From Mukden on 9 August 1907 Straight wrote a note of commendation to John Foord of the American Asiatic Association, and on 3 December he wrote at length to Edwin Denby, who was planning to publish a monthly on Asiatic affairs. In mid-November Straight prepared a memorandum on Manchuria that he later handed to William Howard Taft when they conferred in Vladivostok. Copies of some State Department trade reports incorporating Straight's dispatches are filmed at the end of 1907. Some letters in late 1907 and early 1908 concern a news service George Marvin was conducting for the Chinese government. A Marvin letter of 13 January urged that American college men establish friendly relations with Chinese students, as Straight had done with Alfred Sze at Cornell. There are letters from a number of consuls in other commercial centers in Korea and Manchuria. An attack on the gateman of the American consulate in Mukden by a Japanese postman, and the fracas that ensued, led Straight to complain to the Japanese consul. The injudicious release to the press of Straight's colorful account of the incident, referred to as the "Mukden affair" in the Japanese papers, led to the termination of Marvin's news venture.

Some other correspondents in the Mukden period are Henry Prather Fletcher, Frederick McCormick, William Phillips, Henry Schoellkopf, and Francis Mairs Huntington Wilson. On 24 May 1908 Straight and an associate began a three-month journey into Northern Manchuria, studying the transportation, agriculture, and trade in outlying areas, and observing and recording the extent of Russian and Japanese control and colonization. In September Straight returned to the United States to help Special Ambassador T'ang Shao-yi place his Manchurian Bank proposal before American financiers. Straight exchanged a number of notes with Harriman and Jacob Henry Schiff. A letter from Elihu Root on 11 December 1908 defines the State Department's attitude toward the undertaking. T'ang's recall in January left Straight in Washington, where he prepared a number of reports for the Division of Far Eastern Affairs.
REEL 2

Segment 1
July-December 1907

Segment 2
January-March 1908

Segment 3
April 1908-March 1909
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Received Payment Total: $3.100

The Willard Straight Papers at Cornell University
Peking, July 22, 1901

My dear Straight,

I received today your No. 124 of June 28th. I shall only acknowledge it, I do not want to write you too much in this customs business or attempt to settle it as near as we can.

The question of the exemption from consumption tax of American products which has found its way into Chinese hands is embarrassing. A mere trickle of goods, in comparison with the Chinese production, that the remainder of a consumption tax was placed within reach of a manufacturer, we would not have had a matter which did not concern us as it which we would not do before, as it British had done in this respect of 1902. I think they're likely not to do you the favor desired in this question, chance it to your British or German college until I think the wind and more certain.
The Willard Straight Papers at Cornell University
July 5th, 1907.

Dear Excellency:

I nearly telegraphed you yesterday — to tell you that this 4th of July I didn't. We had the viceroy and langhins Tang Shao Yi and all the other gay birds for champagne and sandwiches in the morning — a most trying thing with the thermometer miles in the air, and in the evening I gathered in a few stray Americans, two of whom are ex-soldiers and wishing to open in business here and the other being a rather decent fellow who is starting "match clubs" which while they are not exactly gambling institutions are just about as near it as one can well imagine. They were all cheerful so that it went off quite well.

Peck, a student interpreter from Peking is now here, much to Mr. Rockhill's disgust and my delight for to carry on alone is almost too much of a good thing.

Laughlin has been transferred to Petersburg. He is rapidly shifting these days.

Ever yours,

U. Straight.
The Willard Straight Papers at Cornell University
Mukden, China.
July 9, 1907.

Dear Mr. Gardner:

Enclosed I am forwarding my cheque for $100.00 and a draft on the Yokohama Specie Bank for a like amount which same I trust you will place to my credit on account. I have been down with a complication of diseases or you should have heard from me e'er this.

Yours sincerely,

Willard D. Straight.

H. G. Garnder, Esquire,
Agent, Hongkong and Shanghai Bank,
Peking.

Wilson and Co.
Tientsin.

Mukden, China.
July 10, 1907.

Dear Sirs:-

You will doubtless remember that some time ago you informed me that my policies would shortly be forwarded by the Shanghai Office of the Standard Life Insurance Co. Since that time I have heard nothing regarding this matter and wish that you will advise me if negligence on my part has caused this delay.

Yours faithfully,

Willard D. Straight.
Tientsin, 11th June, 1907.

W. D. Straight, Esq.,
U. S. Consul General,
McKdow.

Dear Sir,

We are pleased to inform you that we have received your Stand. Life Policies from the Branch office in Shanghai. They are as follows:

1st. No. 565 3/4 for £400.
2nd. No. 566 3/4 for £400.
3rd. No. 566 3/4 for £200.

The first mentioned we now have forwarded to the Agent of the Hongkong & Shanghai Bank, Tientsin, in accordance with your wishes, and the two others we now beg to enclose.

The Willard Straight Papers at Cornell University
American Consulate General.
Mukden, China.

July 15, 1907

Taylor and Carpenter,
Ithaca,
N.Y.

My dear Taylor:

Your numerous favors have been received and I shall not attempt to enumerate them by number and date. The books reached old stick-in-the-mud and he has paid down hard cash for the same though I presume that he thought he was running a nice little graft game on your Aunt. Whether he will seek the Wentworth or not I don't know, if he does I'll cable instructions.

You are most kind in undertaking the arduous and rather unrewarding task of paying my small bills and I much appreciate your consideration. The sums you mention as on file at the Business Men's Association I wish you would clear. McGillivray's I think I paid in Oswego but never mind, wipe the slate. Byrne and Kent sent their receipts as did the Washington Post I think though I would not swear to it. The receipt for the field came in your last letter as did that for the "News" together with the two books Ploetz and Douglas.

Enclosed I send you a draft for $50.00 which I trust you will apply on account and renew for me my subscriptions to Collier's, The Nation, commencing at the same time subscriptions for Life and the North American Review. Address as usual "American Consul General, Mukden."

Thanking you for your kindness and with best wishes and regards to all, believe me,

Yours very truly,

Willard D. Straight

Deduct the sum due on Hsu's books from my account.
Mukden, China.

July 17, 1907

H. G. Gardner, Esquire,
Agent, Honking and Shanghai Bank
Peking.

Dear Mr. Gardner:

I have to acknowledge your favor of the 12th instant in which you request me to confirm your figures i.e., $2,611 to my credit in Current Account and $1,800.00 to my debit in Loan Account. The latter figure I find correct but reference to my cheque book shows a credit balance of $33.13. I should be pleased to be corrected if I am in error in this matter.

I am informed by Wilson and Co., of Tientsin that my insurance policy No. 284 for $400 has been forwarded to you and I should be pleased to have your confirmation of this fact.

yours faithfully,

Willard D. Straight
Dear Sir,

I am in receipt of your favour of the 17th instant advising that you do not agree the amount standing to your credit in Current Account as per our Books. I have now the pleasure to hand you here-with a statement of the account and shall be obliged if you will compare it with your record and advise me further.

I duly received from Messrs Wilson & Co. Tientsin insurance policies for £400 on your life which I hold in Safe Custody on your account.

Yours faithfully,

J. A. Ashurst
Agent.
<table>
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Balance $3261.24

From: FRAMJEE, SORABJEE & CO.
MID-POINT, NAPOLEON ROAD.
SHANGHAI, 21st JULY 1907

American Consulate General, HUDDLE.

Sir,

We beg to acknowledge the receipt of your letter of the 15th Instant, and in accordance with your instructions, we have this day forwarded per S.S. "Illinois" 2 cases of goods addressed to you for American Consulate General NEWETWANG, which we trust will arrive in order and give you every satisfaction. We beg to enclose herewith our bill for the articles shipped today. We trust you must have by this time received 1 case of stores which was shipped from here on the 13th of June last by the S.S. "St. Lawrence" in execution of your previous order. If in case you have not received them, please have inquiries made at the American Consulate General NEWETWANG, so it was forwarded through the NED's care. We shall feel greatly obliged to you if you will be kind enough to send the amount of the enclosed bill as well as the previous bill amounting in all to $66.75 at your early convenience.

Thanking you for your kind support and awaiting the favour of further orders.

We beg to remain,
Your truly,

FRAMJEE, SORABJEE & CO.
Dear Mr. Rockhill:

I was much distressed to hear that you have been troubled with gout in your hand and trust that your difficulties are now over.

With regard to the Customs regulations for the North, the local authorities forwarded me the other day a general outline of their provisions which as they had been sent on by the Wai Wu ru, I presume you have long ago received. Should this not be the case I will have a copy made of the rules furnished us here. in accordance with your suggestion I have written Fishel fully regarding the Customs situation here and have offered to exchange despatches with him as I have been doing with Rontius and to a certain extent with Chandler and Green at Dalny.

I called upon Yang a few days ago and had a long talk with him about Manchurian affairs generally. He was not particularly communicative and I have little to offer as a result of the conversation save the declaration of which I have already advised you that he favored the procedure which you have approved and hoped that something might be done in the near future. Uliver states that he believes nothing will come up regarding the customs question until the various outstanding counts have been settled with the Japanese who are now busily engaged in clearing off the legacy left by the Military. Nagwire yesterday confirmed this opinion and informed me that he thought that the Chinese were reserving the settlement and Customs questions until the Salt Mines, Fisheries and other matters detailed in the recent numbers of the "Japan Mail" had been more thoroughly threshed out and made the basis of a definite understanding. Should you care to have a report on the progress of these negotiations which after all affect our interests but little I should be pleased to prepare one.
Baron Goto has been here and his visit has given us fresh evidence of the hand which Tang and Hsu have apparently set themselves out to play; one which the Japanese used to throttle the ambitious war correspondent. They have been making speeches, dining and giving dinners in return, fraternizing with their fellow-Orientals to the exclusion of the other officials here, but, as far as I can learn, yielding little thus far. Hayashi and Goto were both entertained by the Viceroy and since the advent of the new administration no function has been given for the other Consulate which is particularly noticeable after the Wu Ho Büh Sun policy. The Japanese have also of course dined the Viceroy on the occasion of both Hayashi’s and Goto’s arrival. Last Friday a dinner was given at the Japanese Consulate for the Chinese and Japanese officials. Hagiwara having invited the Consuls and the rest of the foreign community to an “evening party”. We all accepted not knowing that the dinner had been arranged to precede the soiree. When I heard of the manner in which we were to be brought in I refused to go as did Mezger, the German and Oliver.

It is rumoured here that the Japanese will appoint a Diplomatic Agent for Manchuria. Hagiwara confirms the report and says that a Mr. Kato formerly Minister at the Hague may be given the post. Such a step would seem rather strange and would not I think be welcomed at home.

Trusting that you are feeling much more fit, I am

Yours sincerely,

Willard Straight.

July 24, 1907

Taylor and Carpenter,

Ithaca, New York,

U. S. A.

Dear Taylor:--

Will you please forward the United States Fidelity and Guaranty of 11423 New York Avenue, N. W., Washington, the sum of $18.00 the premium on my guaranty bond for the coming year.

Otherwise should I start tearing things up out here I would be without a sympathetic soul who would get stuck in the United States.

Will you send me also “The Influence of Sea Power on History” by Captain Mahan.

It’s hotter than the hinges her, with best regards, believe me,

Yours sincerely,

Willard D. Straight
American Consulate General
Mukden, China

July 24, 1907

United States Fidelity and Guaranty Co.
1423 New York Avenue N.W.
Washington, D.C.

Dear Sirs:

Through an oversight your account has been allowed to remain unsettled up to the present time. I regret my negligence in this matter.

I have today instructed Taylor and Carpenter of Ithaca, New York, who act as my agents in the United States to forward you $16.00 which I presume, as was the case last year, constitutes the premium on my bond.

Yours truly,

Willard D. Straight
Consul General.
The Government has no business sending men to a place like this without making it possible for them to live decently, better in fact that they live elsewhere.

I dread the winter for this reason and unless Marvin is an exceptional person I am quite sure that I shall have to send him away or do something to keep him amused. Work in itself does not seem to afford sufficient distraction and it is necessary to give a man human society, apparently rather than anything else.

Older men of course, can bear it, I presume, but it is hard on those who have been used to gaiety and many folk about them. Personally I am quite content and should prefer living alone. It amuses me much more, but it is hard on the others.

Laughlin is pulling out toward the end of the month - August - and will stop off here. Denby is over due, morison comes in a week - a Major Swift is due at any time so that our guest chamber is likely always to be full.

We have little of political excitement. The Japanese are trying to force the Chinese to accept many really unjust treaty interpretations - particularly with regard to salt and the ownership of the Pushin mines and the Chinese apparently are reluctant to yield. They are playing a waiting game and relying on the inability of the Japanese to use force - tiring them out with amiable and unavoidable delays - little quibbling and bickerings.

Several chinese came to see me yesterday and they were all much exercised by the Korean situation. They feel I think that all the more now, in the light of the failure of the world to hear their last despairing plea, must they themselves be circumspect and careful in their dealings with all men, mindful of the inevitable day of reckoning - strengthening their own house with
July 29, 1907

Taylor and Carpenter,
Ithaca, New York,
U. S. A.

Dear Taylor:

In my last letter I asked you to subscribe for me to Collier's Weekly. Since writing you I learn that that journal is sent gratis to American Consuls, a most admirable proceeding, and have already received the dead head issues. In view of my financial condition, further contribution to an already over-prosperous press would be suicidal. I beg you therefore, if you can do so without stultifying yourself, to withdraw my name from the list of the bitten. The surplus might go to the Literary Digest, an interesting publication. If you can find them I should like some good but not too expensive engravings of American Statesmen to adorn my office. Say Washington, Lincoln, Bayard, Hay, Choate, and Root.

It is still hot. I wonder if our ultimate resting place is worse. I doubt it. Palen is holding down the Japanese question on the Yalu, Soo Ke Sse is very much of a political person and manager of the Peking Hankow and Peking Kalgan Railroads, has figured as a martyr in the cause of reform and progress, is closely allied with Tang Shao Yi reputed to be the most advanced and able man in the Chinese Public Service and is very much of a coming man. I should not be surprised to see him directing China's Foreign policy one of these days and given health he is certain, it seems to me to be sent to Washington as Minister. Such guff may interest the Alumni Snooze.

Yours sincerely,
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Subtotal: $2.75

Total: $2.95
August 4, 1907

The Pacific Era Publishing Co.,
211 Moffat Building
Detroit, Michigan, U.S.A.

Dear Sirs—

I have to acknowledge your favor of the 31st of May advising me of your intention to publish a monthly magazine devoted exclusively to the Far East and enclosing the prospectus thereof.

It will afford me much pleasure to subscribe for your magazine and I have instructed my agent in the United States to remit to you the required sum.

Your magazine should be welcomed by all those interested in the Oriental Renaissance and should be of great value to persons wishing intelligently to follow the commercial development now taking place, and to familiarize themselves with the political problems arising in this region.

I wish you all success and shall be glad, if it be within my power, to assist you at any time.

Yours very truly,

Willard D. Straight

Consul General
MEMO.

AUG. FRAHM
NEWCHWANG & LIAOYANG
NEWCHWANG, 7th August 1907

TO
H. I. Cornell, H. S. Straight, Jr.
Ankara.

Dear Sir!

