said very little, my impression was that he never at any time had any intention of supporting the Constitutional Monarchy idea, but that Yuan really wanted to retain the Manchu Throne. Notwithstanding Tang's openly expressed republican convictions Yuan trusted him to size the situation up and to do what he could, hoping like T.R., that the republicans would not press him too hard. Tang undoubtedly played his game into the hands of the republicans from the start and deliberately placed Yuan in the position where he would have to yield, for Millard tells me that old Wu, on the night before Tang arrived said that the revolutionists would concede a constitutional monarchy if they had



to. In the first conference, however, Tang agreed in principle to a republic, said that Yuan had no money and would have to yield, and then as you know urged upon you that a foreign loan would entail the most serious consequences. There seems but little question that Tang has played this game, and that Yuan not he has been the tool. The charitable conclusion is that Tang believed the downfall of the Manchus to be the best thing for the country, and that in following the course he did he placed his country's welfare over and above his loyalty to Yuan and the cause he was supposed to represent. He had said from the outset that abdication was inevitable. In doing so he may have been patriotic or he may have been selfishly ambitious. In any case he seems likely to have his way. Millard also tells me that Tang was told by the rebel Camorra that unless he took up the republican cause, his family, in a little village near Canton would be murdered and his property seized.

The extraordinary thing to me has been the universal feeling down here that the rebel leaders were a lot of hair brained students and blacklegs, barring a few like Sun, Chen Chin Tao, and some others. Huang Hsing is called an assassin, and many of the people in the Shanghai Government are notorious crooks. When I have asked, on being told these things, what hope there could be then, for the restoration of stable conditions, I have been told that the only hope was Yuan. When

I asked what would happen if Yuan was not made President and the present reign of terror continued, I have been told that there would be a counter-revolution. When I have asked why, if Yuan is recognized as the Power for Good, there was such a kick when we promised to support him, I have been told that had we done so there would have been an anti-foreign outbreak in Shanghai where there are three quarters of a million Chinese. When I asked what these same Chinese would do if the Imperialists should capture Nanking or Hankow and Wuchang tomorrow I have been told that the Dragon flag would appear on every household! This may not seem logical but its a fact. It would seem almost that every foreigner had gone mad with Manchuphobia, that they yelled for revolution only to get the Manchus out, and that their only objection to Yuan was that he was on the Manchu side. Once these evil ones have gone all will join in acclaiming Yuan as the Savior of his country.

Poor Hanson was much broken up by your letter. Mine was never sent as it seemed useless as we were coming down ourselves. I told him that it wasn't so much what he said as the way he said it, and told him to go on getting dope, and sending it up, but to avoid the style of the late Thomas Babbington Macauley. He has worked himself sick and went into the Hospital today, poor fellow. Much of the blame should be put on Wilder. As far as I can gather he is the Village Green, and has neither



the respect nor the confidence of the Americans here who really count. He apparently cannot think consecutively on any one subject save Temperance and University Club Banquets at which he can make speeches for more than three minutes. Had it not been for Hanson the Legation would have had no information at all. Please do not think that Hanson has been indiscreet in criticising his chief to me. He told me a few facts which made me feel that he was quite right in his ideas though mistaken in his methods and his expression. I have asked a good many people about our Consul General and the answers are consistent, and damaging.

As I told you before I left I was rather worried about the Doc's coming down here, but I take that all back and am very glad you sent him for you will now get some idea of the real situation. Alston of the British Legation spent three days in Nanking, and Matsui the Japanese Councillor from Tokyo was with Sun Yat Sen for a week or more. That ought to let the Doc in on the ground floor.

I have not seen Kennedy yet to talk to but will tomorrow. He was the man who secured the long interview with Sun Yat Sen, and Sun stated that he thought Yuan was up to some trick under British influence. Kennedy asked him if had proof and when he gave a negative told him he had better not make the statement.

Our Japanese friends are very active. Okura is reported to be making a three million taels loan to the Kiangsu

Railway which of course goes to the revolutionary Government, and that Hanyang deal, a loan of ten million taels one half of which goes to the rebel authorities seems to be a fact. The Japanese according to reports are using all their influence to prevent the rebels from allowing Yuan to be made President. Tang tells me that their activity with the Manchus is anti-Yuan more than anything else.

I trust that you can make something out of this jumble. I am pretty tired as I have been on the job every day from early till late. It has been very interesting and I have gleaned much information concerning the commercial situation and the necessity for the organization of which we were talking.

Polly is very well, and seems to be enjoying herself. We are delighted to have her with us as she is a splendid traveller. Dorothy is fine, and keen as ever on hearing all the dope sheets as they come in. She sends her love to you both as do I. We miss you all more than you know, and would like to be back on your houseparty.

Yours,

STRAIGHT.



Memorandum.

Famine Relief. This matter was broached by the Central China Famine Relief Committee. It seems that the Wuhu rice crop for the coming year will be lost unless flood-preventive works are constructed before June. A crop failure of this sort would increase the already existent disorder in this district.

It is proposed to borrow £ 200,000 and use it in giving work to the men in the famine stricken region, on building dikes, etc. which will be the initial steps in a large conservation scheme to be worked out later.

It would be a sine qua non that this work should be undertaken only under foreign supervision. C. D. Jameson has already made surveys and would doubtless be placed in charge of the work.

Certain of the Republican authorities have expressed their willingness to guarantee a loan of this character.

It was thought that if such a loan were given the joint guarantee of both Imperialists and Republicans it might be taken up by the banks, a provision being inserted in the Agreement that the funds would be repaid either in a certain period of time or from the first proceeds of a reorganization loan to be issued.

It was felt that owing to reported Japanese activity with the Republican authorities, this philanthropic and even altruistic proposition might also be made to serve as a hook

whereby the Banks could be assured that they would land the big loan which will be required as soon as order is restored. It was also felt that negotiation for a loan of this character would also bring the Banks into touch with the authorities on both sides in such manner as might be utilized to their advantage later.

Interview with Chen Chin Tao. Dr. Chen called on Mr. Straight on the morning of February 1st. He stated that the Republican Government would wish to observe the provisions of the Currency Loan and undertake Currency Reform as soon as possible. He feared however that it would be impossible for the Banks to take the bonds at the price named in the contract by the early date when the Government would wish to have the funds available.

He then proceeded to state that a settlement would probably be effected within the week and that a coalition Government would be formed with Yuan as President shortly after the Throne abdicated. He thought that he might be Minister of Finance in such Government. Funds would be immediately required for paying troops to be disbanded, and for restoring order throughout the country. He estimated that 20,000,000 taels would be necessary. He suggested that even before a settlement were effected it might be possible to determine the general lines of a loan agreement for such an amount. He thought that the four groups might be willing to take this matter up and do it on terms which would not prejudice the successful issue of the Currency Loan at an early date. His idea was that the loan should bear



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5% interest but he quite recognized the fact that the Groups would be obliged to give a much lower price than in recent loan agreements for the bonds. He suggested the land tax and salt tax as possible security, and added that if the matter could be taken up, before a coalition Government was formed Yang Shao Yi would be able to represent Yuan Shih Kai in any matters which it seemed desirable to refer to the Imperial authorities. His object in proposing immediate negotiation was to have the matter in such shape that the contract could be concluded as soon as the coalition Government was established.

In reply to a query regarding "control", i. e., the measures to be taken to create foreign confidence in the intention of the new Government to assure an honest and efficient expenditure of loan funds, he stated that this would be attended to. He continued that he intended, as soon as he was assured that the loan could be made, to engage British experts from India to advise on the Land and salt tax administration, and that he would request Dr. Jenks as well as Dr. Vissering to advise on Currency Reform. He further stated that the appointment of such advisers would be sanctioned by the National Convention. He proposed that the loan agreement might be prepared and initialled as soon as the coalition Government was formed, under an exchange of letter which should provide that the agreement would be finally signed and ratified as soon as the advisers were engaged and their appointment sanctioned by the National Convention. He further said that the Ministry of Finance would formally engage to give the Banks

- 4 -

full information regarding expenditures, and to publish comprehensive statements and reports, it being understood, however, that there should be no "control" provisions in the loan agreement itself.

This matter was laid before Mr. Hunter who concurred with Mr. Straight in feeling that it would be inadvisable to take up the discussion as proposed by Dr. Chen, until the coalition Government had been formed or at least until there seemed to be no doubt that it would be established.

Mr. Hunter stated that he would advise Mr. Miller by mail of what had taken place.

Mr. Straight informed Dr. Chen that he would be unable to negotiate as suggested but suggested that should a settlement be reached during Mr. Straight's absence in the south Dr. Chen should take the matter up with Mr. Hunter.



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ANDERSEN, MEYER & Co.

SHANGHAI  
CHINA

W. Willard Straight, Esq.,

~~via Chinese Press Office~~

~~Astor House~~

at Astor House, if not - China Press Office, by Burlington Hotel

ANDERSEN, MEYER & CO.

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HONG-NAME:  
SUN CHEONG

慎  
昌  
洋  
行

Shanghai, 2nd February, 1912.  
(China)

Willard Straight, Esq.,  
Astor House Hotel,  
P R E S E N T.

My dear Straight,

I send you enclosed the copy I promised you of the proposed loan. My Chinese friend tells me that a Foreign(American) Banking Institution has subscribed for \$10,000,000. The gentleman, although high up on the revolutionary ladder, does not know the name of this individual which, they say, is being kept secret in Nanking, so, I think, it is only a ruse "pour encourager les autres" !

Do you consider it possible that any sane foreigner would subscribe to a bond of this kind ?

If you have got an hour to spare I should very much like to talk certain matters over with you.

With kindest regards,

Yours sincerely,

*W. Meyer*

VM/MB.



Public Loan for the Military Requirements  
of  
The Republic of China

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PROSPECTUS

*The Willard Straight Papers at Cornell University*

002735



## Public loan for the Military Requirements of the Republic of China

### PROSPECTUS

NANKING,  
*January 25th, 1912.*

1. The Loan to be issued is to be known by the above name.
2. This Loan is issued by the Provisional Government under a resolution of the Assembly of Provincial Delegates at Nanking passed on the 8th day of the first month of the first year of the Republic of China corresponding with the 8th day of January 1912.
3. The authorised amount of the loan is \$100,000,000.
4. This Loan will be secured on the proceeds of the Land Taxation or upon the additional Customs Revenues which may be derived from the increased duties collectable when the provisions of the British Commercial Treaty with China of 1902 are enforced.
5. The proceeds of the loan will be applied for Military purposes and for the establishment of order.
6. The issue and management of the loan will be under the control of the Ministry of Finance of the Provisional Government which will act through the Provincial Authorities.
7. The Bonds will be issued at par.
8. They will bear interest at eight per cent per annum.
9. At the expiration of two years from the date of issue a first instalment of one fifth of the loan will be repaid and thereafter a further fifth at the end of each year until the whole is repaid at the end of the sixth year.
10. The numbers of the Bonds to be redeemed on repayment of each instalment will be settled by drawings, and will be advertised in the Public Press.
11. The Bonds will be issued in amounts of \$1,000., \$100., \$10., and \$5.
12. At the option of the applicant these bonds may be issued in Sterling amounts at the rate of \$100 to £9 and the receipt given on application and the Bond will specify accordingly. Principal and interest will then be payable in Sterling only.
13. Bonds will be issued and payable to bearer only.
14. Drawings for Repayment will be held at the offices of the Ministry of Finance at the seat of the Central Government.
15. Bonds drawn will be repaid at such places as shall be established hereafter. The same may, at the option of the holder, be used for the purpose of payment of taxation.
16. Bonds not presented for repayment or otherwise used in the manner above stated within two years after date of drawing will become void.

