AMERICAN INTERESTS IN CHINA: THE EXACT SITUATION

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It is now becoming clear that the war going on in Europe affects not only all European countries, but countries the other side of the globe—countries spoken of as at "the ends of the earth," of which China is the most conspicuous member. The way all countries, particularly China, are affected will be seen to be, on careful investigation, a way to be reprehended rather than to be encouraged. The effects are bad, without any apparent good.

One further reflection on these extraordinary conditions is this: American interests in China, as well as China herself, are being affected in a way serious, but intricate and obscure. Men's views about the two groups of belligerents, or rather their personal prejudices, come in to re-shapen the whole policy of America's position in China. I will cite some expressions made in China, and some in America, all of which show that the American-Chinese question is after all an international question.

There are three American enterprises being projected in China. One the railway enterprise and Grand Canal conservation scheme of Siems and Carey of St. Paul, backed up by New York financiers. The second is an industrial loan to China from Chicago bankers. The third is the Chinese-American Products Exchange Company, initiated by ex-Mayor Rose of Milwaukee, and espoused by enterprising men in the southern states.

The big enterprise of Siems and Carey, on being made known, was at once opposed by the legations in Peking of Great Britain, Russia, France and Japan. It may here be noticed that these four nations are bound together in the Entente. The mere fact that these four nations have rail-
For once *The China Press* has a leader of its own. More surprising, it is on American interests. Still more surprising, it contains a criticism of the Entente. The criticism, however, is only a quotation from *The New York Times*. This is a safe process. The leader deals with the second enterprise mentioned above, that of Chicago bankers. The criticism from the great New York paper, generally pro-Ally, is in the following language:

Although Great Britain, France and Russia are borrowing hundreds of millions here, and are unable to lend, their bankers have sent to China a protest against the small loan of $5,000,000 which the Chinese Government recently obtained from the Continental and Commercial Bank of Chicago. Japanese bankers join in making complaint.

*The Far Eastern Review* for November has separate articles on each of these three great enterprises. The one, on the first enterprise, backed by New York bankers, is commendatory. The one, on the move of Chicago financiers, treats the matter casually and even with a little dubiousness. The one, on the third enterprise, is severe in its condemnation.

Concerning the loan from Chicago bankers, it is said: "Whether it ever will be consummated remains to be seen." And this, though a telegram from home informs us, that "the loan has been three times over-subscribed in the Western States." Then why so dubious? The editor explains: "There are international strings to trip up "trespassers" in the field devoted to administrative and "industrial" loans just as there are in the field of railway loans. Some of these are now being encountered, as witness the opposition of the Consortium of Bankers at Peking, and the protest made by the Banque Industrielle with respect to the security." This is the hindrance objected to by *The New York Times*.

The article on the third enterprise appears under the name of George Bronson Rea. He has only contempt for the westerners and southerners and Pacific Coast men, who are striking out on a new line, free from the control of New York financiers.
before the men of America will in turn have to defend the same principle. The great financiers of the United States will not support a scheme at this time having for its object the undermining of Manchester's preëminence in the cotton markets of the world; they have placed themselves on record that the great wealth which has rolled into their coffers as the result of the misfortunes of Europe, shall not be actively employed against them during the war to take away or undermine their trade; on the contrary, they hold that the huge war profits are to be held to assist and coöperate with the others in reëstablishing their stricken industries and reviving their foreign trade. This reflects the true American spirit. The Far Eastern Review has accepted this declaration of the American bankers uttered through their mouthpiece, Mr. Willard D. Straight, as final, and cannot therefore support any scheme whereby the credit of the Chinese Government is to be employed to strengthen a German-American attempt to circumvent this doctrine of red-blooded Americanism.

Since when have Americans received from Britons, either here, in China, or anywhere else in the world such favors, benignant consideration, equitable treatment, as to make all Americans morally obligated to rescue Manchester trade in England's sad hour of adversity?