I beg to move receipt of your favour of the 5th instans
with drawal of you & 5 in the Yankasa Bank, which was and square up
your account.

Thanking you for the remittance, not hoping soon to be
forward with your further Wabrac summand.

I remain, Dear Sir,
Your faithfully,

A. F. Frahm

The Willard Straight Papers at Cornell University
The Willard Straight Papers at Cornell University
August 8, 1907

H. Blow and Co.

Tientsin.

Dear Sirs:

Enclosed I am sending you $40.00 in part payment of the accompanying account. By referring to my previous letters you will see that of the one dozen white wine glasses for which on June 10 you charged me $6.00, four if I remember correctly were broken on arrival here.

I should also beg to question the item for the tennis net. $9.00 seems an extraordinary charge for such a very inferior net, brown string and no canvas backing. I also consider the price of the tennis marker rather excessive for the quality of the article furnished.

It is possible that there may have been some mistake in making these charges.

Yours truly,

Willard D. Straight
August 6, 1907.

Dear Mr. Fulford:

There seems to be nothing doing on the banks of the Hun. We survived a dinner with the Excellencies, given at the Foreign Office, and through a decidedly humid and champagne festooned morning managed to wish long life and happiness to His Majesty of China. The reception was given in the Industrial School, a special band had been imported from Peking and discoursed sweet airs in the offing while Tang and Hsu, the former quite red with wine and amiability circulated among the assembled multitude. All Mukden was there, the motley body of Japanese advisers, instructors in Municipal Government and hangover at the Yamen were herded into one room with the minor officials lights who apparently did their duty for the folk in frog-octopus and white kid gloves and dusters were very red and very cordial, some of them aggressively affectionate when they went away.

Yoshida stopped Meager in the middle of the road and insisted on holding his hand, unable apparently to express the full depths of his regret at Wakar's approaching departure. Some one ought to amend the Bible and add a note about champagne as a leveller, soft influence to reconcile the lion and the lamb.

There is no news of the progress of investigations, negotiations, etc. I mean at the Yamen. Our Japanese colleague is still very haughty with the weight of the Far Eastern question aging him prematurely.

Otherwise all is wet and quiet. The rains have come and they are real rains, no imitation. The line from here to Dalny and that from Antung also is broken down, which is unpleasant as it stops home mail.

Meager has gone to Harbin for two months but returns here for the winter.

The Willard Straight Papers at Cornell University
Dear Nicholas:

Your letter of June 29th reached me a few days ago. Many thanks for the news about the races, and your kind thought in enclosing the clipping from the "Sun". I was sorry to learn of Harvard's defeat at New London. Better luck next time.

Reports from Shanghai seem to indicate that trade is looking up down there. The Dalny Customs are now working and their establishment was almost immediately followed by orders from Newchweng for American piece goods. Of course certain stocks have already been reshipped to America and the amount of goods on hand in Shanghai is very large - so large in fact that I imagine it may yet be some time before the dealers dare risk placing fresh orders at home. However, another promising sign is the murmurs of dissatisfaction among the Chinese regarding the quality of the Japanese goods. To meet the demand for a better article the Japanese will, I think, have to increase their cost of production to a point where they will be unable to undersell us by any considerable margin. Crops are doing well. The new administration is gaining popular confidence and the effects of the war are being forgotten in the post-bellum development. Much should happen in Manchuria in the next year or two and I hope that we may profit by the new dispensation.

A man named George Marvin is coming here to work with me. I believe he is a Harvard man. Do you know him?

Hoping you had a pleasant time in England, believe me,

Yours sincerely,

George Nichols, Esquire
o/o Minot, Hooper and Co.,
20 Thomas Street, New York.

Willard D. Straight
Mukden, China, August, 12, 1907.

Crystal L'd,
Factory,
Shanhaikwan.

Sirs:

In answer to your favor of the 8th inst. in which you quote me a rate of 185 per dozen on your soda water, F.O.R. I have to request that you will send me four dozen next Monday. Will you kindly make the necessary arrangements with the railway company, telling them that I will have a man take charge of the consignment on its arrival in Mukden. Kindly inform me in advance what arrangements you have concluded with the railway people. I shall probably require the above amount every two weeks, but I will let you know as to that later.

Yours truly

Willard D. Straight
American Consul General

---

Mukden, China, August 14, 1907

Dear Gumpert:

Your letter reached me the other day and I am exceedingly sorry that a house full of guests prevented me from putting Wallace up as I should otherwise have been glad to do. He lunched with me here but only stopped in Mukden a day. In compliance with your request I advanced him $50.00 Mex. the I.O.U. for which I enclose herewith. If you'll put this amount to my credit in the Hongkong and Shanghai Bank at Peking I shall be much obliged.

If I can do anything for you at any time please let me know. With kindest regards, believe me,

Yours sincerely,

Willard D. Straight
DEPARTMENT OF STATE.
WASHINGTON.
Green Springs Valley, Maryland.
August 19, 1907.

My dear Straight:

Your letter of June 18, enclosing a copy of your letter of the 14th to Mr. Rockhill, was very interesting to me. It gives interesting light on the Yalu timber situation, and other things.

Thank you for letting me know of the discrepancy between the proceeds of the draft I sent you and the cost of the rugs. Tomorrow I shall send a cheque for $10, (f 5.6), to Taylor and Carpenter, book-sellers, of Ithaca, for your account with them; in accordance with your suggestion.

I hope Mr. Marvin will prove an assistant of some use and an agreeable companion. I never saw him and had nothing to do with his selection. I wish you could have had Chandler, but thus far it has not been practicable to send him outside of Japanese jurisdiction.

Speaking of student interpreters, we have just had an examination and I think in about a month we shall start five new ones to China and two to Japan.

I hope Mr. Marvin will prove an assistant of some use and an agreeable companion. I never saw him and had nothing to do with his selection. I wish you could have had Chandler, but thus far it has not been practicable to send him outside of Japanese jurisdiction.

Speaking of student interpreters, we have just had an examination and I think in about a month we shall start five new ones to China and two to Japan.

Willard D. Straight, Esquire.
American Consul, Mukden,
Manchuria, China.

I hope Arnell will do well at Antung. I quite agree with what you intimate about him—his woeful lack of ambition and his disregard for those important things often lumped under the head of "non-essentials". I am glad you find him efficient and able. I thought you would.

You include Vladivostok among the offices to be in close touch with Mukden. This should undoubtedly be brought about and I advise you informally to arrange for a useful correspondence with that consulate, as well as with Dalny. Meanwhile, I shall consider the question of saying anything official to Vladivostok and Dalny on the subject. I have for years been impressed with the fact that the lack of inter-communication has been one of the weakest spots in our foreign service. Pending the elaboration of a scheme for officially bringing about such exchange of views, the individual officers should secure the same results so far as possible by their own initiative. I am glad you have been keeping Tokio informed, but regret to hear that you have nothing from them.

You ask me whether you are sending too much or too little. I think you are doing very well and are not sending too much. It is hard for a man in the foreign service to realise how great is the volume of stuff to be read.

The Willard Straight Papers at Cornell University
in the Department. In view of this, I think it is a good practice to compress and condense the pith and essential thoughts in a report in the smallest compass possible, of course including all the necessary detail and back-ground, and giving the kernel of what you want to communicate in such a brief and striking form that if only this part of the report be read it will be practically quite safe even without reading all the rest of the enclosures. Since you ask the question, I answer it with some care. The most common failing is to dump into the Department a mass of undigested stuff, leaving all conclusions and the weighing of the value of the various phases of the subject as a puzzle to tax the studious patience of the one who is to read the report.

We left Washington at six this morning and motored over to this place in Maryland, where my father-in-law is spending the summer. I go back in the morning and we expect to start on a four or five weeks' holiday in about a week, going possible to the Yellowstone, although that is not yet settled.

With kind regards, in which my wife joins, I remain,

Very sincerely,

[Huntington Wilson]
Dear Mr. Rendall,

Your letter describing your 4th of July celebration has much amused me. I see you had reason which justified your effort and those who desired to help you were willing and added seriousness to official patriotic efforts. The weather was delightful.

Quinta Hidalgo
August 21, 1907
My mind was exercised, though the memory was that of just justice in the British Minister to the Secretary of State for = Palestine could not. The Americans did not praise any one, the thanks of our soldiers to = camp: Columbia wanted their | patriotic,

Drew thinking you were cut- things though you may have real them already. What new + know you do you take? = know they were nanations. = gathered to secured our announcement any
I never did Sound! 24 is a pretty nice trip is not a year through Nikolaus but perhaps you have gird occasion to sight Nikolaus and travel on most business to the point where your Nikolaus run came the true your. You have not yet been to that great game you where you have not yet been with this Hollis why who must be very much out of water, an & should swimming he also would be.

For my own sake and for yours I should be glad to have some interest to refer but our nearest would is various there is an outbreak of polio fever at Caimages which has vanished and killed a dozen of our inhabitants. The outcome injections, many of last years outbreak was finished by quietly. The country map be considered finished though I am inclined to go-
I enclose that the greatest
risk is the re-establishment of a
Cuban Republic which will
back us up. But Cuba is not good. Our
soldiers are still in to look out for. Spain
because after an experience like
this Cuban war men are very
mistake and its opinion. The army
officers who were lately seen
positive before are not very long as news under
my acquaintance.

Admiral P. V. A.
To the Honorable,
The Assistant Secretary of State,
Washington.

Sir:

In accordance with Paragraph 465 of the Consular Regulations I have
the honor to report that I have been absent from my post without leave for
eight days from noon on Wednesday the 14th until noon of Thursday the 22nd of
August.

This period I spent at Peitaibo, a seaside resort, endeavouring to
recover from the excessive heat and dampness of the Mukden summer. The
trip was taken on short notice and I have no opportunity, therefore, to inform
the Department of my intention to absent myself from my post.

I have the honor to be,

Sir,
Your obedient servant,

Willard D. Straight,
Consul General.

AMERICAN CONSULATE GENERAL
MUKDEN, CHINA.

Aug. 25, 1907

Arthur and Bond,
Yokohama, Japan.

Dear Sirs:—

I have to acknowledge your favor of recent date enclosing
designs for a watch fob and estimating the cost thereof at Yen 90.00.
The figure is, I fear, too high, and I should prefer to have the fob
itself, that is the bronze disk with the two flags crossed, and the
inscription engraved on the reverse side. The series of gold plaques with
the dragon thereon as shown in your design, while very handsome is more
elaborate than the fob which I had in mind. The inscription should read
"Admiral Andreasen" not "Anderson". If you can make up the fob, size and
design as per "2" with the inscription as indicated for about twenty five
yen please proceed at once, without further instructions from me.

Yours truly,

Willard D. Straight
<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Quantity</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 10</td>
<td>1. Sherry Glasses 1.25</td>
<td></td>
<td>1.25</td>
</tr>
<tr>
<td></td>
<td>2. Sherry Glasses 1.25</td>
<td></td>
<td>1.25</td>
</tr>
<tr>
<td></td>
<td>3. Wine Glasses 8.5</td>
<td></td>
<td>8.5</td>
</tr>
<tr>
<td></td>
<td>4. Blуз 8.5</td>
<td></td>
<td>8.5</td>
</tr>
<tr>
<td></td>
<td>5. Blуз 5</td>
<td></td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>6. Sherry Glasses 4.5</td>
<td></td>
<td>4.5</td>
</tr>
<tr>
<td></td>
<td>7. Saddle Block 1.5</td>
<td></td>
<td>1.5</td>
</tr>
</tbody>
</table>

Interest Charged on Overdue Accounts: 5%
August 24, 1907

Deer Peck:—

Enclosed all the receipts for telegrams sent for Reeves and Cole except those which Kao forwarded Cole by Tunghua sien. As you will see they are 54 cents (silver Yen) to the good on their deposits, and shaded to the extent of $7.00 for ricksha hire and Kao told me that our old friend Tu had attended to the forwarding of the mail to Tunghua and had demanded the price of transportation. I also send some letters of yours and one for Cole.

I hope that you are enjoying your junket and that you didn't have too much difficulty in reaching a haven of rest.

A letter from Hentsaleman tells me that there is a move on foot to send you the Chefoo when the Department is notified of Marvin's arrival. I trust that that means you are to hold down the lid at Mukden until our dispatch recently sent on to the Department, is received thereby. I should not be at all surprised if on the receipt of my dispatch sent shortly after your arrival here and in view of Arnell's continued stay at Antung, they should order you to remain here as Inter.

Be good,

Willard D. Straight
Mukden, China.
August 28, 1907.

Crystal Limited,
Shanhaikuan.

Dear Sirs:—

The arrangements for the shipment of soda water outlined in your letter of the 15 instant are entirely satisfactory. The first shipment is now practically finished and I should like to have a second four dozen sent by Saturday's train. I should also like four dozen Ginger beer in stone bottles. The first four dozen empties will be returned on the receipt of the new shipment.

Yours truly,

Willard D. Straight
Hongkong and Shanghai Banking Corporation,

Peking, 31st Aug 1907.

M. D. Straight Esq.,
U. S. Consulate General,
Mukden.

Dear Sir,

I am in receipt of your favour of the 28th inst.
with cheque and draft to the amount of $175 in
all which sum I have placed in credit of your
loan account. Please note that the amount of
the draft on the Yokohama Specie Bank is $170 and
not $175 as mentioned in your letter.

Yours faithfully,

J. W. Arthur
Agent.

MEMORANDUM.

31st Aug 1907

From the
Hongkong & Shanghai Banking Corporation.
Peking.

To
M. D. Straight Esq.,
Mukden.

Dear Sir,

I beg to advise having debited your
loan account with $32. 85 being interest to
date @ 7% per annum.

Your faithfully,

J. W. Arthur

Aug 30.
Kobe, 13th August 1907

Willard D. Straight, Esq.
American Consul at Peiping.

To T. A. Christensen & Co.
Shippers, Landing & Forwarding Agents.
Head Office No. 15 Naniwa Machi, Kobe.

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight charge, Dalny to Kobe</td>
<td>9.70</td>
</tr>
<tr>
<td>Wages, shipping, &amp;c., 2 days, 15%</td>
<td>3.00</td>
</tr>
<tr>
<td>Freight to Newfa, R I &amp; 10%</td>
<td>20.26</td>
</tr>
<tr>
<td>Insurance for 450 lbs.</td>
<td>2.50</td>
</tr>
<tr>
<td>2 cases, 24 lbs.</td>
<td>18.48</td>
</tr>
<tr>
<td>Commission 5%</td>
<td>0.92</td>
</tr>
<tr>
<td>Total</td>
<td>38.74</td>
</tr>
</tbody>
</table>

Received payment, with thanks. SEP 4 1907

T. A. Christensen & Co.

Department of State
Chief Special Agent

Memo

In a despatch to Minister Rockhill, at Peking, dated Sept. 2, 1907, Consul General Straight says "The withdrawal of the American Consular establishment from that place (Antung) would be inimical to our interests."
CHINO-JAPANESE NEGOTIATIONS.

(Ryoto Shimpo, August 29/1907.)