17. To each Bond twelve interest coupons will be attached upon presentation of which interest will be paid on the due date.
18. Interest coupons when due, if not presented for payment, may, within a period of six months from due date, be used for payment of taxation.
19. When a Bond is drawn all interest coupons for a subsequent date become void and should be presented for cancellation.
20. Interest will be paid half yearly. The first payment of interest will be made on the 2nd day of August of the first year of the Republic of China being 1912 and thereafter on the 2nd day of February and the 2nd day of August in each year respectively.
21. The first instalment of principal will be repayable on the 2nd day of February of the third year of the Republic of China being 1914.
22. The Bonds and coupons will be printed in Chinese with a translation in English at the back.
23. Each Bond will bear the seal of the Ministry of Finance and the signatures of the President and the Vice-President of the Provisional Government and its Minister of Finance.
24. The subscription list of this loan will be opened on the 28th day of January of the first year of the Republic of China being 1912.
25. The offices of the Treasuries in the various Provinces of China and such other offices as shall be opened by the Ministry of Finance will be used for the application and issue of the loan.
26. Persons who consent to apply must within one week pay one quarter of the amount of their application when they will be given a Provisional Receipt. The Balance of their subscription must be paid by three equal instalments, one to be paid each month and the Provisional Receipt will be endorsed with a receipt for each payment.
27. On payment of the full amount of the subscription the Ministry of Finance will deliver the Bonds in exchange for the Provisional Receipts.
28. When exchanging Receipts for Bonds applicants must appear in person or if unable to do so must send proper authority in writing.
29. Provisional Receipts may only be used for the purpose of being exchanged for Bonds by the original applicants and may not be transferred or otherwise dealt with.
30. Upon application the applicant may pay some or all of the remaining three instalments and interest will be allowed on the amount paid from date of payment.
31. Subscription will be taken from persons of all nationalities.
32. This Loan being for patriotic purposes the Provisional Government has under consideration the issue of medals or tokens of reward for those who come to its assistance notification of which will be issued later.

Seal of the  
Ministry of Finance.

(Sgd.) CHEN CHINGTAO,  
Minister of Finance.



Memo regarding Hukuang Railway.

Mr. Straight met Mr. Ma the contractor for the Ichang-Kueichoufu section of the Szechuan line. Mr. Ma repeated the story of his troubles substantially as outlined in Mr. Hewlett's letter to Mr. Fraser. He wishes to get money on his notes as soon as possible. Mr. Straight told him that the matter had been referred to Europe and asked him to sit tight for a week or so more, by which time an answer should be in. Mr. Straight said that any communication regarding the proposed action by the Groups in taking up the notes would be made to him through Jardines.

Mr. Straight would like to know what reply if any has been received from London as to the attitude of the Groups towards this matter.

February 2, 1912.

Dear Doc:-

Supplementing my letter of last night, enclosed a memo regarding the Hukuang which please communicate to Hillier. the dope in today's telegram I don't want to go to him as a matter of this sort is rather delicate and the club which it gives us may come in better for use later. The Japanese dope also had better be kept quiet as Rea is on the trail of the deal and is thinking of doing something about it himself and I do not want to block his game. I will cover the matter in a letter to New York but you might send on the news by wire if you deem it desirable or if the Minister thinks it would be wise.

I added a note to Mr. Calhoun's letter regarding the intention of the republican authorities to limit the suffrage to a strict educational and property test basis, so that republic as republic known to us, it will not be. Chen confirms this statement which was made to me by Tang.

Yours,



Letter No.

Near Hongkong,

February 4th., 1912.

Messrs. J. P. Morgan & Co.,  
For the American Group,  
23 Wall Street,  
New York City.

Gentlemen;- ✓

Supplementing my former letters regarding the general political situation I have the honor to report that I arrived at Shanghai on Monday the 29th. of January and remained until the following Friday. During my visit I had two conversations with His Excellency Tang Shao Yi who for a time was chief Imperial Delegate in the so-called Peace negotiations with the Revolutionary party. I met Dr. Chen Chin Tao, the Republican Minister of Finance, on several occasions, and discussed the situation with bankers, representatives of the commercial interests, and with numerous journalists who are closely in touch with the "republican" leaders. It is no easy task to digest and draw conclusions from the impressions thus gathered. Dr. E. J. Dillon, in the "Contemporary Review" aptly summarized the causes of the revolution by saying that hatred of the Manchus is the common denominator of many different numerators. In Shanghai as in Peking it seems generally conceded that the Manchus must go; in Shanghai too, strangely enough, Yuan Shih Kai, is apparently considered to be the only man who can bring order out of chaos. How this is to be done, however, how he is expected to conciliate the rival factions which even now exist in the revolutionary camp, how to disband the forces, composed largely of men who have taken arms for gain rather than for patriotic reasons, and officered by adventurers or hot-headed hair brained students, is not <sup>disappointed</sup> <sup>practical</sup> stated. I was in fact, more by the dearth of constructive

- 2 -

ideas for the future, than I was impressed by sincerity or efficiency of the destructive force of the rebellion.

Shanghai seems to have been opportunist from the outset. The mercantile community, both Chinese and foreign, desired to be let alone. This is but natural, but I am inclined to feel that the business community will yet regret the fact that to avoid a by no means certain anti-foreign demonstration they blocked a loan to Yuan at a time when it would have enabled him re-establish, in modified form, the authority of the Throne. Yuan if he be made President of the Republic will, even with foreign aid, find it more difficult to restore stable conditions now than he would have done as Premier of a Constitutional Monarchy had he been given a loan in November. In the one case his authority <sup>would be</sup> ~~is~~ largely personal, being derived from a comparatively small clique, who despite their assertions to the contrary, do not really represent the people; in the other the machine though it derived its motive power from the National Assembly would still have had the balance wheel of Imperial assent.

It seems however, that a Government, called a Republic, will be established, and that at the outset Yuan as President will be assisted by a coalition cabinet composed of members of his own present organization as well as men who are now associated with Sun Yat Sen. This Government however will be popular only in name. It will be a military dictatorship, form the machinery for elections, the qualifications of voters, the degree of provincial autonomy has not yet been determined. Yet this Government it is claimed will satisfy the craving for liberty, which it has been asserted, has been responsible for the "popular" upheaval. In attempting to analyse the situation one is forced to one of two conclusions. i.e., either the people have been roused, and will not therefore long be content with an oligarchy such as seems destined to be established, or, they have not been roused, and they will submit to such an administration. If that be true, why should the men who



initiated this movement and brought the Manchus to the dust  
surrender their power to Yuan, who though he has endeavoured  
to effect a compromise of some sort has never shown a dispos-  
ition to submit entirely to their will?

The question is of importance because while a settlement  
now  
may be reached, I fear that the situation will  
still contain many elements which will militate against the restoration of normal conditions and  
make  
foreign intervention as the ultimate solution, as  
inevitable as it has seemed since the powers failed to take  
advantage of the psychological moment to support Yuan when he  
first assumed the Premiership.

the any  
arrangement  
outlined  
the any  
arrangement  
outlined

believed  
It seems generally ~~known~~ that Yuan as President will  
be able to restore order, but ~~there~~ no guarantee is suggested  
that his life will be preserved, and it is not inconceivable  
that the revolutionary Camorra who are now apparently agreed  
to accept Yuan as President, may wish later to do away with  
their ostensible executive.

Sun Yat Sen who is now President is, according to an  
authority which I believe to be reliable, only a figure head.  
He dare not leave Peking, ~~and~~ without per-  
mission. He desired to proceed to Peking there to negotiate  
with Yuan for a settlement, but was prevented; nor was he  
allowed to visit Shanghai in order to meet his wife on  
her arrival. General Li Yuan Hung, who has commanded the  
rebel forces at Wuchang from the beginning of the troubles  
is now virtually a prisoner in his Yamen, surrounded by  
secretaries who have forced him, it is claimed, to sign  
documents and pronouncements of which he did not approve.

In Shanghai the better class of merchants have not  
favored the revolutionary movement from the outset, yet they

dare not oppose, and have been forced to contribute large  
sums of money to the cause. Some have been kidnapped and  
held for ransom, others have been threatened with confiscation  
of their property unless they subscribed to the "patriotic"  
fund. Wealthy merchants resident abroad, in Singapore and  
Penang, have been warned that unless they contributed their  
families, living generally in some little village near Canton,  
would be murdered. Servants in foreign households, even, have  
been forced to pay a dollar a month to the "cause". If there  
have been few murders it has been probably only because the  
victims had not the courage to resist the demands made upon  
them.

There seems to be a clique in Shanghai who took advan-  
tage of a mutiny at Wuchang in early October to set the rebel  
wheel in motion. These men apparently have not figured prominen-  
ly in the reports of the revolt, but have directed their cam-  
paign from the background, utilizing the Secret Societies  
and the enthusiastic students, returned from Japan, from  
Europe and America, full of ideas of George Washington,  
Danton, and Robespierre, as their agents, arming rowdies and  
ne'er-do-wells, and hiring coolies from the fields, to  
form the "People's Army", exploiting the terrified willingness  
of the peace at any price public, to hoist the rebel- just  
as they would, under like pressure have hoisted the dragon-  
flag, as the "patriotic enthusiasm of the China's millions",  
and by blackmail and intimidation exacting contributions which  
have been featured as "popular subscriptions".

While it ~~undoubtedly~~ undoubtedly cannot be said that  
there ~~is~~ are no real patriots in the army, and that there are no  
serious minded men who honestly believe that by supporting  
this movement they are serving their country, I am inclined  
to feel that the picture presented in the preceding paragraph  
gives a fairly correct representation of actual conditions.

And yet though the outlook for the immediate future  
seems gloomy, and though I have but little faith in the  
disinterested motives of the Camorra who are now directing



the republican party, I feel confident that, whether the Chinese themselves solve their ~~many~~ difficulties, or whether ~~foreign~~ foreign intervention is ~~required~~, no matter whether a restoration of order is brought about by the Chinese themselves or by foreign intervention, it will be followed by an era of development such as China has never known. The revolution, whether its leaders be patriotic or purely selfish will purge the Chinese body-politic, and though it may be exhausted for some time, it will, in the end be better for the travail through which it is now passing.

If the republican Camorra is wise, willing to utilize Yuan on the one hand and able to control and direct the fanaticism of the students on the other, there may be rapid progress at once. Dr. Chen Chin Tao, who assumed office under the republican administration, because it was less dangerous than in Peking, and also I do not doubt, because he thought that the Government <sup>than that under the "anchus"</sup> the ~~administration~~ if once organized would be more intelligent, told me that he intended to engage two experts from India one to advise on land tax, and the other on salt, tax, administration, and the he further wished to establish the gold exchange standard and would request Professor Jenks as well as Dr. Vissering to advise him in this matter. He thought that the National Convention would ratify the appointment of such advisers. If this policy is followed there is great hope for the future.

Both Dr. Chen and Tang Shao Yi told me that the Republican Government intended strictly to limit the suffrage on an educational and property ~~qualification~~ basis, and both seemed to feel that the people would make no objection to such limitation. Tang as has been previously reported, although he was the Chief Delegate despatched by Yuan to represent the Imperial cause, has favored a republic from the outset, and apparently made no attempt even to support the Constitutional Monarchy idea. I am reliably informed that Dr. Wu Ting

Fang, the Chief Republican delegate, was prepared to agree, if pressed, to a Constitutional Monarchy. Tang however, agreed in principle to a republic at the first meeting, and instead of forcing the revolutionists to agree to Yuan's programme has forced Yuan to agree to theirs. As previously reported Yuan was accused in Peking of having been party to this transaction from the outset. After seeing Tang however <sup>the</sup> I am inclined to feel that notwithstanding ~~his~~ instructions he presumably received from Yuan, he determined that there could be no leasting settlement as long as the "anchus" remained on the Throne, and that he therefore acted on his own responsibility, and placed Yuan in a position where he eventually had to yield and force abdication. Without evidence to the contrary therefore it would seem possible that there has been no deep political game as many have claimed, and that ~~both~~ Yuan ~~and~~ Tang honestly endeavoured to preserve the Throne, while Tang, convinced that this ~~was impossible~~ would only result in continued trouble, placed what he believed to be the welfare of his country above his obligation to carry out the instructions of his official superior. Such at least is the charitable view.