American trade during this war has been hampered, annoyed, checked, ruined, almost exclusively by Britons. Legitimate trade in ordinary articles of daily use has met with no restriction from Germans or Austrians. Even the Japanese, so far as they were free agents, have competed in a business way, and not in terms of war. The only American trade injured by Germany has been "ammunition" trade directed "against Germany and in behalf of England."

If American cotton manufacturers and shippers can avoid the indirect route of Liverpool and Manchester, and can do business in a direct way with China, they would be "big fools," whatever the color of their patriotism, if they neglected the opportunity or shrank from the duty.

That which shows the inner mind of Mr. George Bronson Rea is in the words: "a German-American attempt." The men associated with the father of the clerk of the United States Court for China, men who receive the support of both the American and Chinese Governments should be blacklisted at once by the all-powerful, British Government.
So far as I know, Mr. George Bronson Rea and Mr. W. H. Donald are both anti-Japanese and anti-German. As between England and America they are more pro-English than pro-American.

This new Company may perhaps be a little anti-British, seeing how the British have injured American trade. The directors are pro-American, and, in the operations of the Company, pro-Chinese.

This is all. There is no reason for an American to oppose American enterprise.

We now notice some ideas which have been put forth from the American end of American-Chinese enterprise. Papers from home give us the information that the promotion of American interests in China is receiving more and more serious consideration from American business men. Merchants are beginning to see the need of government support. Trade and politics as yet cannot be separated. The time may come when commerce will rely on the worth and capacity of the business man, not on extraneous support of governments, but that time has not yet come. If merchants of one country look for openings in other lands as provided by a department of state, other merchants must ask and secure a similar support, or fail in the competition. Thus it is that “dollar diplomacy” is again being talked of among Americans.

One of the most powerful of American organizations is the American Manufacturers’ Export Association. Its headquarters are in Philadelphia. Consequently many of its leaders are in sympathy with the sentiment of the Eastern States rather than of the Western and Southern.

This Association has more than once formed plans for pushing trade in American machinery among the Republics of Central and South America, and also in China and Russia. Some of these schemes as directed to China have come to naught, after considerable expenditure of money. Still, these men of enterprise do not lose their energy, zeal or ambition. They are men with big ideas. If China in the long run proves a barren soil for these ideas, these men, never disheartened, will simply turn to other countries. China not America, will be the loser.
placed herself in the wrong. She loses, not perhaps in trade or in exhibition of military strength, but in gaining the confidence and esteem of the Chinese people.

As between Japan and America, the latter country cannot interfere in the Cheng-Chiatun incident.

Mr. Johnson refers thus to the Japanese menace:

The history of the Japanese activities in Manchuria is the history of the almost complete loss of American trade, not a little of which was formerly enjoyed by the members of this Association. Should the present demands be granted by China, what little business is now done by Americans with the Chinese will be cut off or reduced still further.

The American government may be appealed to concerning danger to the sovereignty of China, whether from Japan or any other country, but not concerning American business failure to keep up with the Japanese. America, along with other countries, has a treaty with China for the recognition and maintenance of China's sovereignty. Four countries have an agreement with Japan to the same end of guaranteeing China's sovereignty. Here, but not over trade, there is need for American interference or inter-position.

Mr. Johnson centers his whole thought on the trade question, and therein shows a lack of breadth of mind. The same narrow conception leads him to make Japan the menace to American interests in China. If he had understood the real conditions prevailing here, he would have described England as the menace. However, for Mr. Alba B. Johnson to have complained to the state department of England's restraint on American trade, American prestige, American rights, and American independence of individual action, in China, as he has complained of Japan, would have required a species of courage and a conviction of soul, which have been lacking in American appreciation of the far-reaching effects of the part played by the various belligerents in the war. It is somewhat a fad among certain enterprising Americans to reproach Japan. Another fad is to condone everything done by England.

At the beginning of the war England described Germany as the menace in the Far East. Japan was invited to eject