Although it is now more than two months since the negotiations between our Consul General and the Viceroy were commenced, the only question that has been settled is that of the Hsungyuehcheng Fisheries Rights. The detailed regulations regarding the mining question have not yet been formulated; nor has a single one of the various other questions, including that of salt and that of the Kaiping affair, been brought to a satisfactory conclusion. To add worse to bad, Viceroy Hsu has even refused to sign the agreement with reference to fisheries rights until all the other matters have been disposed of. By what motives can he be guided?? Apparently undesirous of continuing the discussion, he has asked for a postponement of negotiations on the pretense of illness. With such a state of affairs, it is impossible to say when the various questions pending our two Governments will reach a final settlement.

OPENING OF A CUSTOMS INSPECTORATE AT PORT ARTHUR.

(Ryoto Shimpo, August 31, 1907)

The customs authorities at Dalny have deemed it necessary to open an inspectorate at Port Arthur, and Commissioner Kurosawa has already had several conferences with the officials of the Admiralty Station at the latter port. If an inspectorate is established there, the junk traffic will be greatly increased. Not only are the junks undesirable at Dalny, since they interfere considerably with steamer traffic, but Port Arthur is much better fitted to be a centre of junk trade. A arrangement in accordance with the wishes of the customs authorities will probably be reached in the near future.
THE BEAN CROP.
(Manshu Nippo, August 31, 1907)

It is said that the bean crop for this year will show both decreases and increases as compared with last year according to districts. The total decrease as compared with last year, it is predicted, will be between 20 and 30 per cent. The returns from the bean export, however, will not fall very far short of those for last year. While the decreased crops in the south have been due to the drought, in the north they have been due to an excessive rainfall causing the grain to rot.

AUGUST RETURNS OF THE SOUTH MANCHURIAN RAILWAY.
(Ryoto Shimpo, September 5, 1907)

The returns of the South Manchurian Railway for the month of August, owing to the floods, fell considerably, the daily receipts averaging about 6,000 yen, or less than one-third of those of the most prosperous month. While the number of passengers carried during August was greater than that of the previous month, the average individual distance traveled was much shorter, with the result that there was also a falling off in the passenger receipts.

The following is a comparison of the August and July receipts:

<table>
<thead>
<tr>
<th>August</th>
<th>Decrease from previous month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger receipts ￥241,778.63</td>
<td>￥11,221.29</td>
</tr>
<tr>
<td>Freight receipts ￥170,495.43</td>
<td>￥5,707.45</td>
</tr>
<tr>
<td>Miscellaneous receipts ￥270.58</td>
<td>￥90.28</td>
</tr>
<tr>
<td>Total receipts ￥412,544.44</td>
<td>￥62,638.49</td>
</tr>
<tr>
<td>Average daily receipts ￥12,672.40</td>
<td>￥2,656.09</td>
</tr>
<tr>
<td>Average daily receipts per mile ￥44.94</td>
<td>￥5.23</td>
</tr>
</tbody>
</table>

Dear Straight,
Thank you for another letter of congratulations.

[Signature]
Dear Willard:

I am in your debt for two letters, the last received today being dated July 29th. The first contained the excellent photos of your dozen one of which depicting you en route for an audience with the Viceroy looked very familiar. I can now imagine you as you are, which is satisfactory. It is exactly a year since we parted on the platform of the London railway station - and a long year it has been, with much in it though lacking for both the surprises of the previous one. Much as I desire to see you and eager as you must be to return, do you think it best to do so for the present? There must be certain matters regarding fundamentals at Mukden which are not fixed and with the establishment of which it would be well to be associated in the mind of the Department. These questions should be solved in time though the progress be slow and another year would fix them. The interest at Mukden, as at similar posts, lies largely in laying foundations and not on the building erected thereon which will build and keep itself in repair without the employment of especial initiative. But these foundations

-3-

on the Hamburg-Cuban boats and then travel to China by the Lloyd steamers. I will not spend all your draft, however, at once.

You may be interested in the enclosed accounts of Miss McMillan's engagement: when you have read Miss Williams' letter destroy it. The Longworths are still in Honolulu and our other friends scattered. I see your successor in the customs Holwill is engaged to an Italian whose father seems once to have been Minister in Peking. Is this true? Archie Coolidge is back from a successful year in France during which he lectured not only in Paris but at a number of French university towns. He is putting his lectures into form for publication before Harvard opens. As his friends for some time have urged him to publish, his first appearance in print (out of magazines) is awaited by them with expectation.

Rodgers went North last week intending to disclose to Carr and Bacon the unpleasant conditions under which he labors and the difficulty of accomplishing telling work so long as a Provisional Government functions. He chafes much. I am glad of his testimony which when I see them later I may confirm. After his busy Shanghai life he feels smothered. Though he says his family will return with him in October, he has not taken a house wherein to install them and may await developments before doing so.
should be well laid. It is reported to be the Department's policy to move the consular pawns every two years. If this is so you would be eligible for a transfer at the end of your leave, if taken in the autumn of 1908. Your private relations may of course make a home coming desirable in the immediate future though of this I may not judge. When I see the Gods in November, however, I can ascertain something of the public ground on which you stand.

I sympathise fully with your attitude regarding juniors entrusted to your care as assistants, the responsibility involved and the absolute necessity of affording occupation for their minds and bodies. Only those who have dwelt in lonely places comprehend this. It is to be hoped that Marvin can share expenses and fit into the situation with adequate comprehension. By now he has probably arrived and by the time this letter arrives may even be an old China hand. If he appreciates you and his unusual chances and will look forward to the conditions which surround him as so much material for interesting memories, irrespective of the discomforts of the present, he will do. Keep his nerves right above all things and keep your own. We both have learned patience since we made each others acquaintance and are so much to the good in consequence, are we not?

I will send you an installment of cigars by German parcel post and though they may be long on the way they will probably eventually arrive. They must cross to Europe on the Hamburg-Cuban boats and then travel to China by the Lloyd steamers. I will not spend all your draft, however, at once.

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Fashionable Cubans have discovered at last the game of bridge and play grows favorable though as yet either for low stakes or none at all. An American officer, who occupies the French Legation for the summer, has created a salon the furniture of which consists of card tables, commissary ham and cheese sandwiches and a broad smile. There you can think of me on Saturday night, the weekly diversion and change from an after dinner dance with Turner and Grant Duff.

Polo is vigorously played on a field below Camp Columbia on Saturday afternoons by military and civilian teams— or rather the civilians will play when they are organized. Last Saturday the band from the post played though badly and the General's wife "poured" tea—seated on a rough platform which serves as a pavilion. It is a good thing to give the younger officers this diversion and to interest spectators in the game as well as to mix Cubans and Americans in a common sport.

Do you see the office of the "Bar Service Department" of your road? Though Heath laneer is in the 8:00 boat Paul Phillips receives 8:30 and must submit to the restrictions of the other clerks which is also the general custom. Perhaps you would like to see the Congress with appropriations for new generous establishment. We hope the Swedish thing will be ready next week. I hear it's always effective.

[Signature]

The Willard Straight Papers at Cornell University
Dear Straight,

I seem rather raggedly to have heard from you last week. How are you getting along? I think I know the idea of the new year's resolution, but I cannot imagine the idea of your new year's resolution. I have been thinking a great deal today about the future of the world, and I have come to the conclusion that we are all sitting ducks. If you would like to talk about it, I would be glad to discuss it with you.
Again I feel I can't
in time to say much.

I have but a 3rd try
at it & now, although
I confess unfortunately
I have no ready
happy ending to
the whole, I can
only say it is in
obedience of
events.

I have only the
most imperfect
idea of where
I am & to get here
I have to go by
those parts before
I can advance
before
but not the ground
that he has, first
sleep in a different
house, 2nd at a
house, 3rd at a
house. 1st I
found in the train,
and the flat was
earlier. 1st I then
here. 

The

The Willard Straight Papers at Cornell University
Dear Phillip:

Many thanks for your letter which reached me a few days ago. I was really delighted to hear from you and to have this riddle regarding the Far Eastern Bureau solved to my satisfaction though with the result of further arousing my curiosity as to the inner workings of this most admirable innovation. When next you write I hope that you will further give me a line on your field of activity, your sphere of usefulness I well know.

I am sorry about Robertson in a way yet not altogether so for I cannot but feel that when a man is well started at home with every prospect of making his life pleasant and useful to his fellows, it would be a mistake to risk all the years that had followed his graduation on a venture into a comparatively untried and unknown atmosphere which at a distance appeals to the spirit of adventure and which seem first hand is apt too often to arouse longings for the society of one's kind. I shall however suggest that he try the regular examinations if he is still yearning for pastures new.

Marvin I am perfectly delighted to have here. He is a splendid fellow and just the sort to make life infinitely more bearable than it has been for some time for he brings a fresh point of view and an inquiring mind to this situation which at times to the person continually on the spot is apt to become confused by the very multiplicity of detail which must be mastered before one is justified in drawing any conclusions. The difficulty of separating the essentials from the non-essentials is greater for one who is saturate I think than for the new-comer, and I hope that the combination may be effective.

This is indeed an interesting period, one fraught with all manner of possibilities. Tang and Hsu have been here now for well nigh three months and while it is true that they have done comparatively little constructive work they have managed to baffle the Japanese to a very considerable extent without...
irritating and worrying them after the manner of Chao Erh Sun. I must say that I
data their arrival with a certain degree of misgiving for as you know it has been
prettily widely noisy about that Yuan has thrown in his lot with the W.L.P.
and that even though this be not true he has about him a number of officials
whose affiliations are open to question. For a long time I was afraid that the
new administration would play into Japanese hands particularly since in addition
to Yuan’s alleged connections, Chao Erh Sun was undoubtedly ousted from this
post by Japanese intrigue and as a concession to Japanese wishes. Tang and Hau,
however, while they have on all occasions shown themselves anxious to adopt a
most conciliatory attitude have yielded but little. They have been most pleasant
have dined and wined and smoothed the Japanese, tactics which Chao had never
mastered, and have steadfastly refused to give way on any of the points at issue.
Such at least is my opinion. There has been a good deal written in some of the
ultra-Chinese journals about Hau’s weakness and one Tao, head of the local foreign
office has been impeached as an active supporter of Japanese designs, but the
fact that in various little ways one begins to see that Japanese influence is
again being turned to the undoing of the present administration, that reports
are carefully spread abroad about the disagreements which do not exist between
Hau and Tang, about Hau’s and particularly Tang’s inability properly to conduct
foreign affairs, which merely means a failure to yield to demands, all indicate a
very decided feeling of dissatisfaction and uneasiness among the Japanese.
Hatfields is much worried. He looks quite ill and he is not as suave and
complacent as he used to be. He has, so Tang tells me, recently lost his temper
more on than one occasion, to such a degree that Tang was obliged to request
him to calm himself and to tell him that he was acting in a manner not at all
calculated to further the negotiations then in progress.

The main points at issue are apparently the question of import of salt
from the Leased Territory into Manchuria and the export of that article thence.
In this matter the Chinese it seems are taking a rather unwarranted stand.
They wish to treat the Leased Area as foreign territory in that salt cannot be
imported therefrom by Japanese, although the latter have leasehold rights, and
at the same time they hold that Japanese cannot export from Dairen or elsewhere,
such export being forbidden in China and Kuantung being Chinese soil. Under the
leasing agreement of course the Japanese hold on this district is much less
complete than is the German for instance in Tsingtau and their position must be
rather a gallant one. The Chinese claim and are apparently prepared to insist
that they have leased the ground but havenot in any way surrendered their right
to control the industries, which is to me a rather remarkable case of making
presents with a good chain attached. The question of fisheries is also the sub-
ject of discussion, mines, and of greatest general interest the right of foreigners
to reside outside the treaty ports. The whole Yalu timber dispute has of course
been referred to Peking and the matter of Japanese Posts and Telegraphs which are
now functioning throughout Manchuria in direct violation of China’s sovereign
rights must also be decided at the capital.

Though nothing has really been accomplished I feel that the Chinese
are gaining time. They are blocking Japanese designs and the latter in falling
to make any great progress in Manchuria are bound to lose at least of that
ground already in their possession.

Our own relations with Yang have been most cordial. He has been, in
fact, very noticeably friendly. He has asked me to secure for him two men to
direct an agricultural college which he proposed to establish and I know that he
is particularly desirous of interesting American capital in this region. He would
welcome an opportunity to float the loan now contemplated for the development
of Manchuria in America. Bland and allied British capitalists are after it. Bland
has just left us and Casement is here now stopping with us and avowedly here for
the purpose of putting trench money into this region. Odagiri and Yoda have
recently been here with the same and in view and have not had a particularly
cordial reception as Yang told them that Japanese bonds were now quoted at a
lower figure than Chinese and that they had no money themselves to lend. It
seems too bad that with everything in our favor here we have no one who is interested enough in the situation to take the matter up. The more I see of Manchurian affairs the more I convinced that we, the Americans, are favored above all others and that ours is the opportunity to befriend China in this her time of need and to aid her in straightening out her affairs here. And mind you, once we had established ourselves in Manchuria we would be in a position to work through xx Tang and Yuan who is now in power at Peking and do a tremendous work in furthering the Chinese Renaissance. The task of Empire building, but of Empire shaping could with proper handling be ours. The possibilities really stagger me sometimes when I grasp what they truly signify. It is a work that would require a lifetime but what a great work it might be.

To descend however to more mundane things. You were once kind enough to offer to help us out here if you could do so and I am going to ask you to make good. First, I should very sincerely any criticism or side light on the way things are going or ought to go here in this office. Second, I am about to write asking the Department to allow me to buy a carriage and keep a horse. In Cheshire's time an instruction was written authorizing the purchase of a boat for $80.00 and the expenditure of $120.00 per annum for boatmen. Naturally such a marine outfit would do us no good, but we are sadly in need of a carriage. A chair is very expensive, bearers cost none yen for each trip and Chinese carts are impossible. All the Chinese officials have foreign carriages, the Japanese Consul is supplied, and the German will be. There is no livery stable from which we can obtain a conveyance when we need one and the only vehicle at all suitable is a ramshackle old drosky which is a disgrace to our nation and which costs a dollar an hour and less for the second. I cannot afford to purchase one myself. My account for guests last month and the month before ran up over a hundred dollars for the four week period. This is the regular stopping place for all persons coming out or going home via Siberia. It is well that it should be so for we have Morrison, Bland, General and many other interesting and instructive guests, in entertaining whom we do a distinctly useful as well as a very pleasing service. Much expenses must be my own naturally but I feel that the Government should enable me to support this position with dignity. When Hagisawa goes, which will be soon, ours will be the senior consulate. As I have already explained we have a very considerable influence with the Chinese which must be conserved. We are here the most important of all the consulates save the Japanese, we are certainly their rivals and it seems to me that in no place more than Mukden and at no time like the present would our influence for what may seem to be "dog" pure and simple be more justifiable. I hope that you can conscientiously concur in this view and that you will put in a good word for us.

I am extremely obliged to you for delivering those pictures to Miss Harriman. I am glad she was pleased and though I have had no word regarding their receipt as yet presume that I will eventually. I must say that I do envy you your day at Arden and many other things which from this distance seem but dim echoes of a life once lived but long since forgotten.