The declared neutrality of Japan and Great Britain during the revolution ~~is~~ assumes somewhat peculiar form in view of certain facts which seem to be generally known in Shanghai.

Dr. Chen Chin Tao informed me that the Hongkong and Shanghai Bank had advanced Tls 1,500,000 to the China Merchants Steam Navigation Co., a private company, the loan being secured on the steamers owned by this organization. Of this sum Tls. 200,000 was handed over to the Republican authorities. Dr. Chen did not state the exact date on which <sup>into the rebel treasury</sup> this sum had been paid but ~~info~~ said that negotiations for the loan had been commenced before the outbreak of the troubles. He regarded it as an ordinary banking transaction. It seems difficult to believe that the Hongkong Bank should have







February 4th. 1912.

Dear Doc:-

Herewith another screed for the Group. Please have it typewritten again, copied in our books and sent on to New York and London. You might show a copy to Casenave if you desire. Tell Hillier about it. I don't like the Hongkong Bank business a bit. It may not be true but it looks bad. Let Mr. Calhou have a copy.

Pleasant voyage but no news. Maybe we'll have something from you in Hongkong tomorrow,

Yours,

Baggage of Mr. W. D. Straight

[2-13-12]

No.	Name of Article	Kind	Color	Content	Marks
1	Trunk (Large)	Canvas covered	Brown & yellow	Leather & cloth	Blue & Red Band, D.P.W.
1	Trunk (Medium)	"	"	"	"
1	Trunk (Steamer)	Leather	Black	Scutcheon & leather	Blue & Red Band, W.D.S.
1	Box (Hat)	"	Brown	Hat	"
1	Trunk (Steamer)	Canvas & wooden slats	"	Clothes	M.L. Root, Blue & Red Band, W.D.S.
1	Suit Case (Large)	Leather	"	"	"
1	Suit Case (Small)	"	"	"	Servant, Blue & Red Band
1	Bedding Roll	Canvas	"	Blankets & etc.	Blue & Red Band
1	Trunk (Small)	"	"	Clothes	Blue & Red Band
1	Bag (Laundry)	"	"	"	D.P.W.
1	Bag (Traveling)	"	"	"	Servant
1	Basket (Japanese)	Rattan	Shaw color	Brassware	Name on Tag
1	" (Telescope)	"	"	Hats	"
1	Suit Case	Leather	Brown	Clothes	Blue & Red Band, D.P.W.
1	"	"	"	"	B. & R. B.
1	"	"	"	"	W.D.S.
1	Traveling Bag	"	"	"	B. & R. B.
1	Suit Case	Leather in brown	Black	"	W.D.S.
1	Suit Case (Small)	"	Brown	"	W.D.S.
1	Overcoat Box	"	Dark brown	Documents	W.D.S. on top
1	Clothes Bag	Canvas	Light Green	Laundry	Blue & Red Band, D.P.W. N.Y.
1	Suit Case	Leather	Brown	Clothes	Servant
1	Japanese Basket	Rattan	Light yellow	"	Miss Mary L. Root on band
1	Typewriter Underwood	Wood	5	"	No. 123
1	Suit Case	Leather	Ok. Green	Tailor's art.	"
1	"	"	Brown	Clothes	M.L.R. blue bag

Baggage of Mr. W. D. Straight  
Feb. 13 & 14/12.  
St. Louis 5:00 PM  
Tokyo Feb. 14-12



Near Nagasaki,  
February 18th., 1912.

Dear Frank:-

This is written on the assumption that Peking will wish me to return at once, the dope, to that effect having reached me the day I left Manila. Shanghai however has been telegraphing for me to go back there, for Shanghai as you will discover when you reach there considers itself the center and Peking as shrunken, an opinion which to a modified extent is shared by Peking with regard to Shanghai. The latter place however is the commercial heart of China and I am glad that you are to have an opportunity of seeing the people there. They feel there that their views should always predominate. That is not always so, but they should always be given serious consideration. I presume that Chen Chin Tao is still there and it is quite likely that he may wish to do business, while Yuan in Peking is doing a little on his own. For that reason while Yuan will probably prevail, until we can find out just exactly how the land lies I am not at all sure that it would not be best for you to remain in Shanghai, and look after our interests there, for Gulland of the International Bank, while a nice fellow struck me as pretty light in the water. You will not reach Shanghai in any case before we reach Peking, and I will wire you Care of the International Bank regarding the situation, and if necessary will communicate with the Group and ask permission to have you remain there for a time. New York wired that they wanted me at home as soon as you were well established in Peking but in view of the situation out here I am by no means sure that this is the best plan and I trust that you and New York both will trust my judgement in the matter.

I am enclosing herewith copies of my telegrams and letters to Peking, which please hang onto as I have no others. They will give you the latest dope in my possession. I am also enclosing cards of introduction to the various Bank Managers and others whom you will meet in Shanghai. I have written them all asking them to be nice to you. Mrs. Wheelock is the most charming person in Shanghai, a daughter of old Barrett Wendell of Harvard and a great friend of ours, she will make it nice for you I know. Shangle is an old friend too, since college days. These are the only really personal letters.

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For telegrams G. B. Rea either has or knows where to get a Bently Code. The supplementary I can send you down if you stay on in Shanghai. I enclose herewith a coding slip, so that you will be all fixed out.

Now as to the personalities of the men you will meet. Don't be prejudiced by what I write, but the views herewith may be of assistance.

Hunter of the Hongkong Bank, is a nice chap, rather brusque, and would skin any one if he had a chance, not do dirty deals, but would not put his cards on the table.

Stephen, of the Hongkong Bank, is quite different, and is as white a Scotchman as you'll find.

Figge of the German Bank, is sharp, conceited, opinionated, not too pro-British, and can be handled by a judicious measure of cajollery. He is always to be caught, I judge on the suggestion the Hongkong Bank is doing him.

This may serve you if you think the Hongkong bank is not playing quite straight.

Remember that the Hongkong Bank is the J.P.M. of the Far East, considers itself so, and is generally admitted to be, which means that they are the people to stand in with and the people to watch.

Gulland of the International Bank, does not impress me as much of a person. He seems content to smile affably, and to bask in the graces of the Hongkong Bank in a sort of little Brother attitude, grateful when noticed.

Arda of the French Bank, I do not know very much about. I believe he is clever and argumentative, and like all Frenchmen except Casenave, suspicious.

G. B. Rea, you know. George sometimes flies off the handle, and he has his prejudices against the British and sees a British plot in every transaction, but if you discount some of these failings, and utilize them for keeping your eye peeled you will not go far wrong. I am on more confidential relations with him than with any one else in Shanghai. I trust him absolutely though I do not always rely on his judgement. He will introduce you to a man named

Donald who is correspondent of the New York Herald and a very clear headed citizen. Donald's dope is apt to be pretty good, but he will probably, if he thinks it desirable try to work you. He is another man to be used.

The Consul General, is a damned fool, but it will be just as well to be polite.

C.D. Tenney, Chinese Secretary of the Legation, many still be in Shanghai.



The "Doc" did yeoman work last year when we were doing the Hukuseng and the Currency Loans, and is a useful citizen. His judgement nine times out of ten has been in my estimation wrong, his dope, sometimes good, when he brings it straight from the man who gave it, but he always lets his opinions on any subject be coloured by his personal feelings which are apt to be petty and small. C. D. Jameson, you know. He doesn't lie, but he embroiders, and he is in his

own estimation the only living authority on China, and in the estimation of everybody else, a dear old fellow, one of the most charming companions in the world, but not to be taken seriously in business dealings.

In the Consulate you will find Dorsey, and Hanson, the former seemed to me to be sound, the latter is a friend of mine and an enthusiastic lad, full of energy and dope, one of which should be restricted somewhat and the other heavily blue pencilled. These two men however are the only ones in the Consulate on whom you can rely at all.

The Members of the Court, Judge Thayer and Hinckly are sound.

Mr. J. A. Thomas, of the British American Tobacco Company is one of the ablest Americans in the Far East, a great friend of mine, and a sound judge of the situation. He is rather talkative in a strange jumpy way, and generally uses these tactics to draw the other man out. He is at type with which you are doubtless familiar. You will find him very pleasant and obliging.

J. C. Gallagher of the U.S. Steel Products Co., is a very able and very nice fellow. I have talked to him about an scheme of organization out here and he has promised to write a memo on the subject. He knows that the Group is taking the matter up so does Rea,

Mr. Patterson of Arnhold Karberg, & Co. does not. He is an able man and a very pleasant one. He wants to work in with the Group, as does

Jennings of the American Trading Co. son of Stetsons partner. He is nice but

I think rather a lightweight. He wants to tie up with the Group, as does Vilhelm Meyer, of Andersen Meyer and Co. He is a good merchant and a nice chap. He has with him an engineer named Arnold who is also writing a memo for me. He doesn't know however, why we want it. He had amny ideas and I told him to put them on paper.

Old Jim Fearon is still in Shanghai and will be gald to see you. His firm

seems to be drawing in his horns. He will talk ye you of an organization too I have said nothing to him.

Captain Walter Kirton of the National Review, is apt to cross your path.

He is a good fellow and full of ideas and dope, some of which are good and some bad. ~~Like~~ As with most everyone else out here I have always tried to keep in with him, for sometimes his stuff is so good that's its worth culling lots of rubbish to get.

Thomas F. Millard of the China Press you doubtless know by reputation. He is an able citizen and full of ideas. He wants to sell his paper, or an interest therein at any rate; and I have discussed the matter with him. He may take it up with you. I have talked to H.P.D. about a proposition of this sort and been encouraged. If the Group doesn't like Millard's proposition however I might be able to do something with it myself as it interests me greatly and I beleiev it would be well for our interests to have control of an organ of this sort.

Tang Shao Yi, you should also call on. He may say much and he may say little. He is a great friend of mine and I admire him. I believe him when I think it to be his interest to tell me the truth. The same may be said of my friend and class mate Alfred Sze who was recently appointed Minister to Washington.

So much for all this. I've a new typewriter and like the looks of the pretty red ribbon. We both hope that you will be coming up to Peking right away, and wish that we might greet you in Yokohama or in Shanghai, on your arrival in the Far East. This I had hoped we might do but the best thing seems to be to go on to Peking. I had hoped too to be able myself to take you to all these people in Shanghai, but since that cant be done I've done my best to give you a line on them anyway. It's a funny place the Far East and there are lots of funny people, so its just as well to be somewhat forewarned, even though your own conclusions may be more charitable than have been my own. Good luck to you Frank and come up soon, we will have a place ready for you and you can come right in to live i'the Group House which I hope you will grow to like. We are crazy to see you and hear all the latest dope from home about H. P. D. and all the little Davies. Dorothy joins in love.

Yours,



XXXXXXXXXXXX

On the Train,  
February 23rd, 1912.

Dear Frank:-

Enclosed are Letters of introduction to the following gents, whose personalities I endeavoured to sketch in my last epistle:-

Hunter, Ardain, Figge, Wilder, Kirton, Jennings, ~~Shangin~~,  
In addition there are cards of introduction to,  
Millard, Gulland, Thomas, Meyer, Patterson, Gallagher,  
Mrs. Wheelock, Shengle,

To all of the last named I have written letters about you, as well as to Bea, whom you know, to Hansen in the Consulate, and to a man named Arnold who is with Andersen, Meyer, and Co.,

Millard, Gallagher, Kirton, and Jennings you will find in the Hotel for I take it for granted that you will stop at the Aster House. The others you will have to look up. Don't fail to call on Shengle and on Mrs. Wheelock. Old Pearson, you will find at his office, and C. D. Jameson will probably be in the Hotel too, unless he is up country on his famine relief work.