I am delighted that you are to run the new Bureau and wish you all success. That it will be yours I have no doubt whatever. You will really do me a great favor if you will drop me a line occasionally. I shall try to reciprocate in kind - some requests, I might add.

With best wishes in which Marvin from his corner joins me. He comes in and says yes his very sincere ones and also coupled with regret that you could not have had a talk before he came out, and the threat that he is about to write you himself. Believe me, yours

Willard Straight.
EXHIBITS OF MARKETING FROM JANUARY TO JULY, 1907.

(Ryoto Shimpo, September 8, 1907)

<table>
<thead>
<tr>
<th></th>
<th>Via DaIny</th>
<th>Via Newchwang</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beans</td>
<td>14,871,747</td>
<td>9,314,790</td>
</tr>
<tr>
<td>Bean-cake</td>
<td>22,805,923</td>
<td>none</td>
</tr>
<tr>
<td>Ragi</td>
<td>2,033,234</td>
<td>50</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>981,455</td>
<td>74,315</td>
</tr>
<tr>
<td>articles</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tea</td>
<td>144,480</td>
<td>none</td>
</tr>
<tr>
<td>Rice</td>
<td>474,060</td>
<td>none</td>
</tr>
<tr>
<td>Jute bags</td>
<td>155</td>
<td>210</td>
</tr>
<tr>
<td>Wearing apparel</td>
<td>30,100</td>
<td>8,716</td>
</tr>
<tr>
<td>Alcoholic liquor</td>
<td>3,420</td>
<td>none</td>
</tr>
<tr>
<td>Other articles</td>
<td>2,759,966</td>
<td>54,877</td>
</tr>
</tbody>
</table>

The foregoing were the exports by rail. The reason for the larger bean exportation via DaIny is due to the protective measures of the railway, in establishing rates highly in favor of that port.

JAPANESE MASS MEETING.

(Hoten Koho, September 9, 1907)

In view of the fact that anti-Japanese feeling among the Chinese, both civilian and official, has of late been spreading and growing by leaps and bounds, resulting on the 21st of last month in an armed conflict between the native police and our residents at Jikkenbo (outside Small West Convenience Gate), and resulting everywhere in the exposure of the lives and property of our countrymen to unlimited peril, the Japanese colony of Mukden, at the suggestion of its leading members, last night held a mass meeting at the Mukden Club to discuss the situation.

The following resolutions were unanimously adopted and submitted to the Consul-General:

(1) To demand that Chinese police officers be disarmed.
(2) To demand that Japanese residents be indemnified for losses suffered as a result of violence on the part of the Chinese police.
(3) To hold Viceroy Hau, Governor Tang and Chief-of-Police Wang responsible for the violence committed.
Dear Excellency:

A thousand thanks for the cigars. They have been much appreciated by the numerous folk who dim our portals. One box I bestowed upon Tang Shao Yi thereby gaining much kudos and laying the strings let us hope for mining concessions in the future.

All the urban World’s agog with the retention of Yuan in Peking. It may mean wonderful things and it may mean nothing. With him is that same reprobate Chang Chih Tung, who has the reputation of being a progressive but who - if those that should know are to be believed - is a doddering old conservative, heavy with years and the incurable melady.

Here in Mukden we have had much ado about the visit of Baron Oehima, Governor of Kungtung. There were numerous festivities enlivened by rather amusing if tragic incidents. A huge dinner given by Tang and Hsu, in the hall of the new commercial exhibition building, was as well done as anything could be. Cooks, boys, service, food, wine were all brought from the Astor House in Tianjin. Over a hundred people were present - and the viceroy’s band played excellent music in the courtyard, which was garnished with potted shrubs and entwined by countless parti-coloured lanterns. Hsu made a speech, which was translated into Japanese - Oehima made one which was translated into Chinese. Hsu laid particular stress on the international character of the gathering - addressing his remarks to us all in a rather marked way, and not by any means dwelling upon the happy augury of Oehima’s presence. Oehima took his cue from Hsu and talked about the “Open Door” and how pleased he was to meet us all. At the suggestion of the Russian and German who represented the fact that neither of the principal speeches had been translated into a Christian language, I stood up and addressed the multitude on behalf of my colleagues. I did so particularly because I was determined that the occasion should not as the Japanese might have wished - be a Chin-o-Japanese love feast with the rest of us in the side lines. I put it into Chinese myself and thereby made quite good - particularly with the foreigners who didn’t understand how bad my Chinese was.

The German Consul and Hagiwara had a drinking bout and the former faded quite away. He sank a strange swan song as his light went out - and then smoldered peacefully. The dinner was decidedly a damp affair, and Hagiwara though able to stand, talked in circles. The other consuls myself had refused or failed to accept his invitation for an evening party on the following night for the good and sufficient reason that he had invited all the Chinese to dinner and expected us to come as second hand guests. Once before he had tried the same trick - when Goto was here and the German and myself had refused to go. On Thursday night however, he apologized so profusely that we had to change our minds particularly as Oehima who had up to that time had ignored us, sent his aide to call on Friday afternoon, with the Japanese Vice Consul.

At Hagiwara’s there was quite a different tone - Oehima proposed the health of the Emperor of China, the Chinese in a rather perfunctory manner responded with a toast to the Mikado - more speeches were made, and the band played. The Japanese as I had imagined were trying as far as possible to play up to the Chinese and show us that their interests were the greatest, and that in Manchuria it was China and Japan together. Hsu and Tang however, did not on this occasion warm up very perceptibly.

On all these occasions both had been particularly friendly to Marvin and myself and I am quite convinced that they are determined to conciliate us as much as possible and that they rely upon our aid here.

The Temple has become a veritable hotel. For the past six weeks we have had at least one and generally two and three people staying with us - Mr. and Mrs. Stowe Phelps of New York on their wedding trip, Haskells from Peking, Chandler from Dalny, Major Swift from the War College, Captain Crummins of the Army, Morrison, Blend and a certain Lord French who represents British capitalists out here, Cassavant of the Banque de l’Indo-Chine - Bishop Mackay-
Smith of Pennsylvania, with his chaplain - our friend Laughlin en route to Petersburg, Greene of Dalny, and others whom I have forgotten, with more to come - Rockhill - and we hope Taft - probably the Huppesleys and some Newchwang people. Korea was quiet compared to this place. McCormick I forgot to say was here twice en route to and from Seoul where he saw all the row, and the passing out of the old regime. Now it is late, of politics more anon. Will you join our Spring House Party? or will you come in the autumn. I should say that my tenure was likely to be a long one unless the department shifts me which I hope they won't, except to the Dept. of the East, - that is all I want, and even then I should hope to return here. I now have Newchwang, Harbin and Antung under me, and Greene at Dalny cooperating in fine style.

Thanks again for the cigar and wishing you all good health and happiness, always.

Yours,
Willard Straight.
Taylor and Carpenter,  
Ithaca, New York, U.S.A.

Dear Taylor:—

Enclosed is the draft of which I spoke in my last. I hope that we are reasonable near squared by the presentation of this document. You will notice that it is anti-dated. Should I croak before you receive the letter hold the draft and collect on my estate. Otherwise, I being on terra cotta, it is perfectly good paper. I am running a hotel for all Manchuria now. It's pleasant but expensive. Everyone stops here bound south or north and people come from miles around to see our happy home.

I enclose a photo of the entry-way, it may amuse you. Many thanks for all your trouble in my behalf and my kindest regards always.

Yours sincerely,

Willard D. Straight

Mukden, China,  
September 20, 1907

September 23, 1907.

Dear Mr. Hookhill:

By Marvin's hand I am sending this brief note on the situation here as you may be interested in hearing of Hsu's transfer, or recall, whatever it may be, before I can collect sufficient data to make a reasonably reliable and satisfactory analysis of the conditions responsible therefore.

Apparently a telegram was received from Peking night before last, ordering Hsu to return to the capital post haste. He leaves on Saturday. He had planned for a long time to visit Kirin and Tsitelhar and had deferred his trip up to the present time only because Hagiwara hoped to be able to clear off the numerous questions still outstanding before the viceroy's departure. Although these matters pending had not been settled Hsu proposed to leave at the end of the week for the north. His deputies had been instructed to precede him and were on the point of starting when this message came and turned things upside down. Orders were countermanded and now the whole place is in a furore. The air is full of rumours, I believe, and no one, not even the Viceroy himself, in the chauffeur of the board of education told me today, knows the reason for this sudden summons.

For some time I have known that the negotiations with the Japanese regarding salt, mines, fisheries, residence in the interior, the transfer of buildings, etc., had been interrupted or, if conducted at all, only in a most perfunctory way. At the outset all had proceeded smoothly apparently. The new administration started off with honeyed words and the good will of the Japanese community. Then, as you know, after the salt seized from Japanese smugglers kmtk by ubac Erh Sun, was returned, when it was rumoured that an agreement had been signed providing for the joint exploitation by China and Japan of mines, "on either side of the Mukden-Antung railway" and when it was feared that Hsu was not adopting an unyielding an attitude as that taken by his predecessor,
several censors impeached him for being too weak in his dealings with the Japanese and for retaining as head of the foreign office, Tao Tai Chum, who, it has been said, is in Japanese employ. Negotiations were broken off, a native journal which had said hard things about Huo and Wang was suppressed, but Tao Tai Chum was not removed.

According to the local gossip the hand of Chao Xuhun who detests the Japanese and to whom Mao's name is anathema, was strong in making trouble for those who had ousted him.

For some time everything hung fire. Huo announced that he would leave for the north immediately after the Emperor's birthday in early August. Hagiwara persuaded him to wait, to resume their conferences. Huo did and no conclusion was reached. Huo again declared that he must proceed to Kirin. This time Hagiwara advised the Chinese that Baron Usheima would visit Mukden. He did and again the fruitless discussion was recommenced. The Japanese claim that the Chinese have agreed that the mines "on either side of the Mukden-Antung K.R. shall be reserved for joint exploitation." The Chinese assure me that no arrangement whatsoever has been made. The Japanese assert that the fisheries and salt questions will shortly be decided. This the Chinese deny. Hagiwara tells me that of the twenty-three or four houses, owned by Chinese, now used by the Japanese military, all will shortly be returned. Wang says that the Japanese hold over hundred buildings none of which, save possibly two or three, have been given back to their rightful owners, and that in returning these structures, occupied for two years and more without the payment of any rental, the Japanese demand compensation for the repairs which their civilians, who have rented these buildings from the military authorities, put in.

The latter matter is, of course, unimportant as is the recent row in the area occupied by Japanese quarters. A series of incidents, apparently, where both Chinese and Japanese were at fault, terminated in a free for all fight, in which three or four Chinese policemen were badly damaged and which blackened several samurais. Thereupon the local Japanese press took the matter up, blackguarding the Chinese officials and urged the Japanese community to "flash the samurai sword and not hesitate to fire" on the demonic, barbarous, etc. Chinese. The translation will be forwarded to the Legation. The Japanese community, consisting in the neighborhood where the row occurred, largely of harlots and their followers, with a sprinkling of small dealers who are by no means representative Japanese, as they are found at home, met, and passed resolutions to the effect that the Chinese police must be disarmed, that they must not be permitted to interfere with Japanese and that the Chinese government should indemnify those Japanese who had suffered, their sufferings were very largely imaginary, through the savagery of the Chinese police. These demands were presented by Hagiwara, and Huo, apparently, for the sake of keeping the peace, issued instructions to the police which must have been very galling to Chinese pride.

These incidents I do not cite as being of intrinsic importance, but
only as an evidence of the general trend of things at Mukden, and as indicative of the friction that exists, I think throughout Manchuria, wherever the two peoples come in contact.

This friction which is largely, perhaps a heritage from the military occupation, the Russo-Japanese and Franco-Japanese ententes, the situation in Korea, the conduct of the Japanese on the rail and their most recent exploit at Chiltao, together with their unwillingness to modify their by no means modest demands which have thus far been refused by the Manchurian authorities have all contributed to the growth of the very real apprehension with which the Chinese now regard Japanese action in Manchuria. As it is claimed by some, has failed to stem the Japanese tide. By the Japanese press he is blamed for his lack of ability - which is synonymous with his lack of complacency - in the conduct of foreign - which means Japanese - relations. He is in a most embarrassing position, twist the upper and the nether mill stones; when a Buh Sun, it is claimed, was forced out by Japan: Huo, so it is rumoured, is likely to lose his position because he has been too conciliatory. It has been stated and Huo and Wang
disagree, that the latter had no voice in the conduct of affairs; but this I doubt. I cannot myself see wherein Sun has yielded to Japan, but some among the Chinese tell me that he has urged Peking to grant certain demands made by Hagiwara and that Peking has been responsible for the rupture of negotiations, not Sun himself.

The whole official community is much exercised. It is stated that Chao Erh Sun will come back; that Tang will be made Viceroy; that Sun himself will return within the month; that the Manchurian Viceroyalty will be abolished and the three Governors allowed to rule as did the Manchurian Tatar Generals before the reform was effected. Upon such a mass of conflicting and obviously speculative information it would be impossible to base any guess even as to the future course of events. I should imagine, however, that this sudden step on the part of the metropolitan authorities would bespeak a stronger Chinese policy for Manchuria in the future. Of course the reverse may be true, Chang and Yuan may be in accord on the desirability of being friendly with Japan, but if it be true that Chao Erh Sun has refused Hanfeng and wishes to return here, the former would seem to be the most probable conclusion.

Dani the Austrian Military Attaché who has just been here is firmly convinced that Japan is laying a trap for China. He tells me rather astounding stories regarding Viscount Hayashi’s attitude during the Swatow and Pinghsiang riots last year and this past winter, and assures me that the Japanese General Staff had mobilization orders prepared for a Chinese expedition at that time. This of course is only a side light and not related to Sun’s recall, but suggestive nevertheless.

We are looking forward to having you with us here as Marvin will tell you. I shall await with much impatience your views on this last move in the game.

Yours sincerely,

[WS]
The Willard Straight Papers at Cornell University
I

The Willard Straight Papers at Cornell University

work & there it seemed best to withdraw the imitation of the last moment. I countersmanded the band and went to the supper but did not send word of the fort Movement to my neighbors at Camp, Columbia

considerably later at the end of the evening than at the beginning. The folks is generally

colors and Americans with more easy relations than they have been in Williams and to that extent is encouraged.

To make and horses were untrained a month ago.

But the matches now are supplied with match and

The warehouse is considerably later at the end of the evening than at the beginning. The folks is generally

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shall attempt to send these
in the parcel to Tokyo address
and to keep with all other
address to Howard and a
note to the former requesting
him to send them on. I
have ordered 100 shadoks
in two tin boxes of the right
quality, which should be
ready for shipment soon.
Your personal cigars I will
write you regarding when
they come in. German
seed fruit is all right but
takes ages. However it

you have not heard too strange
about my giving away the
air in the shoe. In the right
than they should have rep

I forget how much Sudan
cigar taste. I passed
your draft about the ships

I have no news of your
your curious friend

there is a suggestion from
the British again personal
for that which should stand
as candidate,

The Willard Straight Papers at Cornell University
The material to be used in the construction of the Chino-Japanese joint railway between Kirin and Changchun has been secured and stored in the vicinity of Changchun station for some time. Although the work of construction has not yet been begun, an engineer of the South Manchuria railway has been dispatched to survey the route, and as soon as the survey is completed the laying of the rails will be undertaken.
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[copy]

Mukden, China.
September 30, 1907

Crystal Ltd.,
Shanzhikuan

Dear Sirs:

Enclosed please find my check for $Mex. 12.40. Your bill amounted to 41.20. I have returned to you sixteen dozen empty bottles and therefore the balance would be the enclosed sum. I believe that there are still sixteen dozen of soda not paid for, and I have at the present time eight dozen bottles. I have made the deduction as noted from the bill you have submitted and will remit the balance due you on receipt of your account.

I have on hand a large number of Hirano bottles, both quart and pint sizes, and should like if possible to use these rather than your pint bottles. Will you fill these for me? If at what rate per dozen?

I notice that you charge me each time for a crate. When crates are returned to you with the empty bottles and I presume that you will make a reduction from my bill of the price thereof.

I should suggest either that I make a deposit with you for any eight dozen bottles, you to furnish me soda as required and to refund the deposit when the account is closed, or, which would suit me better, that when the account which should run for some time is finally closed you charge me for the bottles which may not have been returned by me. This could, of course, if you preferred, be done annually, though I should think it more advisable to let the matter run on without charging each for bottles until I leave Mukden or for some other reason wish to find soda elsewhere.

Yours truly,

Willard D. Straight
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<td></td>
<td>1 box Cigar</td>
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<tr>
<td>16</td>
<td>1 case Hirane Quarts</td>
<td>1</td>
<td>9.00</td>
</tr>
<tr>
<td></td>
<td>6 Horse Brushes</td>
<td></td>
<td>4.80</td>
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<tr>
<td>Sep 17</td>
<td>1 des. Sherry</td>
<td></td>
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<td>20</td>
<td>1 Iron Bedstead</td>
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**Total:** 55.70

Cash to Mr. Gunn: 5.00

**Grand Total:** 50.70

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</tbody>
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**To freight on Ithaca and hand in to Mr. Ginnis: 3.50**

Received payment, 11/10/07.

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The Willard Straight Papers at Cornell University
Mukden, China. October 2, 1907.

Dear Captain: [James A. Reeves]

If you are prepared to undertake the journey we hope to pull out of Mukden bound north on or about the tenth of the month, leaving here I think on the night of that day at midnight. I had intended to write to you before but have been waiting for my authorization from Washington, which has not yet arrived but which I shall go without if necessary. A man named Dawson Grone, whom you may know, now Commissioner of Customs at Kirin, his brother, an engineer, and one Harvard man, and two or perhaps one Yele man and myself will compose the party which with you will number seven. We should start from Kirin, proceed by road to Hanching, thence south to Ninguta, Hunchun, and then over to Vladivostock, arriving at the last named I hope in time to catch Mr. Taft on his way through in early November. An alternative route would be Kirin, Ninguta, Hunchun, Vladivostock, Hanching, Kirin again. This would allow us a little more time to get ready in and would bring us to Vladivostock in time for Taft, whom I am anxious to see.

Grone who is located at Kirin will get carts, escort, etc., arranged for, preparing enough traveling carts with covers and bottoms for us all to sleep in. I can bring one Boy and an assistant cook. Grone has a cook and a boy, you'd better bring both also, after you have seen Dick and Wather who are now in Peking and who must bring one servant at least. That would give us four boys, three cooks and I will bring two mafoons. Grone has a Chinese writer who will gather information by the wayside. Grone speaks excellent Chinese, as well as Russian so that our language difficulties are solved. From Tientsin you had better bring stores, bacon, ham, jam, condensed milk, coffee, tea, sugar, salt, pepper, Oxford sausage, corned beef, etc., chickens, eggs, and fresh meat we can buy, together with grain. You might get the Doctor to give you some simple remedies for diarrhoea, constipation, fever, etc., also some bandages, liniment and ointment in case any one is damaged. I should be much obliged if you could assure me the loan of a rifle, with some ammunition, perhaps also you could borrow a shot gun from Bland or some one in Peking, never mind about that however, the rifle will do. Bring your own saddle, camp bed and tin plates, knives, forks, etc., also bedding for it will be damned cold. If Harvin has not secured them I should like to have about three blue flannel shirts, fur gloves and any other cold protector save a cap, which I have.

I am sorry that I could not have written sooner but the whole show has been very much up in the air, I shall write Dick whom I presume to be still in Peking to communicate with you, then ask you can tell him what to bring. We will use Kirin money and which we'll get at the Russo-Chinese Bank there.

The more I think of it, the more I favor the second route suggested, i.e. Kirin, Ninguta, Hunchun, Vladivostock, the Hanchings. This will make us sure of Taft at the Russian port, I will wire you within two or three days, definite information but I hope to go, and hope you can join this very promising expedition.

Yours,

Willard Straight.
Mukden, China,
October 3, 1907

My dear Dick,

I have not wired you about my trip for the information for which I have been waiting has not even yet arrived. I feel certain, however, that I shall be able to get away, about the tenth of October or possibly a little later. We shall be seven if Reeves, the military attaché, Stark, Mather and yourself all go. A man named Grone, Commissioner of Customs at Kirin and his brother an engineer, are going. Grone speaks both Chinese and Russian and should therefore be a great help to us. He's a good fellow and will arrange all about carts, escort and so on at Kirin. I have written Reeves pretty fully about the things that must be done and told him that you would see him and learn about it all from him. You had better find a servant or possibly two at Peking that is if Stark, Mather, and yourself all three come along as I hope you will. This too you can fix up with Reeves. I am expecting Marvin tonight and from him of course will learn what has happened to you all since you left. Hoping to see you back here in about a week I am,

Yours sincerely,

W. Straight
Private. Advise Harriman Governor anxious to hear from my letter of August eighth.
October 5, 1907

Personal

Hon. Willard S. Straight,
U.S. Legation, Mukden,
Manchuria, China.

Dear Sir:

Referring to your recent letter to Mr. Harriman regarding loan, he directs me to say that the conditions are so unsettled that it would be impossible to negotiate such a thing as that at this time.

He cabled you today as follows:

"Unsettled money conditions make it impracticable."

As Mr. Harriman has been ill for the last two weeks, I am writing this by his direction and some time he will write you himself.

Yours very truly,

[Signature]

Secretary.
October 7, 1907.

Dear Mr. Harriman:

Your telegram reached me yesterday. I had wired you through Phillips as such a channel seemed to insure the greatest privacy.

The Governor, Tung Shoo Yi, had on several occasions expressed his anxiety regarding your views on this question and with your telegram I hastened to see him this morning. He was much disappointed at the tenor of your reply. He told me that he had already intimated to his Government that he proposed, if possible, to secure funds in the United States, that this information had been favorably received and that he would warrant that should you be willing to advance this money, the Viceroy and himself would secure an Imperial Guarantee for the payment of interest and the amortization of this loan. He hoped, therefore, that when normal conditions had been restored at home, you might be willing to embark on this undertaking.

In view of Mr. Tang's attitude and as your message did not seem to indicate a refusal to entertain his proposals, I asked him whether he was prepared to hold the matter open for the time being. While avowing his intention to seek money elsewhere should you decline his offer, he said that he was particularly desirous that American capital should obtain a foothold in Manchuria and that he would, therefore, await further word from you before closing, or involving himself with others.

As suggested in my previous letter foreign capitalists are ready to place money here. Since it has been rumored that the Administration wished to borrow representatives of the Yokohama Specie Bank, the Industrial Bank of Japan, the Banque de l'Indo-Chine, the Hongkong and Shanghai Bank, the British-Chinese Corporation and Pauling's British railway interests have visited Mukden, some of them certainly and probably all to investigate the prospects of making a loan, while the last two have already dispatched a party to make a survey along a line north from Harbinium, for which, however, to the best of my knowledge, no concession has as yet been granted.

In reply to my inquiries as to his attitude toward these bankers Mr. Tang assured me that he does not wish to give them the loan for the Bank. He contemplates going to them eventually should it be necessary to obtain funds for the exploitation of the agricultural and mineral resources, for the construction of railroads and other industrial enterprises but he wishes first to organize this Manchurian Bank which shall act as the Administration's financial agent in securing any sums that may be required. British, French, or Japanese capitalists, therefore, who took up these later loans would be relegated, virtually, to the position of simple investors. It is in this capacity, I believe, that Mr. Tang wishes to introduce other foreign, as distinct from American, interests, while he desires the latter to cooperate with the Manchurian Administration and share in the control and direction of the development of Manchuria.

Nor is the sphere of possible activity limited to Manchuria alone. At no time in the history of China have the progressives occupied the important positions they fill today.
Among the most prominent of the younger officials are men who have been educated in the United States and who are gradually but surely increasing their influence and power. Many of them with whom I have talked are anxious to develop their country with American aid. Tuan Shih Zai, late Viceroy of Chihli Province now holds an important post at Peking. Tang and Hau are closely identified with him and should either or both of these men, as is not improbable, eventually be transferred to Peking, they should be of great service in extending the influence of the Bank for whose installation they were responsible, and with their favor it should be possible to extend our profit a strong influence on the industrial awakening which is bound to take place in China, the building of railways and the opening of mines.

The opportunity is a rare one for it offers a chance to direct rather than to make a simple investment. It is difficult in a letter to anticipate queries which you may wish to make and within a reasonable space to convey a correct impression of political conditions and their bearing on this particular subject. I am convinced, however, that there are profitable openings for American capital in China, and if you yourself, or any of the interests which you represent contemplate entering this field it would seem to me that Mr. Tang's proposition should be more than usually attractive and I should urge you to send at once a representative who can make a thorough study of the situation.

I shall, of course, be pleased to do anything in my power to furnish you with such information as you may desire. I trust that I may hear from you as soon as possible after the receipt of this letter as the Governor will anxiously await your decision. To insure privacy I should suggest that any cabled communication be sent through the State Department or by the code enclosed in my letter to you. Nothing is known about Tang's plans for the organization of a Bank, nor is it known that he and I have had any dealings regarding this matter, but it has been reported that he did wish to borrow and there are a number of people who are interested in learning what is being done.

Yours sincerely,

E. H. Harriman, Esquire,
Equitable Building,
New York City.
Maiden, October 10, 1907

Dear Arnell:

Enclosed please find forms for your Interpreter salary. Kindly sign and return at once. I have cashed your drafts regularly and paid myself the amount you owe me. We are now squared and I submit account herewith.

On July 1st you owed me $273.15. I sent you $15.00. Total debit $288.15.

Paid as follows:

Credit on loss by exc. June 30.
On July sal.
On Aug. sal.
On Sept. sal.

Total $288.15

Credits arranged as follows. Your draft for July salary realized Yen 238.10. I sent you cheque for Yen 100.00 credit Yen 138.10.

Your draft for August salary realized Yen 238.10. I sent you Yen 150.00 as per enclosure (4). Exchange Yen 2.63. Credit Yen 86.02.

Your draft for Sept. realized Yen 190.46. You should receive Yen 36.12 on loss by exchange. Total Yen 226.58. Credit me Yen 33.63. Balance due you Yen 192.95 as per cheque herewith.

Your salary account has been straightened and your last draft was for $99.99 U.S. Gold.

Many thanks for the return of these funds which I needed. Rockhill has come and gone. He will recommend the retention of the Antung office until some indefinite future date. When things are straightened out be he said, I think that you should be sure of staying on. He did not give any light on that, however.

I'm frightfully busy. So many damned guests that I have no time to do my work let alone save money.

Yours,

Willard D. Straight
Mukden, China.
October 10, 1907.

Dear Phillips:

I took the liberty of wiring Mr. Harriman through you the other day and am now further presuming upon your good nature in forwarding a letter to the same destination which I would greatly appreciate your sending on.

The matter is one involving a good deal and may mean if successfully negotiated a very material American interest in Manchuria. It might, possibly, be well for you to see Mr. Harriman and discuss the situation with him as in case he did not wish to go into the question you might know others who would. Unfortunately I am not at liberty to say anything further or I should gladly take you into my confidence. Possibly he would be. For Heaven's sake don't discourage him though, but get him to send someone out to look it over as I firmly believe it's a good thing and a wonderful opportunity.

I will say nothing more now but intend writing you a letter, really as soon as I can clear my desk of work accumulated during these recent hectic guest ridden days.

Marvin is well and sends his best regards. Please write me and believe me, always,

Sincerely yours,
Willard Straight.

Great Northern Steamship Minnesota,
Oct. 10, 1907.

My dear Mr. Straight:

It is impossible for us to go to Mukden although I should like to do so very much. As I cannot do that I would like to know whether it would be possible for you to be in Vladivostock on the 12th of November and to travel with us from there to Harbin. I would like to talk over with you face to face the situation in Manchuria so that I could give Mr. Root and the President a full understanding of it. I shall consult Mr. Wilder, the Consul General at Hongkong as to the question whether I could not secure from the State Department the payment of your expenses for that trip. I should not wish you to come unless the government paid the cost.

Mrs. Taft joins me in extending to you thanks for your hospitality in inviting us to share your Chinese temple with you, but we must forego that pleasure this time.

Very sincerely yours,

Honorable Willard D. Straight,
Consul General,
Mukden, China.

P.S. My trip from Manila to Vladivostock on a naval vessel.
Mukden, China. October 15, 1907.

Dear Excellency:

Your letter of the seventh ultimo reached me a day or two ago. It had been some time since I had heard from you and I fear, since I have written. We have been very much be-gusted. Marvin has been doing Peking and I, with the duties of host and of my arduous post tearing me breast, almost in a state of mental collapse. These things, however, pass.

Your letter and its kindly advice I much appreciated. I accept and concur in your opinion that it would be a mistake to come home before the end of the second year, twelve months hence. That's more to the point I could not afford to if I wished. In fact I'll be busy with several things I hope to find time to write and draw or I'll not see the U.S.A. even as early as you suggest. Unless of course a paternal Government gives me a transfer. I feel pretty certain on that score, however, for my knowledge of Chinese will hold me to the East I imagine until I howl. There's no place out here, save that of Minister in Peking which I would trade for my present billet. First Secretary is not paid enough and is not independent so that I am not for it. Under His Eccentricity, moreover, it would be impossible. I could not stand it. Then you do go to Washington in November I hope that you will sound for me. I have written Wilson telling him that I would like a crack at the Department, but not on a reduced salary. They should be able to detach Consuls for duty in Washington, having the pay to go on at the regular rate. That would suit me. Nothing else would be possible. I would check the service in a trice before accepting a clerkship.

The British American Tobacco Co. or the Standard Oil would claim a long wasted mentality and I shouldreck him of commerce and roll in wealth and be vulgar and profane and miserable.

Marvin is a splendid fellow. Harvard '99. Master of Groton for six years. Friend of the Emperor's, Instructor of the Imperial prince, ex-varsity car, pal of Bacon's and so on. He's on a sabbatical year and wants experience. Here he will find much. He is just the sort of person to have in a place like this. Heaven knows what will be-come of me when he goes - I will not accept any more student interpreters as mess mates. They cost too much. I do not know one of them save Chandler, who is in the Japanese service, whom I would want in my house. Here again I will tell the Department to go to - for it has been extremely unfair to send men here on an impossible wage, and expect me to stump up for their living expenses. Arnell I did not object to so much. Peck who succeeded him I had no use for.