I have wired New York about your being in Shanghai for a little time, but of course I hope you will come north as soon as possible. and it may be that when I reach Peking it will be clear that ~~that~~ Shanghai as a center will have lost its charm. It will do no harm anyway for you to get in touch with all these people, and I hope that you will not feel you have been wasting time. When you do start north I advise you to go via Hankow if the railway from Hankow to Peking is running, and I herewith enclose a card to the Consul, Greene, who is a fine fellow and to whom I have written about you. I have done so many letters on the train that I am deaf dumb and blind so forgive the shortness of this screed. Good luck to you and come up to us soon, You will have a warm welcome,

Yours,

Dear Peitro:- [Bowditch]

This is by way of a line for fear that once in the city of Lust and Republicans, there will not be time for some days to indite. Even now on the train, which is the damned heritage of one Kinder who has been dubbed the Father of Railways in China, and who had better have stuck to blacksmithing where he would have made a career instead of making his name a household cuss word among those who suffer for his misdeeds, joggles. I hope you catch the connection of that sentence. Kinder is with me a subject of anathema and I cannot mention his name without profuse profanity. But the train joggles and it's hard to think let alone write on this glib machine.

Has lots of tricks this machine, look at the red, hence you can't blame it for misspelling every now and then.

We had a fine trip up on the transport, and reached Nagasaki in time to make a train which gave us a connection enabling us to have a day in Seoul as we had hoped before coming up over the Antung Mukden road and catching the weekly express for Peking where we are due tomorrow morning. At Seoul we saw none of the old gang except Morris who used to be with Collbran and Bostwick but who is now making his fortune in gold mines. The place had changed. Lost much of the old charm and taken on a decidedly business like appearance under the little Bandar folk, who are doing wonders and who apparently are really making the Koreans into a prosperous and self-respecting people.



But all the time we were wishing that we were back with you again or that better still you were up here with us, for we both feel now a very belonging feeling for you. It was a great week we had with you Peter and it did me good, and made me see lots of new things through your eyes, and Dorothy thinks the same. She loves you dearly and it is wonderful for me to feel that we all came so close, for there are certain vital things that make everything else small, and to meet on those grounds and to be a part of your life in that way is a privilege for which we are both grateful, for such things are fine, and rare. You will always be in our hearts Peter and when you come home or wherever we are know that what's ours is yours, and that to be of service to you would be a greater pleasure even than to have you help us, as you would we know did we need it. God Bless you old Peter, and bring you your reward.

Dorothy joins in her love and will write you herself later.

Yours,

On your Damned British Railway.  
February 24th, 1912.

Dear Blando:-

Of all the rotten ill-kept jerry-built attempts at a comfortable passenger train this north China Train de Luxe is the worse. Its special cars are a horror but this damned so called sleeping car where beds are made up all day long, where bunks are never turned into seats, where the toilets are ascending to high heaven and the carpets filthy with the accumulations of several months of Oriental debris, is the limit, the ultimate. Give me a freight car with a camp bed and a cook in the corner any day, and call it roughing it frankly, but may the journeys I must take in this heritage from the Old Man of the Sea who throttled decent car construction in China, that ancient blacksmith Kinder, be numbered. I could say much more, for I never get on this damned line without foaming at the mouth, and I suppose, that you will agree which makes profanity useless, and almost indelicate.

Your letter of December 10th. The accuracy herewith displayed is a reproach to my unworthy self, who should have answered long ago, is beside me. I refuse to be led into any typewritten argument about the Yaller Man, his evil ways, and the foreign bond-holder, may his species increase, but this is so, whether you pat me on the back on the score of having unconsciously drifted into opinions which I did not formerly hold.



Last summer on the embankment I believed as I do still that the old forms of control had gone never to return, and that if we were as we claimed to be true friends of China and Chinese progress, we were bound to endeavor to work out some sort of a scheme which would save our friends faces and at the same time secure to us the largest measure of assurance possible that the funds we loaned were not to be squandered. You will hop on the word "possible." Very well, the whole boiling must go back into the pot now and I do not know what will come out, But I believed then and do still, that with the system of reports which were worked out for the Currency Loan, with the contract for the adviser to which the Chinese finally consented, and with Dr. Chen Chin Tao at the Head of the Currency Reform administration, we had fairly good checks and more than that we were putting the Chinese on their honor, an experiment which may have been ill-timed, which you may have considered expedient only, and expedient it certainly was, but which I still flatter myself, was the right way to go about it, even though there might have been some graft, as there will always probably be here as elsewhere in the world. (I believed then as now in the experiment for I felt that if it worked well we would have done a friendly act, and that if it failed we would be justified in future loans in putting on the screws, for under such circumstances the Chinese could not have said as

they otherwise would have done, that we talked of wishing to help them to their feet and never even attempted to breed in them a self respect which must be the basis of any officialdom, that is to replace the grafting Mandarinate. To give a man a chance it seems to me is the first essential in friendship, and I am inclined to feel that your attitude has always to a certain extent been that of the mother who told her son that he couldnt go in bathing until he learned to swim.

Balls, as Prather would say. Anyway what does it matter for now there must be a new deal all around. What it will be I dunno for Ive been away for a month seeing Shanghai and Hongkong, and then Manila. The latter place made an extraordinary impression on me. It is applied Christianity and nothing else. Whether it will be successful or not I dont know, but it's a wonderful experiment. Its altruism pure and simple. For once the American has attempted to make performance conform to profession, which as a body I dont think he often does, for we are like the Chinese a nation of word-worshippers. But here we have men, enthusiasts rather trying to work out a policy enunciated by Mr. William McKinley, who thought when he enunciated the same not of the nigger under the palm tree but of the anti-Imperialist voter on his own native Massachusetts heath. It warmed the cockles of my



- 4 -

heart and gave me new faith in the possibility of making some of our fundamental American ideas, practical living guides, instead of ammunition for the fourth of July oration of commerce.

We came up through Korea, taking the trip to Nagasaki from Manila on an army transport, another interesting experience for one who has not known the Army and its quite distinctive life. Thence we did the rail journey to Shimoneseki and thence via Fusen to Seoul, across the Yalu on the new bridge and up over the Antung Mukden line. Blando out hats are off to the Bandarlog. It may all be advertisement but its a damned effective one, for the little devils are efficient and you cant get away from what they are doing, or do aught but admire it. In Korea I was tremendously interested to hear that the natives were better off than ever before and it was not a Japanese who told me either. They are beginning to wake up from the lethargy of centuries of oppression, and are producing and making money, and saving, and gaining some self-respect which in the old days was denied them. Perish the thought but one could not help thinking that we might all be better off if these little devils had charge of China's destiny, after all. They would make things hum and the proposition would be so big that they could not run in any monopoly game, and then, like the Manchus they would be so corrupt after a few generations and so softened by riches,

- 5 -

vide the Osaka division during the war, that they would no longer be a military menace to the rest of us honest folk.

We are hoping to be leaving sometime within a month or six weeks though I dont know whether we ought to stay here or get back to New York, anyway my successor has reached Japan and is shortly due in Peking and its up to me to decide when to go. My Lady is wonderful and though she wants to get back to her own again she is cheerful and fine and wants the game played to a frazzle which is stimulating to the spirit which might otherwise be too prone to be content and to assume the attitude of one who has gained the Most Wonderful Thing in the World and to whom the noise of wars and alarums sounded only in a pleasantly reminiscent way, not to be taken too seriously or to drag one from the by paths of philosophic contemplation on a naughty world and its little wordlings and their games of tiddlywinks. So it goes. Answer this, Oh Blando, for you will still find us here, and tell of the ffrench and his doings for no news from him have we had since he left the dust on our feet.

Love from My Lady and our Love to you both.

(What does that mean? I dunno) ask Mr. Underwood.

Thine,

S.



Near

February 24th.1912.

My dear Bonar:-

I return herewith the document concerning your proposed company which I have read with keen interest. The idea as I told you appeals to me and I am prepared to put the matter before my friends in New York as soon as you give me a written statement of the character of the one enclosed. The other details developed in our conversation I shall of course report in addition, as they appeal to me more forcibly than the proposition as outlined in this Memorandum.

I am also returning the list of screens which you were good enough to give us. My wife would like to have the following,

No. 1. Pair of Japanese gold screens,	Yen . 750.
No. 10. Pair small gold screens.	40.
No. 17. Korean screen,	150.
No. 19. " "	75.
The twoleaved Japanese screen, in your drawing room,	40.

And in addition the Korean screen which hung on the wall just above the stairway landing. I am unable to identify it on the list. If you will let us know the total amount which you would accept for these screens, she will send you a cheque. I should think that they had best be turned over to Kavanaugh who could ship them for her to Thomas Regan, 165 Broadway New York.. I presume that you would give a statement that they were over one hundred years old which would enable us to get them into the United States duty-free. We are delighted to have had an opportunity of getting this chance at your collection and appreciate it most highly.

As I wrote on the envelope of your note to me we had a most interesting time at the Museum and are very grateful to you for your courtesy in arranging this visit for us. I shall write to Mr. Kumiya myself. With many thanks for your kindness and wishing you luck in your new venture,

Yours sincerely,

February 26th.1912.

Dear Frank :- ✓ [McKnight]

This will introduce Gatrell who comes down to greet you and gather health after a little touch of revolution and a considerable dose of influenza. The present when things are still in a state of flux seemed the best time to give him a bit off, especially as if I am to go away soon, he would have no chance to get leave as you would doubtless wish him to sit on the job with you after my departure. He's been working too hard in these last days and I sincerely trust the change will do him good while I am sure that you will be glad of his companionship on your way back to Peking.

Gatrell will give you all the latest dope about things up here which you can supplement by conversations with the Shanghai bankers with whom we are in daily communication. They still seem to think that the home of all knowledge is by the banks of the whangpoo and will doubtless try to impress you with this feeling. I hope therefore that you will take Gatrell with you when you go calling, as it would do him good to meet all these gents, and moreover, he would be able to administer an antidote if they tried to inject any poppycock into your system, as they are very apt to try to do. They seem to feel that we are disposed to ignore the "anking Government. Such is not the case, but we do deem it essential that in order to protect Yuan's position which is none too secure even yet, that any communications which must be made to the southern authorities should be made through Yuan himself and not through the Shanghai banks and Citizen Chen Chin Tao, who is apparently under the delusion, which I shared before returning here, that he will be made Minister of Finance in the Coalition Cabinet. We understand that he won't be, and while he may be the best equipped for the job, as far as knowledge goes, I am not altogether sure that his personality, pleasant though it may be in many ways, is exactly the one required under the circumstances.

The Banks have promised to advance the southerners with Yuan's sanction, two million taels at once, and five million more as soon as possible. This might be called the Funeral expenses of the "anking Government and Yuan is anxious to have the money turned over and the "anking crowd turned out, in order that he may start with a clean slate. This would seem the best for the interests of all concerned. As Gatrell will tell you too, it now seems as if our Russian and Japanese friends were to be taken into the fold, on what conditions we do not know, though we presume that the various foreign offices are arranging the same amongst themselves. I can't say that I am delighted, but I am not surprised. I will be delighted though if taking them in means that they are



- 2 -

going to play the game in the future, a possibility which must make them blush, with sheer modesty in their fresh and unaccustomed surroundings.