His Eccentricity came through here on his way home. He was most attractive as a man. I had never seen him in a good humour before, and liked him immensely. Harrison was with him and we had an exceedingly good time. Wang, the Governor, turned things out for us. He gave us his carriages, came to dinner quietly and stayed from seven to half past eleven at night, gave us a huge lunch and showed us the treasures in the Palace. These would, I am sure, have interested you greatly. There are many valuable curios, lacquer, jade, bronzes, wood carving and other articles, the embroidered court robes of Kanghi and chienlung, marvellous creations in purple and yellow satin with most beautiful embroideries, set with seed pearls. Chienlung's pearl necklace, with fully sixty huge pearls, reinforced with a ruby as large as a chestnut and sapphires, diamonds and other brilliants. Daggers, set with diamonds, evidently the gift of foreigners, wonderful Japanese gold lacquer, books filled with minute and splendidly executed drawings of ancient cash pieces, books of portraits of the Emperors of the Three Kingdoms and the Tang Dynasty, splendid embroidered Buddhist scrolls, and excellent Chinese paintings. Whole rooms full of porcelain, dishes, vases, wine jars, sang de boeuf, blue and white, five colors, plates in hundreds and thousands, any one of which you would pay from three to fifteen dollars for in Peking. Huge five color jars, worth from tive to ten thousand taels, packed, mind you, in wooden cases! Bear skins, antlers, tiger skins, the fruit of chien lung's sport. Verses written by him to celebrate his exploits, pictures showing the monarch and his favorite concubine dancing, on horseback, after a wounded stag, a great
portrait, showing unmistakable European influence, of Kanghai on his favorite charger. The story is hard to tell really for there were so many wonderful things. We did not see one hundredth of the treasure. I have asked and hope to receive permission to make photographs and drawings, to have access, with a Chinese, to the old records, in order that I may write a history of these two Emperors. The work would be along one, two or three years I should think, but certainly well worth while.

I must give me to my Lady guests. I have had a Mrs. Clarke, wife of the Newchwang Commissioner, and a Mrs. Niuaslin here for two or three days. Mrs. Clarke was taken ill and is just up.

Thank you for your trouble with the cigars.

Yours,

W. Straight.

I trust that you find my typewriting more legible than the ordinary handwriting.

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Dear Mr. Secretary:

I am greatly indebted to you for your advice and suggestion and shall endeavour to take them to heart. From far away posts such as this where the passing event looks big on a somewhat limited horizon it is extremely difficult without a guiding word, to do one's charge or one's self justice. This of course you will understand and therefore I trust pardon my query.

Many thanks also for sending the draft to Taylor and Carpenter.

We are moving along pleasantly enough though dreading the winter. It is very cold here, and our location is an exposed one where we catch the full sweep of the wind. Had it not been the case I should not have requested the Department, which has treated us so generously, to make another grant for putting us into winter quarters, erecting covered ways to connect our detached buildings, and placing glass and wood protection along the fronts of our offices and living quarters. I have been so strapped myself that I simply cannot afford the outlay. This place is one for the ambitious young Grocers, not a post for the man with the box, for with Chinese, Japanese, Russians and Germans all carrying many guns, one cannot but feel that the position which we have taken upon ourselves with regard to Manchuria demands the maintenance of an establishment of a certain character. To do the thing as I feel it should be done, not with unnecessary dog, but effectively, causes me much worry. Matters have not been improved by the presence of Arnell and Peck both of whom were a financial burden. Martin fortunately is able and willing to supplement a salary ludicrously inadequate with his personal funds. The situation otherwise would be impossible.

As you know, he expects to stay here but a short time and it will then be necessary to send someone else. I do not want Peck. He is fairly efficient but I do not care for him personally. This of course is for your own information.
and not by any means a criticism of his work. Should another student interpreter be sent here I am not prepared, unless he be agreeable, to take him in to live with me, to furnish his room and pay part of his mess, and allow him to use my furniture and outfit generally. Should I not do so it would be impossible for a man with one thousand dollars to live decently in Mukden. He might have his quarters here but there are no arrangements for a kitchen and dining room for a separate establishment. His lot would therefore be a hard one. I trust that you will agree with me, however, that I should not be obliged to entertain my assistant unless I have some voice in their selection.

Marvin I am very fond of. He is a splendid fellow and a most congenial companion.

Politically everything is in a most unsatisfactory state. The Viceroy has gone to Peking. He has had a row with Chao Erh Sun, his predecessor here, and the result is a matter of conjecture. Negotiations with the Japanese have been interrupted for some time and nothing whatever has been accomplished. When Hsu and Tang first came they seemed inclined to listen to Nagyara's arguments, but Hsu's impeachment as a traitor for having granted too much to Japan put a stop to the grant of any concessions that may have been contemplated. This puts Japan's nose out of joint. They continue, however, to operate their mines along the Altung railway, are making preparations for the fishing season next spring, are still taking timber as they please, are residing in the interior, refuse to pay native taxes, to which they are justly liable, operate their telegraphs and posts without regard for China's sovereignty, hold the buildings which they were to return at the termination of the military occupation, and now propose to open a telegraph office and posts at Chientao in territory which, as far as I can learn, is certainly Chinese and not Korean.

At Peking Yuan and Uang are in power and each is trying to wrest the reins from the other. The Manchurian situation is the cause of much bickering. Chao Erh Sun backed by Uang claims that Hsu has been weak and incapable. Personally I am not aware of any favor he has granted save certain matters with regard to a recent fracas between Japanese hoodlums and Chinese police. Hsu with Yuan behind him has impeached all Chao's most trusted subordinates and asserts that Chao's obstinacy and lack of tact have been largely responsible for the present impasse. I am inclined to agree with Hsu, for Chao, while making a loud noise, did nothing to check Japanese aggression, he behaved in a most truckling manner on many occasions and made many unnecessary minor concessions. Hsu and Tang on the other hand have been dignified, reserved and desirous of conciliating the Japanese as far as possible, while conserving China's sovereignty.

In all that I have seen thus far of the wheels within wheels of Chinese official life, I am much impressed by the absence of what we consider real patriotism. Some love of country there undoubtedly is. Yang Shao Yi is an able and devoted servant of his Government. But even with Yang there is much of the taint that so nullifies the usefulness of most of his colleagues, the subordination of national interests to the gratification of personal ambition, with all the ramifications thereof, mak jailouy, intrigue, and corruption. One despair sometimes of the outcome of it all, yet through the clouds there comes a glimmer now and then which proves that the sun of progress is really mounting slowly but surely.

The arrest of the land frauder Mackinley has given us a touch of unwanted excitement. I am extremely interested in hearing the Department's decision in this matter. It is difficult for me to reconcile the full enjoyment of our extraterritorial privileges upon which we have, in China, always insisted with the Government's request for extradition in this case. Of course I am aware that we have in the past made treaties of extradition with Japan and Turkey, not deeming that our extraterritorial Jurisdiction could take cognizance of offenses committed beyond the area within which such jurisdiction was in force. was this not, however, a concession to the Governments of Japan and Turkey, and since we have no treaty of extradition with China would it not have been wiser to have made the arrest and transported the man to the United States without referring the
matter to the Chinese authorities at all. Much I gather from the statements of my colleagues would have been the procedure adopted by other countries. Our treaty of 1850 with China recognizes the right of the Chinese police to arrest Americans committing offenses in China. I should regard it as a mistake, however, in view of the present temper of the Chinese to extend the control which they may exercise over foreigners. Some day we may wish to abolish extraterritoriality. That day, however, is still far distant and there is bound to be trouble, in the native officials are given additional power before they have reformed their judiciary and improved the condition of their gaols.

Sometime ago I took the liberty of suggesting a wish on my part to be given an opportunity of working for a time in the Department. I am still very keen on securing this chance but should not, of course, wish to leave Mukden until things settle down a bit, and should not be able to afford to stop at home on a greatly reduced salary. I covet the experience and hope that I might be able to do some law, but Heaven forbid a curtailment of the budget.

Many thanks for clearing up the question of consular jurisdiction. We are in constant communication with Harbin, Newchwang and Baliy, and Antung of course. Vladivostock is still a sealed book. I shall write Mash personally.

I trust that you enjoyed your Yellowstone trip and hope that we may see you out here one of these days. With kindest regards to Mrs. Wilson and yourself.

Yours sincerely,
Willard D. Straight.
AMERICAN CONSULAR SERVICE

Oct. 22 (1907)

Dear Straights:

I've committed the

unforgivable sin of

not answering you

as I should have.

I would like to

apologize for the

delay and to

express my

appreciation for

your timely

reminders. I am

currently occupied

with other

matters, but

will attend to this

as soon as

possible.

Thank you for your patient

understanding. I look forward to

hearing from you soon.

Sincerely,

[Signature]

[Address]
The Willard Straight Papers at Cornell University
Russia and America, with a view to undertaking a joint enterprise, are said to have opened negotiations with the Chinese Government to secure permission to construct a railway, which is to be an extension of the Peking-Harbin line, from the latter place, via Faku-men, Chengchiatun and Petuna, to Taitsihar. Although the outcome cannot yet be predicted, should the negotiations succeed, they would result in the construction of a line parallel to the South Manchurian Railway and would have an important effect upon the latter.
CENSUS OF MUKDEN.

The following was made by the Chinese Police Office of Mukden at the end of the 8th Moon.

<table>
<thead>
<tr>
<th></th>
<th>Houses</th>
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<tr>
<td>Chinese</td>
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<tr>
<td>Japanese</td>
<td>424</td>
<td>1,481</td>
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<td>23</td>
</tr>
<tr>
<td>Frenchmen</td>
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<td>2</td>
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<tr>
<td>Germans</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Americans</td>
<td>12</td>
<td>7</td>
</tr>
<tr>
<td>Greeks</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Russians</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Australians</td>
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<td>5</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>29,097</strong></td>
<td><strong>162,989</strong></td>
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GOLD AND COAL MINE S IN THE VICINITY OF TRIELING.

(Manshu Nippo, October 3, 1907.)

At a place called Moyangcheng, distant about 70 li from Fiaohling, there are some gold mines, which have been known to the Chinese for many years and which in the 25th year of Kuanghau were worked by a Russian with very profitable results. He was about to invest a large amount of capital and undertake operations on an extensive scale when the Russo-Japanese war broke out and the work had to be suspended. A Chinese named Mai Bien Wang, and a Japanese known as Yoshida Kiynari, thereupon took joint charge of the mine and secured funds from the Russo-Chinese Bank. Yoshida, accompanied by a Chinese named Ting Ting Fang, went to the mines and upon examination found them very promising. He has now installed mining machinery and is working the deposits.

At a place called Taidaihan, some 35 li to the north of Fiaohling, there are some very valuable coal mines, which have thus far supplied the fuel used by the spirit distilleries and bean-cake factories of that region. On account of the antiquated methods, however, the output has been small, and a German firm has now taken charge of the work. Arnhold, Karberg and Company, the firm in question, is at present installing the most improved machinery and will carry on the work on a large scale. This firm is also attempting to obtain coal mine concessions in the vicinity of Kiyuan, Changu and Hai-lungcheng.
General Oshima, Governor-General of Kwantung, and Baron Goto, President of the South Manchurian Railway Company, have recently both made a visit to Tokio to confer with Premier Saionji regarding the respective jurisdictions of the Government-General, the Railway Company and the Japanese Consulates in Manchuria. The object of the visit is said to be an attempt to transfer, in the name of the Governor-General, to the South Manchurian Railway Company, which already controls the civil administration of the Kwantung Leased Territory and the lands adjoining the railway, also the supervision of the diplomatic affairs of Manchuria. The Japanese Foreign Office, however, has declared itself as absolutely opposed to any such arrangement, for not only has it no right to shift the control of diplomatic affairs to the South Manchurian Railway Company, but such a measure would result in needless injury to the friendly relations between Japan and China. The application of the title of Governor-General to the chief of the Kwantung administration was made with no little embarrassment, China consenting thereto only with the understanding that his powers were to be limited to military matters; and if he should now be invested with diplomatic powers, his position would be the same as was Alexieff's, and it is difficult to predict to what misunderstanding it might lead. This would seem to make the realization of the Governor-General's and Baron Goto's plan infeasible.

My dear Izzy -

Your comfortable letter of the 17th came just as I was starting on a six day trip to Takushan and your telegram arrived the day after I left. But worse than that it arrived the day after Filene struck town, so that we have again to thank the I J Telegraphs for landing people here unassisted. The enclosed carbon will tell the story plain, although I changed my letter on discovering that I was putting your claim unauthorizedly. However, I made it clear in the other that I think it up to the office to refund to you the charges and that I am writing for the particulars of the previous message with the same object in view. So sit ye down and tell me when the Walcott party went through, if you can remember, and I shall go to this office and take a transcript of the message as they delivered it and send it you together with the copy of the present one which they mutilated in the hope that you have not lost any of your ability to stick up for a square deal. The painful side of the whole affair is that you are unwittingly dropping people on the cold world this port offers and making for me a fine reputation as a blooming poor friend, just because you trust the Japanese to do anything for us. You know, I believe there is a chance that intention lurks behind these delinquencies, else how could this message have been held, mutilated and delayed again, as it was? Certainly they did some poor work at covering their tracks. I'll pass on what they lend me in explanation.

I'm - that does look big - a travelled man. To Tatungkow and Takushan through roads that would have stopped any but the dare-devil carters we had makes one feel a bit like the good travelled Don. One picture will long hold its vividness. We started in the evening to do forty-five li of wading to the Dragon King Temple. At one place the road happened to be dry on both ends of a big puddle into which we drove our prairie schooner.
under full sail. Eight in the middle it heeled badly, bumped once or twice and stuck. Then came the struggle. Aft of the paddle the oarter wore in a manner that will remain one of the inspiring memories of my life &8 his heeled badly, bumped once or twice a nd stuck, then the struggle. After the puddle the oarters wore in a manner that will remain forever the inspiring memories of my life &8 he tottered on the edge waving his whip and cracking it at the mules frantically as a demon would swing a knout; on the bank just ahead stood my "boy" yelling at the poor mules, while on the bank ahead I discovered myself adding splendidly to the hubbub of the oarter's oaks and yells, then the cart finally moved I breathed free again, for I had seen one siege against the mire already that evening, where the shaft mule pulled himself right out of the harness, and I wanted no more. But you would like more to hear about Takushan: it is a magnificent place scenically but not very large, Japanese are residing and doing business there. Last year they paid no duties but this year they are paying the same as Chinese. Their Beans and Beanskne go to ships anchored off Korea.

It is a swearable shame that you have been put to all of the discomfort the past weeks must have occasioned by reason of the mischief-making rumors of our invaluable aid to civilization, the press. When the day of your desertion from our ranks does come, may it carry all of the joys necessary to wipe out the trivial blotches of the past.

I should like nothing better than a run up to your good oars every during the closed season. It may come in this way. Probably I shall be compelled to go again to Shanghai for a re-examination of my eyes, if so, I am anxious to make the trip via Peking and back by Seoul, which of course means I'll eat at your hospital board and learn again of life's joys under your tutelage.