We have taken passage on the train of March 26th, and hope that things will shape so that we can get off then, though we don't want to leave before you are ready to have us do so. It looks to me however as if there were going to be some months now when though there may be plenty of loan negotiation there will not be a terrible lot of trade going on, and during which I think it would be well for the Group to get its organization perfected in order to handle the business once stable conditions are restored. That makes me feel that it may be wise to get home as soon as possible. You will probably be able to give us some ideas on the subject when you arrive, and we are both anxious to see you and hear all the news from home.

As I wrote you from Mukden, you would be wise I think to try to go up to Hankow via Nanking, and then come north by rail. This would give you a pretty good idea of the country which would be valuable to you here. With Gatrell and his knowledge of things out in the East, you ought to be able to absorb most of the situation on your travels, so that you would not find it quite as fresh as you otherwise might on your arrival at Peking.

Good luck to you Frank and don't tarry too long by the flash pots. After a survey of matters up here am inclined to think that it will not be necessary for you to do more than get the run of things down there for as I said at the beginning of the letter it seems wisest all round to negotiate solely with Yuan.

Dorothy sends her love, Yours,

Enclosure No. 2. Letter 232

Copy.

MINISTRY OF FINANCE

NANKING

3, Hankow Road, Shanghai,

(Year of the)

Date, 28th February, 1st (Republic of)

(China, A.D. '12)

Received from the Hongkong & Shanghai Banking Corporation, the Deutsch-Asiatische Bank, the Banque de l'Indo-Chine and the International Banking Corporation representing "The American Group", the sum of Taels Two Million only, Shanghai Sycee.

For the Republic of China

(signed) Chin Tao Chen,

Minister of Finance.

Nanking.

(Seal of the Minister of Finance.)



J. A. THOMAS,  
22, MUSEUM ROAD,  
SHANGHAI.

Shanghai, February 28th, 1912

B. N. Duke, Esq.,

111 Fifth Avenue,  
NEW YORK CITY.

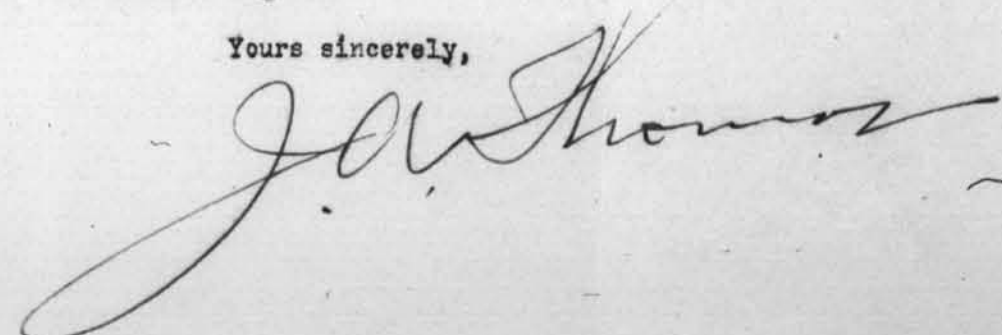
Dear Mr. Duke:-

This will introduce to you my friend, Mr. Willard D. Straight, of whom you have heard me speak very often. Mr. Straight married Miss Dorothy Whitney of New York. He has lived in China for a good many years, speaks the language, is thoroughly familiar with China and its conditions, and I am sure you will be interested in talking with him.

Any courtesies extended to Mr. Straight will be greatly appreciated by me.

I am with kindest regards.

Yours sincerely,



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7 ny oj bh 17

PEKING Feb 28th 1912

MCIRTAHB New York

MISS. BEATRICE BEND,

563 PARK Ave. N. Y.

PLEASE KEEP WESTBURY OPEN EXPECT LEAVE HERE

MARCH TWENTY SIXTH HOME PROBABLY END

APRIL LOVE.

EMMETT ARCADE,  
59th ST. & MADISON AVE.,  
3896 PLAZA

DOROTHY.

9:::10AM.....

No inquiry respecting this message can be attended to without the production of this paper. Repetitions of doubtful words should be obtained through the Company's offices, and not by DIRECT application to the sender.

The Willard Straight Papers at Cornell University

002751



J. A. THOMAS,  
22, MUSEUM ROAD,  
SHANGHAI.

Shanghai, February 28th, 1912

James B. Duke, Esq.,  
111 Fifth Avenue,  
NEW YORK CITY.

Dear Mr. Duke:-

This will introduce to you Mr. Willard D. Straight, the representative  
in China of the American Bankers Group.

Mr. Straight has lived in China a good many years, and is familiar  
with the conditions of this Country. He secured the franchise for the Kin-Hou,  
or Kin-Han Railroad, and floated the Currency and Hai Kwan Chinese loans.

Bespeaking for Mr. Straight your kind consideration, I am.

Yours respectfully,

*J. A. Thomas*

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35 ny oj bh 10

PEKING Feb 29th 1912

ECIRTAES New York

MISS BEATRICE BEND

563 Park Ave. N. Y.

ALL SAFE DONT WORRY LOTS OF FUN

DOROTHY

340Pm

EMMETT ARCADE,  
324 MADISON AVENUE  
TELEPHONE 3800

No inquiry respecting this message can be attended to without the production of this paper. Repetitions of doubtful words should be obtained through the Company's offices, and not by DIRECT application to the sender.

The Willard Straight Papers at Cornell University

002752



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DESIGN PATENT APPLIED FOR

A17 NY BR 537AM 9

PERING Mar 4-12

42D ST. & 5TH AVE., N. Y.

Ecirtac, NY

( try Miss Beatrice Bend, 563 Park Ave )

SAFE IN LEGATION SITUATION QUIETER LOVE

Dorowill.

No inquiry respecting this message can be attended to without the production of this paper. Repetitions of doubtful words should be obtained through the Company's offices, and not by DIRECT application to the sender.

Local Government Board.  
Whitehall. S.W.

March 7/1912.

Dear Mr Mraight  
I dined with Mr Lloyd  
last night and he reminded  
me of our pleasant interview  
on "The Terrace".  
I happily recall it and in  
no doubt wish you health



Mr Mraight

Pekin

16a  
new Canada  
to St.

John Mraight

China



[copy]

March 7th, 1912.

Dear Teddy:-

There seems to have been a good deal happening round here since last I wrote. We returned from Manila and the south a week ago Sunday after having had a splendid and most interesting trip. We had been driven into the Legation before we left Peking by the fear of a row and were just patting ourselves on the back about its being so nice to be in our own house again when the Lid was blown off by those brutal and licentious soldiery.

It happened that on the night of the row we were to dine with Casenave at eight thirty. I had some writing to do, and Dorothy was dressing for dinner, when things started. There was cracking and popping outside our compound, rattle and bang, but thinking it was a celebration for the Republic I paid no attention though I did think that the crack sounded more like rifle fire than like firecrackers. I finished my writing and called a coolie to take the note to the Legation. He came back and said they were fighting in the streets. I went into the courtyard and sure enough there were bullets zinging overhead, and to the north of us a fire had already started. I came in and told Dorothy who wasn't a bit disturbed. She even refused to have a bag packed to go in for the night as she said the row would be put down and the streets

[3-7-12]

- 2 -

would be safer than ever. That sounded sane. So I went off to take my bath to the tune of the firing outside. Dorothy changed from evening into street dress and just before we sat down to dinner Morrison came in to say that they were looting all around us but that several foreigners were outside and the soldiers had been most civil. We therefore sat down to take food. The next thing Chambers, who is here in the office with me, came in, having been walking about the streets. He told of the looting and firing in the air, and of the blazes which were being started all around us. Just as we were finishing our rather sketchy meal there was a divil of a row outside and the soldiers began smashing up a shop just across the narrow alleyway from our door. There was the crash of glass and the ripping of timber and the ugly murmurings of these yellow devils, and it was not pleasant. Chambers and I went into the courtyard with our guns ready and were awaiting events when there was a banging on the gate, and Morrison demanded to be let in. We thought him in distress and pulled at the gate while he pushed from the outside with the result that the darn thing came down on us. He merely had come back to say that he thought it would be better for Dorothy to come into his compound. So we walked up the street in the glare of burning buildings, with the crackle of rifle fire all about us, and parties of looters passing to and from.

I confess that I was damned frightened, and found



that I didnt care half as much for adventures in being as I had for the same things when dished up in books. Dorothy was fine. She didnt mind a bit and sat down in Morrison's house with a book as quiet as you please. A couple of wounded Chinamen came in, and one soldier rushed up to us as we stood at the gate watching the show outside, and turned over his rifle and equipment and begged asylum for the night as he said he had been forced to join the looters against his will. We then went up to Morrison's verandah whence we could look down on the street and see those fellows bashing in shop fronts and wantonly setting fire to the places they had gutted.

After some two hours a guard of American marines came up and escorted us to the Legation, Dorothy and her maid and the two bags being dragged by one unfortunate ricksha while the rest of us double timed along side, the Menocals on pony back, with their stuff stocked in another ricksha, and two or three coolies running laden with bundles. It was a great sight. The Chinese soldiers whom we passed turned to watch us go by but said never a word.

In the Legation Quarter all was bustle, sand bag barricades had been thrown up and wire entanglements stretched across the streets leading in from the Chinese city. Patrols of foreign troops, Cossacks, Japanese infantry, Austrian and Italian sailors, Germans and Frenchmen, were starting out to

bring in their nationals, the sky was aglow from the fires to the north, there was a continual rattle of small arms fire and the burrrrr of gatlings. We came in and were installed with the Calhouns in a fine house party, and then Menocal and I went out again. When we reached our houses which are close together the street was patrolled by Chinese cavalry, but around corners in the little alleyways were piles of loot with two or three soldiers on guard. The mutinous troops later seized a couple of trains and got away with their stuff. It was a fine night!

The next day and night the same sort of thing went on but the police were beginning to get control and a good many looters were shot down or beheaded in the streets. We stayed on in the Legation where we are still, though I imagine the whole show is pretty well over now.

We expect to be leaving on the 26th and are due in Paris on April seventh in the afternoon. McKnight arrives next Monday or Tuesday and though this place is interesting I am quite willing to turn over to him.

Could I be causing you too much trouble to ask you to have your man try to secure a servant for me. He did so well in getting Ashfield for Davis that perhaps he could serve me equally. I should like to have him meet me at the Vendome in Paris on our arrival there, and would take him on to America



[3-7-12]

- 5 -

with me. There he would do my valeting and be second man in the house where Dorothy has a man who has been with her for a long time- an Englishman named Grove,- I dont know at all what such a servant should receive and would leave that entirely to Hudson's discretion, under your censorship if you would be kind enough to exercise it for me.

Dorothy sends her love. We are looking forward to riding with you. Thanks for all you did for poor old ffrench.

Yours,

S.

[copy]

March 8th, 1912.

The International Bank,  
60 Wall Street,  
New York City.

Gentlemen:-

Enclosed please find my check for \$200.00 which please place to the credit of my account.

Kindly acknowledge receipt of same care of J. P. Morgan & Co. New York and address any further communications to me there as I am leaving Peking for the United States at the end of the present month.

Yours truly,

WILLARD STRAIGHT.



[copy]

March 8th, 1912.

Messrs. Morgan, Grenfell & Co.,  
22 Old Broad Street,  
London, E. C.

Gentlemen:

I beg to acknowledge the receipt of your notice that you have credited to my account the sum of L102-1-8 the equivalent of my check on Messrs. J. P. Morgan & Co. for \$500.00.

I note further with thanks that you have paid on my behalf L 3-3-0 to the American Universities Club of London and L 8-8-0 to the Royal Thames Yacht Club.

Enclosed please find my check for \$500.00 on Messrs. J. P. Morgan & Co. and a check for L 101-0-0 on Morgan Harjes & Co. which amounts kindly place to my credit.

Yours truly,

WILLARD STRAIGHT.

[copy]

March 9th, 1912.

My dear Thomas:-

Many thanks for your kind letter of the 28th of February. You do not regret any more than we our inability to see the Monument to your Genius at Pootung. In fact if we cannot get to Shanghai before we go home we shall have to promise to make a special trip to the Far East in order to make this visit under your guidance.

We hope that your plans to get up here before the end of March will not fall through, as we should all enjoy seeing you again and I myself should be particularly glad to have a talk with you about the general situation.

Many thanks for all your pleasant remarks about myself. I shall accept them with the usual salt trimmings - more than the usual in fact - for through you come from the South I am afraid you have kissed the Blarney Stone of Literary Fame, or some far eastern equivalent thereof.

I am greatly obliged for your letters of introduction. I see by the "Herald" that Mr. James B. Duke has sailed from New York for Europe. If I do not see him there I shall hope to do so in New York and in any case will have a talk with Jeffress in London, as it seems to me that we ought to be able to work together a little bit more in our



- 2 -

mutual interest.

McKnight wires me that he is leaving Shanghai today. I trust that you have seen him during his visit and that you have filled him full of good dope.

As regards the Famine Loan we have been doing our best from this end but we have been unable to push the matter very hard as the Chinese have asked for so much "stuff" that the Banks in Shanghai are going to be drained pretty dry in any case, and we did not feel therefore like pressing them ourselves. I discussed the matter with Tang who promised to wire to Chen Chin Tao and to ask him to take the matter up with the Banks in Shanghai. We are entirely in favor of doing all we can and will back the Chinese up in asking the Banks in Shanghai to extend them this accommodation. The situation is such however that we cannot be very active ourselves unless the Chinese Government here or in Nanking shows a really strong desire for this assistance to their own people. We cannot as the French say, be more Royalist than the King.

This I wired to Gulland and to Bishop Graves who will, I trust understand our position.

My wife and Miss Root would send their regards did they know I was writing. They are both in the Legation where we fled on the night of the row here. It was rather

- 3 -

exciting for a time but matters seem to have readjusted themselves to the old rut now and things jog along as usual. It is said that Yuan will be inaugurated as President tomorrow and that Tang will be his Prime Minister, and will in a few days go south there to form a Cabinet and to gather in the late-revolutionary authorities and bring them under his wing to Peking where all will be installed in a happy family on the grave of the Manchu Empire.

With repeated thanks for your letters of introduction and with warmest regards, believe me

Yours sincerely,

WILLARD STRAIGHT.

J. A. Thomas, Esquire,  
British American Tobacco Company,  
Shanghai.



[copy]

Peking, March 10th, 1912.

Dear Harry:-

In the letter to the Group the other day I touched a bit on the events of the Memorable twenty-ninth of February, but perhaps you would be amused by a somewhat more detailed account of what took place. We had thought, or rather I had, for Dorothy didn't seem to mind, that by going away as we did at the end of January, we should have avoided the celebration which we imagined would take place when abdication was pulled off. Yet the Empire had gone down and the Republic been proclaimed with nary a row of any sort in this ancient home of the Manchus.

On the after noon of the 29th, everything was perfectly quiet. Dorothy and I came in at about seven thirty and she was commencing to dress for dinner while I penned out a memo for the Legation. At about quarter to eight there was a banging and crackling, some of the reports just outside our gate. We paid no attention as we thought it must be a fire-cracker celebration for the Republic. A servant who started with the memo for the Legation however rushed back to say there was fighting between Yuan's men and other soldiers in the street. I went to see what the trouble was, when wing zing, a couple of shots rang overhead. The coolies who were gathered about the gate beat it for cover. The pop, pop, popping continued and our roof lines stood out sharply against the glow of the first fire. I told Dorothy that it looked like trouble. She didn't mind a bit, but went on dressing for dinner, calm as you please and objected strenuously when I advised getting into a street <sup>ss</sup> ~~drew~~ in order that we could clear out to the Legation if necessary.

The rattle of rifle fire increased and we both supposed that whoever was making the trouble, was being driven off the streets by Yuan's

- 2 -

3-10-12

patrols. Dorothy held that once the disorder was put down, the city would be safer than ever, because of the extra precautions that would be taken. She consented, however, to pack a bag to be ready in case of emergency, and did don a street gown. I took my bath and was half dressed when Dr. Morrison of the London "Times" who lives next door, came in to reassure Dorothy that there was no danger, that there was looting and street fighting going on, but that foreigners were allowed to pass unmolested.

That didn't sound so darn cheerful, especially as more fires had been started and the whole sky to the north of us seemed ablaze, while the firing continued unabated, the crack of rifles punctuated by the booming of field pieces somewhere in the distance, and by the burrrrr of machine guns nearby. It would have been folly to try to get through the soldier-filled streets without a foreign guard. We therefore sat tight and dined. Chambers came in from an adventurous walk. He reported no fighting, but said that Yuan's men were on the loose, that they were shooting in the air, smashing in shop fronts, looting and setting fire to the places they gutted. The noise of the gatlings, we later discovered came from the Imperial Palace, where the guards had blazed away down the street to scare off any venture-some gentlemen after the Palace Treasure.

A few minutes later there was a babble of many voices outside our compound. Then came the crashing of glass, the rip-rip of planking, and the shock of ribble butts on barred doors. The looters were at the silver shop, just across the alley, a very narrow one, from our gate. Chambers and I stood in the courtyard and with difficulty persuaded Dorothy to go indoors. In a moment there was pounding at our gate. I can tell you my heart bumped a bit and I frankly confess I was scared. However I went for the gate expecting to find a mob of soldiery. Then came a voice, in Chinese, "Open the gate, Dr. Morrison is here." I thought they were after him. The



coolie fumbled with the key, so I pulled, Morrison pushed from outside, and the whole show came in on us. There was no trouble however, Morrison, with great kindness, came to say that he thought Dorothy would be better off in his place, where a number of foreigners were gathered. We left Chambers here and walked to Morrison's gate. The street was bright with the fire-glow. Luckily there was little wind, and that from the south, carrying the flames away from, rather than towards, us, otherwise we would have had a bad time. Parties of from two to a dozen soldiers were walking or running along, carrying bundles of loot. Every now and then they would stop to tie up their ill-gotten gains, or to smash in the doors of some shop which had up to that time escaped their attention. Some carried torches, used to light them while they pillaged and which were then dropped on the floors to start another conflagration. The firing continued but we reached Morrison's seemingly unnoticed by the busy gentlemen in uniform. We stayed with Morrison until a guard of American Marines came out on the trot to rescue us. While we were with him a soldier came in saying he had been forced to join the looters and hated it all. He turned over his rifle and ammunition, and when Morrison sent him back to Yuan next day, he was made a corporal and given twenty taels. Two wounded men were kept for the night and sent on to the hospital the next day. As we stood in the gate, numbers of shopkeepers begged assylum. They had lost everything, poor devils, but we had to turn them away, as we feared that by taking in a crowd we might be exposed to attack. From the balcony we could see the street filled with soldiers rushing back and forth, followed by coolies upon whom they loaded their spoils. Across the road a large bazaar and theatre was burning and

the rear of the flames mingled with the fusillade which still kept on.

After an hour and a half, twenty men came for us. We packed a couple of bags for Dorothy and I jammed a tooth brush and shaving things in my overcoat, with my pyjamas in a wrapper. Dorothy, with her maid in her lap, the bags tied on behind, piled into one ricksha and we started at double time down the street to the Menocals. They came out on horseback, Mrs. Menocal riding astride in an ordinary street gown, their ricksha laden with bundles, and a couple of coolies with a huge packet, a blanket into which Menocal had thrown all his wife's dresses, between them. Casenave, who had come to see that we were all right, took part of our guard and started through some little alley-ways to guide the men to the house where Patchin, another American, lives and later brought them in on the double quick. Both the Patchins and Menocals had had a worse time than we, for looters had come to their doors on several occasions but had always gone away upon learning that the houses belonged to foreigners.

We reached the Legation in safety and untroubled by the gangs of looters, who merely stopped to look at us, and let us go by.

Just as we neared the gate a bullet hit the wall beside Mr. Calhoun and carummed off past Williams, the First Secretary. Earlier in the evening, a three inch shell had



passed through one of the tents occupied by the Marines and buried itself in the ground, luckily without exploding. Our men were out putting up sandbag barricades and wire entanglements, a machine gun was mounted on top of the Calhoun's kitchen, to sweep the stretch of glacis between the Legation and the Imperial City Walls. A relief party was being formed to go out to guard the mission compounds, and the men were spoiling for a fight.

Menocal and I then went back along Legation street, Cossacks with their transports carts were starting to gather in Russians from the burning district. French infantry with their picturesque tam o' shanters were off on the double quick to rescue some nuns; little Japanese in their khaki, Austrian and Italian sailors, German mounted infantry, were all hurrying to protect their nationals living outside the Quarter. We met a cavalcade, headed by a man carrying the American Flag, upside down. It turned out to be Dorothy's mare, and my polo ponies, brought in by the grooms, a rather good performance! As we went on back to our places, we found the main street filled with Chinese cavalry, who claimed they had been driven from their barracks by the fire, and that they were on patrol. They did not bother the looters much however, for parties went by laden with booty, and in the entrance to the little side streets, there were piles of stuff guarded by one or two armed men.

There was no more trouble in our vicinity. Everything had been pretty well cleared out. We gathered a few more belongings and came back, leaving Chambers who eventually decided to pass the night in the house, in doing which he showed a good deal of nerve.

That night the looters commandeered three trains, loaded them with their spoils and went on to Paoting-fu which was cleaned out during the next two days.

On Friday, the first, we had our little interview with Toang Shao Yi, reported in my official letter. The next day he asked the diplomats to take over in Peking. Luckily they did not do it.

All during Friday, looting continued. Large numbers of soldiers with their arms, were riding about in rickshas, absolutely on the loose. The West City was robbed that night and there was considerable trouble elsewhere, but none near our place.

The stories of Thursday night began to come out. How Tong had taken refuge in the Legation Quarter, how Liang Shih Yi and Sun Pao Chi, statesmen and patriots, had beaten it, without so much as a goodbye, from Yuan's dinner party, and raced for shelter to a man named Henningson, who lived across the street and who sells life insurance! Most appropriate! Mertgerie, the French Minister who called on Yuan the next morning, found him alone, save for his personal aide, Tsai Ting Kan. The aides, the secretaries,



3-10-12

the bodyguard, even the servants had taken to the woods. Tong it is said, tried to persuade Yuan - he sent him a letter - to join him inside the walls of the Legations.

The looting had been most systematic and orderly. Foreign property had been respected and Chinese householders in most cases escaped without a loss. The looters even went so far as to return the carriage of one Hoo Wei Teh, Minister of Foreign Affairs, which they had borrowed to cart away their stuff. They also returned some private rickshas likewise seized for the occasion.

By Friday midday, the police who had evaporated on Thursday night, began to appear from their holes. By Friday afternoon they gathered sufficient courage to behead a few miserable creatures who were gathering charred wood and corrugated iron from the ruins. Their bodies lay in the streets and their heads were hung up on tripods as a warning. Some old-style soldiers, who wear turbans, where Yuan's men - the new Army - have caps, were pressed into service Friday afternoon. They cleared the streets with volleys on one or two occasions, and it is reported, took the heads off some dead soldiers, whom they found in the streets. This posthumous punishment is considered very humiliating in China. It was also safer than an attempt to catch live soldiers and serve them in the same way. On Saturday a few soldiers were executed, and by Sunday, when some seven hundred additional

3-10-12

foreign troops had come up from Tienstin, Yuan seemed to have the situation pretty well in hand.

Yuan himself lost great face by the incident. But he can hardly be blamed, for his men, after a row about their pay, were afraid that under pressure from Tong and the Nan-king "Welcome Committee," Yuan would go south and leave them in the lurch, so they determined to have a fling before they were disbanded. The southern party as a result of the mutiny have now consented that Yuan should take his oath of office here, and remain to preserve order.