What a host of big 'uns you have inherited of late, not forgetting the Poetess. Here all is quiet save work. We are trying to keep above water during these last weeks in the hope of getting on deck again in the winter. Trade is booming.

I am planning to write a book! Resolution gone.

Au mois d'Aout dernier, ayant appris que le Vice-roi de Mandehorie cherchait à contracter un emprunt à l'étranger, Mr. Casenave, Ministre Plénipotentiaire, Directeur de l'Agence de la "Banque de l'Indo-Chine" à Pékin et Représentant de groupes financiers anglo-français en Chine, entretint de la question à titre personnel ses collègues de la "Hong-kong & Shanghai Banking Corporation" et de la "Deutschn-Asiatische Bank"; ayant trouvé que leurs vues concordaient dans les grandes lignes avec les siennes, et qu'ils semblaient disposés à recommander aux établissements qu'ils représentaient en Chine une participation à l'opération en question, Mr. Casenave télégraphia à Paris en proposant à ses commis- tants de poser dès ce moment les bases d'un emprunt franco-anglo-allemand.

Ceux-ci répondirent que la situation mal définie de la Mandehorie, qui ne paraissait plus être que nominalement une province chinoise soumise au Nord à l'influence russe, au Sud à l'influence japonaise, ne favoriserait guère l'émis- sion d'un emprunt du gouvernement chinois pour le dévelop­pement de cette province; que d'ailleurs la situation financière des marchés d'Europe empêchait à ce moment toute grosse opération et qu'une amélioration prochaine n'était guère vraisemblable; les événements actuels semblent donner raison à cette dernière assertion. En outre un emprunt de ce genre aurait au moins l'apparence d'un emprunt provincial sous la garantie du Gouvernement Impérial Chinois et les financiers d'Europe ne sont pas favorables à une opération de ce genre qu'ils estiment de nature à diminuer l'or dit de la Chine sans autre résultat que de reculer le moment où cette puissance se trouvera acculée au gros emprunt qui lui sera évidemment nécessaire un jour ou l'autre.
En principe, et sans tenir compte des conditions des marchés européen et américain, Mr. Casenave est personnellement en faveur d'un emprunt international pour la Mandchourie et estime qu'un emprunt pour cette province ne peut et ne doit être qu'international. Il ne pourrait en effet se présenter que sous deux formes: 1) ou bien l'emprunt serait conclu par le Gouvernement Chinois avec tels ou tels établissements de crédit sous la garantie du Gouvernement Japonais, s'il s'agit de la Mandchourie du Sud, du Gouvernement Chinois, s'il s'agit de la Mandchourie du Nord, et ce serait la mainmise économique et financière par la Russie et le Japon sur cette province, c'est à dire au point de vue pratique la fin des espérances que toutes les nations peuvent légitimement y concevoir; 2) ou bien l'emprunt serait émis à la fois sur tous les principaux marchés d'Europe et d'Amérique et aussi à Tokyo, ce qui ne donnerait la prépondérance financière à personne et sauvegarderait le principe de la "porte ouverte": on aperçoit immédiatement les avantages de cette dernière combinaison.

D'autre part il est bien certain que, dans l'état présent des esprits, des ententes et de la situation politique en Europe, la seule chance que l'on pourrait avoir d'intéresser les Puissances d'Europe capables d'absorber facilement cet emprunt serait de leur montrer que tout le monde est disposé à entrer dans la combinaison, de manière à ce que chacun soit bien certain de ne pas heurter seul les désirs ou la politique du Japon ou de la Russie dans un pays que l'on considère comme définitivement entré dans leur zone d'influence. Enfin une opération de cette nature tentée par une seule Banque susciterait si assurément la jalousie de ses rivales que ces dernières ne manqueraient pas de mettre en jeu toutes leurs ressources pour la faire échouer et y réussiraient certainement.

J'ajouterai qu'un tel emprunt devrait être conclu directement et d'une façon identique avec les représentants des banques des pays qui y prendraient part et non pas réparti entre elles ou émis dans le public par l'intermédiaire d'une seule banque, japonaise ou russe, ni même de deux établissements relevant de ces nationalités qui ne manqueraient pas de se donner vis-à-vis du Gouvernement Chinois la "face" de bailleurs de fonds ou de courtiers indispensables.

La conclusion de ceci est que la forme internationale à donner à l'emprunt en question semble la seule possible à Mr. Casenave; mais cette opinion lui est purement personnelle et ne lui est inspirée que par le souci des intérêts financiers qu'il représente. Il n'y est pas tenu compte des préoccupations politiques des nations en cause qui d'ailleurs influencent peu sur l'esprit des hommes d'affaires d'Amérique et d'Europe; Mr. Casenave ne sait rien de précis sur l'effet que peuvent exercer les récents accords conclus par le Japon en Europe sur la politique européenne en Mandchourie, mais il lui paraît que ces accords ne peuvent qu'augmenter la liberté d'action qui y serait reconnue au Japon. Sur ce sujet et en ce qui concerne la France, il conviendrait peut-être de prendre l'avis de notre Ambassadeur à Washington qui est le plus à même de juger si nos intérêts politiques sont ici d'accord avec nos intérêts financiers et qui seul possède assez d'autorité pour modifier, s'il y a lieu, sur un sujet de cette conséquence, l'opinion du Gouvernement Français./.

Pékin, le 30 Octobre 1907.
Last August, having learned that the Viceroy of Manchuria was trying to negotiate a foreign loan, Mr. Casenave, minister plenipotentiary, Director of the Agency of the Banque de l'Indo Chine at Peking, and Representative of the Anglo-French Banking group in China, discussed on his own initiative the question with his colleagues of the Hongkong and Shanghai Banking Corporation at the Deutsch Asiatische Bank, and finding on the whole that they concurred in his views and that they seemed willing to recommend to the institutions they represented in China, a participation in the transaction in question, Mr. Casenave called to Paris proposing to his constituents to then arrange the basis for a Franco-Anglo-German loan.

They replied that the badly defined situation in Manchuria - which seemed only nominally to be any longer a Chinese province, being subject in the North to the Russian, in the South to the Japanese influence - was not favorable to the issue of a Chinese Government loan for the development of that Province; that, besides the financial situation of the European markets, prevented at that moment any large transaction, and that a near improvement was hardly probable; the events seem to justify the latter assertion.

Moreover, a loan of that kind would have at least the appearance of a provincial loan under the guarantee of the Imperial Chinese Government, and European financiers are not in favor of a transaction of that kind, which they think is apt to diminish China's credit without any other result than to retard the moment when that power will find itself pushed towards a big loan, which it will evidently require sooner or later.

In principle and without considering the condition of the European and American markets, Mr. Casenave is personally in favor of an international loan for Manchuria and thinks that a loan for that province can only and should only be an international one. It can, in fact, assume two forms - 1, either the loan is to be concluded by the Chinese Government with such and such financial institution under the guaranty of the Japanese Government if it concerns South Manchuria, of the Chinese (Russian) Government if it concerns North Manchuria, and this would mean the economic and financial execution of that loan by Russia or Japan, in other words, practically the end of the hope that all nations candidly conceives there. 2. - Or the loan would be issued simultaneously on all the principal markets of Europe and America and also in Tokio, which would give financial preponderance to no one and would safeguard the principle of the "open door". The advantages of this latter combination are evident at once.

On the other hand, it is quite certain, that in view of the present attitude of minds, of the different relations and the present political situation in Europe, the only chance of interesting the European powers, capable of absorbing easily such a loan, would be to show them that everybody is inclined to join the combination, so that each one would be quite certain not to hurt, singly, the wishes or the policy of Japan or of Russia in a country which is considered as definitely within their zone of influence.

Finally, such a transaction attempted by a single bank would be so certain to arouse the jealousy of its rivals that the latter would not fail to bring all their resources into play in order to baffle it, in which they would be sure to succeed.

I should add that such a loan should be concluded direct and in identical manner with the representatives of the banks of the countries which will participate and not be divided among themselves or publicly issued through one single bank - Japanese or Russian - nor even through two institutions of these two nationalities, which would not fail to pose towards the Chinese Government as its money lenders or as indispensable brokers.

The conclusion of the above is that the international form seems to Mr. Casenave the only one possible to give to such a loan; but this is only his own personal opinion, inspired simply by the solicitude for the financial interest which he represents.

No consideration has been taken of the political preoccupations of the nations concerned, which, besides, have but little influence on the judgment of business men of America and Europe; Mr. Casenave knows nothing definitely as to the effect which the recent treaties concluded by Japan in Europe can have on the European politics in Manchuria, but it seems to him that these treaties can only increase the liberty of action which would be conceded to Japan there.

On this subject, and as far as France is concerned, it would perhaps be advisable to obtain the opinion of our Ambassador in Washington, who is best able to judge whether our political interests are here in harmony with our financial ones, and who alone possesses sufficient authority to modify if required, on a subject of such importance the opinion of the French Government.

Peking, October 30, 1907.
Telephone 379. 
Cable: "BLOW" A.B.C. Code.

66 VICTORIA RD. 
TIENTIN. 31-10-1907.

D. Straight Esq.

TO
H. BLOW & CO.
The Emporium
LADIES AND GENTLEMEN'S OUTFITTERS, MILLINERS, DRESSMAKERS, AND GENERAL PROVIDERS.

FOLIO 245
DATE

<table>
<thead>
<tr>
<th>Oct 20</th>
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<tr>
<td>1 Pr. Pumps 6.00</td>
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<td>1 Grey Gloves 2.25</td>
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<td>1 White Gloves 3.40</td>
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ACCOUNTS STRICTLY MONTHLY. 6% INTEREST CHARGED ON OVERDUE ACCOUNTS.

HONG NAME
FEI LUNG.

DEPARTMENT 
GENTLEMAINS OUTFITTERS, MILLINERS, DRESSMAKERS, AND GENERAL PROVIDERS.

The Willard Straight Papers at Cornell University
The Willard Straight Papers at Cornell University
O. S. - Gain are be gunning for fast cold.

The snow the fater

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will they firning shah

in the fater shoo-

two. To which the

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Pabrem and 2 had

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If. I can answer

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foggy frosty. (Hedie

Jew)}
COPY OF TELEGRAM

From Mukden,
November 4, 1907.
Received 9:13 A.M.

SecState,
Washington.

Secretary of War has requested me meet him Vladivostock.
May I go?

STRAIGHT

COPY OF TELEGRAM

Department of State
Washington
November 4, 1907.

American Consul,
Mukden, (Manchuria, China).

You may go Vladivostok. Have Arnell proceed
Mukden, take oath, assume charge during your absence
which should be brief as possible, Arnell promptly
returning Antung thereafter.

(Sgd) Wilson
To S. MOUTRIE & Co. Ltd.

Dr. to S. MOUTRIE & Co. Ltd.

Importers of & Dealers in Pianos, Organs, & every description of Musical Instruments, PIANOFORTE AND ORGAN MANUFACTURERS, TUNERS AND REPAIRERS, MUSIC SELLERS, PUBLISHERS AND LIBRARIANS.

ACCOUNTS PAYABLE MONTHLY.

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Quantity</th>
<th>Cost per Item</th>
<th>Total Cost</th>
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<td>Set Bitter Strings 125 porc.</td>
<td>1 set</td>
<td>1.35</td>
<td>1.35</td>
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<tr>
<td>Sept 28</td>
<td>Freight on piano to Musickian S. MOUTRIE &amp; Co. Ltd.</td>
<td>1 unit</td>
<td>17.45</td>
<td>17.45</td>
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</tbody>
</table>

Total: $36.80

Dr. W. Straight, Esq.

The Pianoforte & Music Warehouse.

67 Consular Road, Tientsin, 31 Octb. 1907

SHANGHAI, TIENTIN, HONG KONG & LONDON.

The Willard Straight Papers at Cornell University
The Willard Straight Papers at Cornell University

Imperial Hotel, Ltd., TIENTSIN.

Telegraphic Address: EMPIRE TIENTSIN.

Telephone No. 105.

Shan Halkwan, Peking.

The Imperial Hotel, Ltd., TIENTSIN.

The Willard Straight Papers at Cornell University
Imperial Hotel, Ltd,
TIENTSIN.
Telephone No. 7042.
Railway Hotel, Shannahawan.
Pettah Hotel, Petahito.
Station Hotel, Tungku.

CATERS TO THE
DINING CARS
ON THE
IMPERIAL RAILWAYS
OF NORTH CHINA.

The Willard Straight Papers at Cornell University
### Imperial Hotel, Limited, Tientsin.

<table>
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<tbody>
<tr>
<td><strong>Telegraphic Address:</strong></td>
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<tr>
<td>&quot;EMPIRE&quot; TIENTSIN.</td>
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<tr>
<td>Telephone No. 3122.</td>
</tr>
<tr>
<td>Railway Hotel, Shantung.</td>
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<tr>
<td>Pekin-Sky Hotel, Peking.</td>
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<tr>
<td>Station Hotel, Tientsin.</td>
</tr>
<tr>
<td>CATERERS TO THE DINING CARS ON THE IMPERIAL RAILWAYS OF NORTH CHINA.</td>
</tr>
</tbody>
</table>

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**The Willard Straight Papers at Cornell University**

---
November 10, 1907

Dear Anna,

How are you? I have been out to the farm and again as usual growing corn. We are here also and we have just returned from heating the corn. We are in the rain. It is wonderful weather and cold wind. We are notpdo approaching weather conditions. We have been up to West Point some. It is very beautiful in the financial crash.

Anna Straight
The Willard Straight Papers at Cornell University
The Willard Straight Papers at Cornell University

[Handwritten text]

[Handwritten text]
Postcards are far easier to write to. Your letter is coming on a raft to me in Hawaii in December. Indecision is the theme of the naval guard and begins with this month as our official. There are half a dozen quartermasters in the navy already, and the decision is a wise and interesting one. The naval officer helped him in the matter, so he will stick to business and stay until New Year. Aside, he will get out of the experience his general rehabilitation, in the public mind which he needs.

I was named Harry, to be called with you recently, I saw and thought you.

Write me of his visits. I don't report.

The Willard Straight Papers at Cornell University
The Willard Straight Papers at Cornell University

[Handwritten text]

Send your best regards. The composition is very good and can be published. Thank you for all your efforts. The composition was published on the 12th of May. We are very pleased with the result. The composition is very good and can be published. Thank you for all your efforts. The composition was published on the 12th of May. We are very pleased with the result.
MEMORANDUM ON MANCHURIAN AFFAIRS.