Tientsin was looted on the night of Saturday the second. Other small towns have been gutted and there has been a good deal of trouble in the country villages. Only one foreigner, a British missionary, has been killed as far as we can learn. In Peking everything is now quiet and Yuan's inauguration today caused no flutter.

The Manchu Princes are as thick as flies in the Legation Quarter. Old Prince Ching, for twenty years the most powerful figure in the Empire is living in the French hospital, and his renegade sons are gambling and drinking and blowing Papa's ill-gotten substance at the Wagon-Lits Hotel.

Through his connection, the redoubtable Sun Pao Chi, former Minister to Berlin and Paris, and one of the heroes of Yuan's dinner party, old Ching asked Casenave to go to his place and take out Taels. 150,000 stored there, for deposit with the Banque de l'Indo-Chine. Casenave borrowed a revolver from me and with a dozen French soldiers and seven carts we went to get the dibs. The soldiers we left in the main street nearby, and with young St.



3-10-12

Phalls, Casenave's secretary, and our grooms we went on to the Palace. After some delay the young princes turned up and took us into the old man's bedroom. They ripped off the top of the "kang", a sort of a brick bed, and there we saw silver in all shapes and forms, bearing the marks of half the provinces of China, the "shoes" or lumps of sycee varying in value from twenty to one tael, apiece. A gang of coolies set to work to dig the stuff out and pile it in the little sycee chests. That finished they took the sacrificial vessels off the family altar and knocked up the top thereof, disclosing more silver, this time in paper packets of \$100.00 each. Another altar was opened. That too was full, and finally we took two great clothes chests, and emptied them of a miscellaneous assortment of silver taels. In the meantime the young princes were skirmishing around for gold ornaments which they put in their pockets, and probably staked at poker that night.

We caught one fellow getting away with a hundred taels but the princelets didn't dare make a row. They had a guard of about fifty as tough looking citizens as I have ever seen, supposed to look after the place, and I imagine they feared to nab the culprit lest the whole outfit break out and commandeer the entire treasure. One of the princelets made an affecting speech to his cutthroats, telling them that the money was being taken away, not because the Prince distrusted his men, but because he was afraid they might not be strong enough, in case of trouble, to protect so large an amount. He further, so considerate was he, thought that when it became known that the treasure had been taken away the guards would be in much less danger of an attack. He presented them with eighteen hundred taels, and left them in peace. I wonder whether they went through

3-10-12

the rest of the bedrooms that night.

Frank is on the high seas enroute for Peking and we hope to make our get away on the 26th. I shall be sorry for many reasons to go, but for many more I shall be very glad to leave this troublous country, for Dorothy's sake as well as my own. It will be wonderful to see you all again, and Dorothy and I love to plan the parties which we will have with you and Mrs. Davie if you will let us play with you this summer. Please give her our love, and some for the kids, and lots for yourself.

Yours,

Willard Straight.

I enclose some photographs that may be of interest.

(Not enclosed because not finished)



Copy.

Republic of China,  
Office of the President,  
Peking, 9th. of March., 1912.

To E. G. Hillier, Esquire, C.M.G., Agent, Hongkong and Shanghai  
Banking Corporation,

Monsieur Cagnave, Manager, Banque de L'Indo-Chine.

H. Cordes, Esquire, Deutsche-Asiatische Bank, and

Willard D. Straight, Esquire, Special Representative American Group.

Gentlemen:-

I am in receipt of your letter of today's date informing me that, having obtained the sanction of your Governments to advance to the Chinese Provisional Government funds for their urgent requirements, as stated in the letter of the 2nd. of March addressed to you by the Acting Minister of Finance, your Banks are now prepared to hold at the disposal of the Chinese Provisional Government, against the receipts of the Ministry of Finance, the sum of Shanghai Taels one million one hundred thousand ( Shanghai Taels 1,100,000 ), and I note the arrangements proposed for making this sum available.

It is understood and agreed,

1. That the said advance of Shanghai Taels 1,100,000 will be treated in conjunction with the advance of Shanghai Taels 2,000,000 made in Shanghai to the Chinese Provisional Government on the twenty-eighth day of February last, and that sterling exchange for the same will be settled by the Banks in Shanghai today.
2. That this advance of Shanghai Taels 1,100,000 as in the case of the previous advance of Shanghai Taels 2,000,000 above referred to, will be covered by delivery to the Banks, so soon as arrangements permit, of Sterling Treasury Bills bearing date the 9th. day of March, 1912, and for such amounts as, after being discounted at a rate to be arranged, shall yield the sterling equivalent of the said advance, the said Treasury Bills to be secured, subject to the existing charges, upon the revenue of the Salt Gabelle.
3. That the Banks hold a firm option for the provision of the further monthly

-2-

monthly requirements of the Chinese Government for the months of March, April, May, June, and possibly July and August, which the four Groups have already been requested to finance against the delivery of additional Sterling Treasury Bills on terms to be arranged.

4. That in consideration of the assistance rendered by the Groups to China in the present emergency, and of their services in supporting her credit on the foreign markets, the Chinese Government assures to the Groups ( provided that their terms are equally advantageous with those otherwise obtainable ) the firm option of undertaking the comprehensive loan for general reorganization purposes already proposed to them, to be floated as soon as possible, and to be applied in the first instance to the redemption of the Sterling Treasury Bills aforesaid.

I hereby confirm the arrangements and conditions above stated, and request you to proceed immediately in accordance therewith.

I am, Gentlemen,

Yours faithfully,

(Signed) Yuan Shih Kai,

( Seal ).



THE AMERICAN GROUP.

PEKING.

March 12<sup>th</sup> 1912

My dear Turkey -

Many thanks for the  
picture of your self and  
family - which is very  
much pleased to receive,  
and for which Mrs. Straight  
also wishes to thank you -

We hope that in many days  
you youngsters are of these days -  
as we expect to have them  
in a couple of weeks and  
to be at home towards the  
end of April. Trusting  
that everything goes well  
with you -

Yours truly

Willard Straight

[Copy]

March 13th, 1912.

Dear Bishop Graves:-

I trust that you will not misunderstand our attitude here toward the very necessary and splendid work which you are trying to forward, for I assure you that we are all anxious to do anything we can to assist you. As telegraphed you the other day however, we do not feel ourselves in a position to push the matter, and while we are ready to meet the Chinese more than half way we feel that the initiative must come from them.

The Banks are negotiating to finance the monthly requirements of the Government for some months to come, and have received from Yuan an estimate of the amounts that will be required. The figures given, have not, as far as we know, included sums to be used for famine relief. The amount of silver required, however, is so large, and so greatly exceeds the amount which the Shanghai Banks originally considered themselves able to furnish, that we in Peking have not felt justified in calling on them for more. We desired the Chinese themselves to approach the Banks in Shanghai, and after a conference with Tang Shao Yi it was agreed that he should wire Chen Chin Tao to call at the Hongkong Bank in Shanghai and request this additional accommodation for famine



- 2 -

relief. This I wired to Gulland, who replied that the Banks in Shanghai would be willing to put up the money, and that he had so informed Chen. We naturally expected that Chen would report to Yuan and request him to negotiate with us to have the money needed for your work, treated in connection with the other advances which we were negotiating with the Government here. This in fact was the substance of our misunderstanding with Tang Shao Yi. Yuan, however, has not approached us in this matter, and we are at a loss to know whether he has forgotten, whether he is too occupied with more important problems to tackle famine relief, or whether our condition, that the money should be expended by your committee has proved unpalatable to the authorities here or in the south.

We now feel that there is nothing more that we can do, no matter how much we wish to help you. We do not feel in a position to force the Chinese to look after their own people, as they ought to do, at this time, when questions involving not the fate of some millions of people, but of the entire country are at stake. We are ready to give the monetary assistance required when we are asked to do so, and I sincerely hope, as do my colleagues here, that this loan may be arranged before it is too late.

Both Mrs. Straight and myself were most sorry that we could not visit you at St. John's as we had planned

- 3 -

March 18th, 1912.

to do, and though we are just starting for home, I trust that when we come out again, or when you come home, we shall have the pleasure of seeing Mrs. Graves and yourself once more.

With heartiest wishes for your success, and many regrets that I have been unable to be of greater assistance, believe me,

Sincerely yours,

WILLARD STRAIGHT.

The Right Reverend

Bishop F. R. Graves

St. Johns College, Shanghai.



March 13th, 1912.

My dear Bonar:-

Many thanks for your letter of the 7th. You were quite right in your statements to Count Terauchi. I regret that he should have considered me anti-Japanese which has never been true. That I have not always approved of Japanese policy in Manchuria and Korea, is certainly so, and that I endeavored to push through a railway which was not liked by the Japanese is likewise a fact. I believed and still believe however, that Japan made a mistake in objecting to this line, as I do not consider the protest to have been warranted in the light of her repeated declarations regarding the "Open Door." However, that is all ancient history now, and recent events would seem to warrant the belief that Japan's policy is not as militant as it once was and there seems now a probability that we may all be able to cooperate on a basis of equality, with a fair field to all. That is all I have ever asked, and if we can work in partnership with Japanese interests, no one will be more pleased than I myself, who have always had the greatest admiration for the splendid qualities of the Japanese nation, just as I have disliked the characteristics, or seeming characteristics, which did not seem to me to accord with

- 2 -

what I liked to believe the Japanese people to be.

In case we should be working together with Japanese capital and under Japanese auspices, I am sure that, if I have anything to do with such an enterprise, the Japanese will have no cause to complain of me, or my want or friendliness towards them. All we can ever ask is a fair deal, and this we cannot expect to receive unless we are willing to give equality with ourselves, to others.

I am very glad to have an opportunity of stating this view and I hope that if you have an opportunity you will take occasion to convey my attitude to anyone who might be interested.

As to the matter under discussion. I am still very much interested and hope to be able to do something with my people at home, or some of them. We are leaving here on March 26th for home, via Siberia, and expect to be in London from about the twelfth until the twentieth of April. My address there will be care of Morgan, Grenfell & Co., 22 Old Broad Street, and I shall hope to talk things over with you more fully before I start for New York.

I wrote you some time ago about the screens and hope that we may be able to secure some of them.

With kindest regards,

Henry Bonar, Esq.,

Yours sincerely,

H.B.M.'s Embassy,

WILLARD STRAIGHT.

Tokyo.

Please give my respects and salaams to the McDonalds.



March 14th., 1912.

Dear Mr. Sugiyama,

Your letter of January 20th., was not received until a week or so ago, for I have been away for over a month and my mail has been waiting for me. Since my return I have had no opportunity of writing to you until now.

I was very much interested in your views of the situation in China at present and though much has happened since you wrote, I should be very glad to hear from you again, enlarging upon the ideas expressed in your last letter, with regard to the relationship between China and America.

As I shall be leaving for America on the 26th. of March, I hope that you will find time to write me before that time.

Yours very truly,

Bush T. Sugiyama,  
Okada Engineering Office,  
Dairen,  
Manchuria.

March 19th, 1912.

Dear Gulland:-

Millard tells me that his journal is apt to be a little hard up during the next few weeks in order to meet payments due on new presses, etc. coming out from home. I am not interested financially in this publication but know Millard well, and should be glad if you could extend a little bit more than the usual accommodation to Fliescher, the Business Manager, in order to tide him over the crisis. I am sure that you will be entirely safe in so doing and should regard it as a personal favor if you would help him out.

Yours sincerely,

WILLARD STRAIGHT.

H. C. Gulland, Esquire,  
International Banking Corporation,  
Shanghai.



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1911

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Sept 2	Gold cigarette case.	10/15/1.	Engraving.	10/6	14	5	6
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Kaiserlich  
Deutsche Gesandtschaft.

Der unterzeichnete Kaiserlich Deutsche Ausserordentliche  
Gesandte und Bevollmächtigte Minister in China bittet die Grenz-  
Zollbehörden der Staaten des Deutschen Reiches, bei der Behandlung  
des Reisegepäcks, *von Mr. und Mrs. Straight,*  
*hier über Hauptmann auf dem*  
*H. H. man Amanka yufen,*  
*von hier nach Deutschland geht,* alle mit den bestehenden Vorschriften  
vereinbaren Rücksichten und Erleichterungen eintreten zu lassen.

Peking, den 22. März 1912.



*Hasthausen.*

The Willard Straight Papers at Cornell University

002769



		Dr. J.	19	12	.
Sept. 10	100 Nos. 2 ss envelopes lined			7	6
	100 8mo. . . lined			3	6
	250 . . . 79			6	3
	Stamping paper & cards & dies			13	.
	Thin lined box			7	6
	Silver ink		7	10	.
	Making blue seal writing set with silver corners — Stationery case, Blotter, String box, Shot penwiper, Rubber band box, Calendar, Memo. book, Engagement book, & Stamp box as estimate.				
	D.W.S. mono. on blotter only		25		
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Emergency Passport

This passport is issued to  
Willard Dickerman Straight  
in order that himself and his family may  
proceed to Massachusetts Albany  
Albany

Good only for six months  
from date.



Legation  
of the  
United States of America,  
at  
Peking

To all to whom these presents shall come, Greeting;

I the undersigned, Envoy Extraordinary and Minister Plenipotentiary  
of the United States of America,

herely request all whom it may concern to permit  
Willard Dickerman Straight  
a Citizen of the United States with his  
wife and her maid — safety  
and freely to pass and in case of need to give  
him all lawful Aid and Protection.

Description

Age 32 Years  
Stature 6 Feet 3 1/4 Inches Eng.  
Forehead high  
Eyes grey  
Nose straight  
Mouth small  
Chin square  
Hair light brown  
Complexion light  
Face long

Signature of the Bearer.

Willard Dickerman Straight

Given under my hand and the  
Seal of the Legation of the  
United States



at Peking  
the 20th day of March  
in the year 1912, and of the  
Independence of the United States  
the one hundred and twelfth

W. D. Callahan

No. 506



大美國欽命駐劄中華

填給護照事茲有本國

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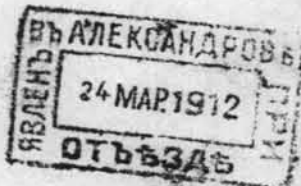
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Явленъ въ Императорской Россійской Миссии въ Пекинѣ для пробада въ Россію гражданина Сѣверо-Американскихъ Соединенныхъ Штатовъ Вильярдъ Дикерманъ Страты его жены, сопровождаемой прислугой. Г. Пекинъ, 10/23 Марта 1912 г., по реестру за № 75.- Конс. сборъ по ст. 3, 6 взыскано 2 р. 25 коп. или \$ 2.86.

За Секретаря Миссии:



3

9/11/12



[copy]

Peking, March 25th, 1912.

MEMORANDUM REGARDING PAYMENTS TO BE MADE FOR POLO FIELD.

Appended herewith are copies of two letters regarding improvements to the polo pavilion, etc. and the installation of an artesian well on the polo field.

As requested therein Mr. Shaw will, through Captain Worrall, from time to time ask for funds on account of the above expenditures. I should be very much obliged if the office will pay these amounts and forward to me at home a statement of the gold equivalent of the silver expenditure at such time as the final payment shall have been made.

[copy]

March 25th, 1912.

Dear Shaw:-

With reference to our conversation of day before yesterday, my wife desires me to ask you to proceed with work on fixing up the pavilion with lockers, etc. as proposed in your estimate, and also wishes you to put in an artesian well on the polo field, the estimated cost of which I understand is \$1100.

I am giving to Mr. McKnight a copy of this letter together with copies of your estimate and he will make such payments on this account as you may request through the Grounds Improvement Committee, M. Casenave and the Secretary of the Polo Club. I am sending a copy of this letter and of your estimate to Captain Warrall, the Secretary of the Polo Club, with the request that he communicate with Mr. McKnight when you desire payments made.

Yours very truly,

STRAIGHT.

A. J. M. Shaw, Esquire,  
Peking.



[copy]

March 25th, 1912.

Dear Warrall:-

Enclosed is a copy of letter which I have today written to Shaw, together with his estimates, marked respectively "A" and "B" for the cost of further improvements to the Polo Pavilion and for the installation of an artesian well.

As you will notice from the copy enclosed, I have requested Shaw to communicate with you when he desires payments made on this account, which request I hope that you will be good enough to communicate to my successor, Mr. McKnight, who will pay over the amounts as requested.

Yours sincerely,

STRAIGHT.

Captain E. W. Worrall,

Peking.

[3-24-12]  
[copy]

Dear Peter,

Just a word before we pull out, dictated, as you will discover by the absence of that flowing style which usually characterizes the documents which I, myself, write.

I am sending you through Warwick a small Tang figure alleged to have been dug up from the grave of the late Prime Minister who flourished about 900 A. D. In a tin tube, moreover, I am sending you three pictures of polo as she was played in China at about the same period. These are not originals but copies of an old document. One is for yourself, one for Warwick and one for Dr. Strong. I am just sticking another which please present to the Manila Polo Club with my compliments. I had these copies made to take hom with me and have also had a reprint made of an article published some years ago in the nineteenth century describing polo in China.

The book which you sent up arrived safely and the cigars are going fine. Dorothy very much appreciates the little knife that you sent and herewith gives you one cash, which Dorothy sends pursuant to the old tradition that one friend can never give another a sharp instrument without receiving compensation therefor lest there be a rupture of amicable relations.



I will write you a real letter from the train.

Good bye.

Yours,  
STRAIGHT.

Edward L. Bowdich, Jr., Esq.,  
Malacanan Palace,  
Manila, P. I.

March 24th, 1912.

[copy]  
[3-24-12]

Dear Warwick,

We are forwarding you a large case containing Chinese lanterns for your bungalow and a number of small clay figures which the man who sold them to me claims to have been made about 900 A. D.

I would be very much obliged if you would be so kind as to give one of these to the Minterns, one to Peter, one to Gordon, and one to the Fairchilds and one to Dr. Strong. There is also one for yourself. These things do not amount to much but they are rather amusing and are supposed, I believe rightly, to have been dug up from the graves of dignitaries who held office under the Tang Dynasty. There has been so much of a row here that all the silk shops have closed their doors and it has been impossible to secure any silks wherewith to make the gowns which we intended to send you, So I am afraid that you will have to wait until we can go to Charvey's in Paris, which is the original home of these vestments.

I am sending to Peter a small roll containing pictures of polo as she was played in the days of the Tang Dynasty. One of these is for you and as soon as it is finished I will send you a little booklet containing a reprint of an article by Professor Childs which appeared in the nineteenth century describing the antics of the Chinese Meadowbrook Team.



- 2 -

We are leaving day after tomorrow for home and I suppose we shall be there for some time. We will be back to see you, however, unless you reach New York before we start wandering once more. Dorothy sends her regards and we both hope that everything is going well with you, and wish to thank you again, for we can never thank you enough, for all you did for us during our week in the Philippines.

Good Luck.

Yours,

W.S.

Warwick Greene, Esq.,  
Chief of Bureau of Public Works,  
Manila, P. I.

March 24th, 1912.

1965

Hill Brothers,  
Military Tailors,  
3, Old Bond Street, W.



London the 25<sup>th</sup> of March 1912  
Received of W. D. Straight Esq.  
the sum of twenty Pounds — Shillings  
and — Pence. Hill Brothers  
£20 - only



Willard Dickerman Straight Esq

June 1911

Telegrams: HILLSIDE, LONDON.

Telephone: No 1248 MAYFAIR.

# HILL BROTHERS,

COURT, NAVAL & MILITARY TAILORS.

3, OLD BOND STREET, LONDON.

252, RUE DE RIVOLI,  
PARIS.

5 PER CENT. INTEREST CHARGED AFTER 12 MONTHS ON THE CREDIT COLUMN.

French Bankers, Messrs. Hottinguer.

CHEQUES TO BE CROSSED BANK OF ENGLAND.

LEDG. FO. 48/518 + 70/615.

CASH

CREDIT.

	To balance of account rendered.	28 19	28 19
1911			
July 10.	A Black Coating Morning Coat lined satin, braidraid	6	6 18
	2 White Quilting Falsie Waistcoats	10	11 6
	A Black Coating Waistcoat	1 11 6	1 16
	A pair Fancy Cashmere Trowsers	2 2	2 8
Aug. 8	A Grey Harespurr Sac Coat	3 18	4 10
	A do Waistcoat	1 8	1 12
	A pair do Trowsers	1 18	2 4
2	3 White Quilting Dress Waistcoats @ 28/-	4 4	4 16
	A Blue Cheviot Pea jacket	4 6	4 18
	A do Waistcoat	1 8	1 12
	A pair do Trowsers	1 18	2 4
	Repairing & pressing a Dress Coat new ribbed silk facings & silk sleeve linings, new buttons	1 12	1 17
	do a pair Dress Trowsers new braid at sides	13 6	15 8
		£ 60 8.	65 1

Pd 20 mch 8/11

The Willard Straight

Papers at Cornell University

002777



To

Mr. W.D. Straight.

	\$	cts.
29 pairs Silk curtains	174.00	
3 pcs. Satin coat	75.00	X
1 " " vest	6.00	
1 Set long coat	40.00	
Yellow satin clothings	90.00	X
Mend the riding trouser with leather	3.00	
1 Long coat	60.00	X
1 Piece of leather	7.00	
1 Grey thin long coat	40.00	
1 Doz. White shirts	72.00	
1 Trousers	12.00	
Yellow Satin long coat	60.00	X
1 Doz. Light purple shirts ( silk )	180.00	
1 " white silk "	180.00	
3 sets Light purple silk sleeping clothings	144.00	
10 Pieces white riding trousers	70.00	
2 Doz. white silk large collars	20.00	
6 white shirts mending sleeves	3.00	
2 Common cloth shirts mending sleeves etc.	2.00	
4 Drape shirts changed	8.00	
Total	\$ 1,248.00	

T'ung-Tien-Tai  
Tailor.

Peking, March 25th 1912.

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[copy]

March 26th, 1912.

Dear Mr. Dodds:-

Your letter of March 18th with enclosures has been received and I have been most pleased to forward your credentials on to Mr. Mayers with the hope that he would have you in mind and if anything came up give you a chance of getting on as you naturally wish to do.

Trusting that this recommendation may be of some value to you, believe me,

Yours truly,

WILLARD STRAIGHT.

Papers at Cornell University

002778



[copy]

March 26th, 1912.

E. G. Hillier, Esquire, G. M. G.,  
The Agent,  
Hongkong and Shanghai Banking Corporation,  
Peking.

Dear Sir:

With reference to your receipt held by this office for one sealed packet deposited in your vaults on May 30th, last, and held by you to my order, I beg hereby to request that said packet be now held to the order of Mr. F. H. McKnight, Special Representative of the American Group, for China.

Yours truly,

WILLARD STRAIGHT.

[copy]

March 26th, 1912.

Dear Mayers:-

Enclosed I send the credentials of Mr. W. C. Dodds who is now employed in the Traffic Department of the I. R. N. C. and who has been known to me for a number of years. You doubtless are much better acquainted with his record than I, and it is perhaps a piece of impudence on my part to take the matter up with you, but Dodds has always seemed to me a very decent fellow, and has been most obliging on a number of occasions, and if there should be a chance to help him along, and you could conscientiously find a way to do so, I should be much pleased.

Yours,

WILLARD STRAIGHT.