As a memorandum embodying the gist of the facts which I have endeavored to present in conversation, I venture to submit the following:

Japan entered Manchuria nominally to free China from Russian aggression and to insure to all nations the enjoyment of the "open door". A successfully prosecuted war was followed by the transfer by Russia to Japan of all the rights granted by China to the former Power in Manchuria. During and immediately after the war the Japanese installed their military administrations throughout southern Manchuria. They constructed railways between Haiden and Antung, and between the former place and Helmintun. They seized all the mining properties that had been worked by the Russians, occupied all the buildings that had been built, rented, or in any way used by them, and established an elaborate system of posts and telegraphs.
telegraphs. At Antung over six thousand acres of
land were acquired in August and September, 1905,
by forced purchase, and there is evidence to prove
that in many cases torture was employed to secure
tracts desired by the military administration.
While foreign traders were forbidden to enter the in-
terior, Japanese were encouraged to open for business.
It has been asserted that such Japanese came merely as
settlers or military contractors. It is true, how-
ever, that such merchants did transact a general busi-
ness with the Chinese. The greater portion of the
large floating population which entered Manchuria in
the wake of the army and which remained after the
withdrawal of the troops was composed of undesirable
characters. Freed from the strict police control to
which they are subjected at home, they frequently de-
frauded and misused the natives, forcibly occupying
premises and refusing to pay rent therefor, and earn-
ing their living by gambling and prostitution.

As the military administrators were gradu-
ally replaced by consular officers during the spring,
summer and autumn of 1906, the general condition of
the country improved. Preferential railway freight
rates, however, were undoubtedly granted to Japanese
by the Railway Administration until the line was tak-
en
on over by the civilian company on the first of Ap-

ril, 1907. Gambling and prostitution were as pre-

valent as before and complaints about the actions of

the Japanese coolies were frequent. Upon the termi-
nation of the period of military occupation on the

19th of April, 1907, there was a further improvement

in the general attitude of the Japanese.

At the present time there are approximate-

ly 30,000 Japanese in Manchuria, exclusive of the

Leased Territory, the largest numbers being located

at Antung, with 6,000, Mukden and Neuchwang, with

5,000, and Liaoyang and Tieling, with 2,000 each.

There are about 11,000 troops, stationed along the

South Manchurian Railway, acting as railway guards.

Consular offices have been opened at all the treaty

ports of importance, with branch offices at the mi-

nor places. Extensive tracts of land are held at

Mukden, Liaoyang and Tieling, as well as at Huang-

changtun, and will be under the South Manchurian Rail-

way Company as railway settlements, their administra-

tive organizations being directly responsible to the

President of the road. The Yokohama Specie Bank has

branches at Neuchwang, 1873. Mukden, Tieling, 

Huangchangtun and Antung. Japanese newspapers are

published at Mukden and Antung, and a journal at

Neuchwang was recently suppressed by the Japanese

Consul at that port. At Mukden a paper published

in Chinese presents the Japanese point of view re-

garding all questions of the day. The Mitsui Han-

son Kaisha is practically the only Japanese commer-

cial house of importance doing business in Manchuri-

a. This firm is the agent for the Japanese Cotton

Exporters' Association, does a general import busi-

ness, and virtually controls the export of beans to

Japan from Manchuria. It is in close touch with the

Government and is assisted in every way by the con-

sular authorities. It is seeking mining and other

concessions, and has in the past secured a number of

Chinese Government contracts. The Japanese Govern-

ment Tobacco Monopoly has been unable successfully to

compete with the British-American Tobacco Company,

which, with the market virtually flooded with other

goods, has within the past year been able to outsell

its rivals. The Ohara Company, a firm of large con-

tractors, now operates the Penhills coal and iron

mines, and has built roads in Mukden. Aside from a

few large retail houses, the remainder of the Japanese

business is transacted by small dealers. A large por-

tion
aton of the Japanese population is composed of 
reconnaissance and their female dependents, who are usu-
ally prostitutes. It has been estimated that there 
are fully 6,000 of these women in Manchuria. Upon 
their profits, derived from the Chinese, the small 
storekeepers largely depend for their living; and as 
toomding though the statement may be, it is undoubted-
ly true that the Japanese communities of Manchuria to 
the great extent either directly or indirectly subsist 
upon prostitution.

At Mukden there are not more than one or two 
Japanese military instructors. There are Japanese 
advices in several of the Government departments, two 
doctors and a few teachers employed by the Chinese. 
The Japanese, however, resent the appointment of any 
foreigner other than a Japanese to a Chinese govern-
ment position in Manchuria.

At the present time there are a number of 
points at issue between Japan and China. The Chi-
inese consider the Japanese post and telegraph systems 
now functioning in Manchuria to be a derogation of 
Chinese sovereignty. They protest against the Japa-
ese operation of the Pan-ho and Penhaim railways, 
and of a number of smaller mines worked during and af-
ter the war. They have not agreed to the Japanese 
demand for the right to operate all mines on ei-
ther side of the Mukden-Ihatung Railway. They are 
unwilling to accede to the Japanese request for fish-
ing privileges off the south Manchurian coast, and 
ground their protests against the import of salt from 
the Livened Territory into Manchuria on treaty stipula-
tions. Chinese public and private property, which 
according to the Peking Agreement of 1905, should have 
been returned to the rightful owners thereof on the 
termination of the period of military occupation, is 
still held by Japan, although the consular authorities 
have promised its return. At Ihatung the Japa-
inese titles to land in their settlement, which has 
been established on preempted ground, have never 
been recognized by China. In this area Chinese, not 
Japanese, opium smoking and gambling are openly en-
couraged by the Japanese Consul, who derives 549,700 
yen per annum from the deb and recures. There are also 
the treatment accorded the Chinese timber merchants 
by the Japanese Timber Bureau can be characterized 
as little less than high-handed.

In Yako at the present time Baron Gezo, 
President of the South Manchurian Railway Company, 
and General Ochima, Governor of Ernestown, both mem-
bers
bears of the military party, are apparently attempting, in the development of their imperial policy, to acquire from the Foreign Office the control of Japanese international relations in Manchuria. Should they be successful, the former, who is striving to consolidate the civil authority under his office, will occupy a position analogous to that held by Admiral Alexieff before the war.

The delegation of quasi-diplomatic functions to this official would undoubtedly be resented by the Chinese, who are anxious to render less obtrusive the alien status of the Leased Territory. While no decision has yet been reached, it would seem improbable, unless the so-called civilian party be given no voice in Manchurian affairs, that such a step should be taken. There are indications, however, that certain influential members of the Japanese Government desire to adopt a more conciliatory tone than that which, as a heritage from the military administration, has characterised the actions of certain officials in Manchuria. Mr. Higuma, for the past fifteen months Consul-General at Mukden, a man who, closely related to Marshal

Marshal Yeungta, has been the exponent of the aggressive policy, has been succeeded by a more mild-mannered official, and Hsii Excellency Tang Shu Chih, the Governor of this province, has recently assured me he had reason to believe that there would be less cause for friction in the future.

Despite the very general foreign condemnation of Japanese action in Manchuria, it should be remembered that the country has been opened by the late war and that, thanks to Japan, there are better commercial opportunities here today than there probably ever would have been under a Russian regime. There may be obstacles in the way of foreigners settling at Delny and in the Japanese railway settlements. These difficulties are not prohibitive, however. Some at least of the trouble that has been experienced by foreigners in shipping goods on the South Manchurian Railway must be attributed to their non-acquaintance with the Japanese language. At the present time there seems to be no reliable evidence that preferential rates are granted Japanese on the South Manchurian Railway. Freights from central Manchurian points are virtually the same to Bechuanaland and Delny, but this can hardly be considered a just cause for complaint.
complaint. Japanese commerce is undoubtedly subsidized, but the Japanese Government cannot be arraigned on such grounds. A serious and well-substantiated charge, however, is the Japanese official unwillingness to take cognizance of the great numbers of deceptive adaptations, if not actual imitations, of foreign labels and trade-marks.

Foreign financial and commercial interests, particularly, regard Japanese activities in Manchuria as a menace to Chinese sovereignty and to equal opportunity, especially affecting those who might wish to share in the profits of railway, mining and industrial enterprises. They fear that Japanese are endeavoring to use their political influence to establish themselves as the intermediaries between foreigners and Chinese. They resent the insincerity which has characterized not a few Japanese official dealings, and since Japanese representatives are known to be able to exercise a strict supervision over their nationals in China, their failure to do so has made them, and consequently their Government, the object of no little criticism.

Each of the administrative reform and many of the progressive measures undertaken in Manchuria since

since the war must undoubtedly be attributed to a greater or lesser extent to Japanese influence. China has been greatly impressed by Japanese efficiency. She desires not only to emulate the Japanese example, but at the same time, in view of what has seemed to be Japan's imperial policy, wishes to consolidate her own control and develop her own resources in order to conserve Chinese sovereignty in the Three Eastern Provinces.

At the present time the Viceroy of Manchuria and the Governor of Fungtien Province are among the most progressive Chinese officials. The latter, educated in America, is reputed to be one of the ablest diplomats in the Chinese service. During the forty months of their joint incumbency Their Excellencies Han Shih Chiang and Yang Shao Hsi have reorganized the administrative machinery of Fungtien Province, have brought 30,000 well drilled troops from Chihli, encouraged education, taken strong steps toward the suppression of opium smoking, and undertaken many municipal improvements in Hukuei and elsewhere.

The fate of Korea has been a warning to China. Recent events in that peninsula, the Franco-Japanese and Russo-Japanese ententes and the attempt
attempt of Japan, acting ostensibly on behalf of Korea, to secure possession of the Chientao district, have given rise to considerable apprehension among Chinese officials. They are anxious, therefore, by attracting foreign capital, to create a community of interests in Manchuria. The present time seems to them to be particularly auspicious. It is evident that the present state of Japanese finance, the new and heavy responsibilities assumed by Korea, the complications with the United States and Canada, and the general misgivings regarding her policy in China, seriously embarrass Japan. The Chinese appreciate that Japan cannot well afford further to estrange either Great Britain or America. They feel that Japan's present difficulties should render her less likely to protest against or try to prevent the establishment of foreign vested interests in Manchuria, and they wish to secure funds either in the United States or England in order to shield themselves behind the political support which would be accorded such capital.

Certain British financial interests have apparently already realized the possibilities of this situation. A contract has been signed for the construction of a railroad north from Blaimin, and the funds therefor will probably be secured from the British-Chinese Corporation, and I am assured that the Hongkong and Shanghai Bank, unwilling to do so for commercial reasons, will be obliged to open an office in Kudan for political reasons. It is known that the Viceroy desires to raise a very considerable loan. He does not wish to secure this money from the agency of the Japanese, and the British apparently hope that they may be able to undertake its flotation.

The representatives of the British-Chinese Corporation, the most important group of British capitalists operating in China, and of the French interests associated with this syndicate, have expressed a desire for American cooperation. The latter has suggested a combination to float an international loan for Manchuria. Such a project would, I have reason to believe, be favored by the Chinese.

His Excellency Tsung Shao Ti has discussed with me the possibility of obtaining $200,000,000 in the United States for the organization of a Manchurian Bank to be jointly directed by Americans and Chinese and to act as the financial agent of the administration. This sum would be used first for the reform
form of Manchurian currency, at present in a very confused state, and secondly, for the development of the Three Eastern Provinces. His Excellency thinks that $30,000,000 would not be sufficient for the latter purpose, and would therefore desire, once the first loan was floated, to raise a second and larger sum. He wishes to obtain American money in the first instance and international funds in the second. The loans would be given under Imperial guarantees, and about $75,000,000 of the Manchurian revenues would be set aside for the service thereof.

Not only the Chinese, but other nations, seem to look to the United States to act in Manchuria. Our position as the principal exponent of the open door policy is a peculiarly happy one. We are not suspected of ulterior political motives. If we could cooperate with the Chinese in the establishment of the Manchurian Bank, we should be in a position to extend our activities throughout China to the benefit of the Chinese and to our own profit. Never before in the history of China has the advanced official element held so many influential positions. Never before has there been so general a desire for progress. Many of the most powerful of the younger officials have been educated in the United States, and are particularly favorable to the introduction of American influence. At the present juncture, when China is trying to reshape her policy along modern lines, practical assistance and encouragement will be more effective than mere moral support. The Chinese are face to face with the necessity of consolidating their position in order to control discontent at home and to resist interference from abroad. They must strive not only for political but also for commercial and industrial development. A concrete expression of our professional interest would be appreciated now as at no other time. By proving that we are ready not only to insist that the door be open, but also to enter in, we would convince the Chinese of our desire actively to cooperate with them, and might, I feel confident, be largely instrumental in furthering and in directing the development which is bound to take place within the next few years. Railways will be built, mines opened, and new country put under cultivation. Our manufacturers should supply the demands that will thus be created. If we now associate ourselves with the men who lead the progressive movement in China, our trade with this empire and our influence on the Pacific should be vastly augmented.
No. 167.  

AMERICAN CONSULATE GENERAL.  

HUKDEN, CHINA.  

November 26, 1907.  

Subject:  

Explanation of the Expenses of the Hukden Consulate-General.  

To the Honorable  
the Assistant Secretary of State,  
Washington.  

Sir:  

I have the honor to acknowledge the Department's instruction No. 4 (File No. 2275/29-28-42) of September 30, 1907, concerning the excess over the sum allowed, of contingent expenditure in the June quarter. The Department states that it is necessary that I should keep my expenditures within the allowances made for this office, and advises me that the sum, $66.00 yen, expended by me for repairs to this Consulate-General and the outlay which I have made for the consular flagstaff will be paid only in the event that after the consular accounts have been settled sufficient money remains available for the purpose.

The Department states that my draft for the sum in excess of the amount allowed me for the June quarter was paid in order to protect my credit and reminds me that in a former instruction my attention was called to the fact that I should secure permission before making any unusual expenditure or exceeding my allowance.

In reply I beg to state that I fully appreciate the generous manner in which the Department, with the limited appropriation at its disposal, has treated this office, and regret the necessity which has forced me to act in a manner which has received the Department's censure.

From the time of my arrival in Hukden (see dispatches of October 24, 1906, Nos. 16, 17, 21, 27, 45, 55, 60, 97, 101, 109, 121, 149, and of October 12, 1907) I have reported upon the extraordinary expenditure necessary for a suitable consular installation and upon the high cost of maintaining an establishment commensurate with the position which the American Government has been pleased to take regarding Manchuria. With a number of these despatches on file, the Department approved my contingent expense accounts for the December quarter "on account of telegrams and lose by exchange" and, without comment, also the accounts for the March quarter, only disallowing a bill from Adams and Knowles. In both of these accounts the amounts for which I had drawn considerably exceeded the allowance made by the Department. In view of the Department's apparent appreciation of the peculiar needs of this post, I again drew for the excess of expenditures over the amount allowed for the June quarter, in which extraordinary circumstances, explained in my despatch of July 15, necessitated an unusually large expenditure and did likewise for the September quarter. The loss by exchange alone for the latter period amounted to $167.07 and telegrams to $43.07; and it was also necessary for me to replace certain articles of office furniture taken to Antung by Mr. Arnell with pieces purchased locally.

Repairs to the Consulate-General.  

I pointed out in my No. 84, of July 7, 1907, and in that communication also stated the reason why I had been obliged to expend certain other sums over and above the amount allowed by the Department for repairs. These expenses could not have been avoided and I employed my own funds therefor in the hope that the Department would reimburse me at an early date.

Flag Staff.  

Upon securing the premises now occupied by this Consulate-General, I at once made inquiries regarding the cost of a flag-staff. I did not, however, wish to submit the matter to the Department until I could submit an estimate therefor. As I reported in my No. 101 of July 15th, the Chinese office writer, Mr. Tu, offered to erect a staff for $500. Before reporting to the Department I wished to see the pole. As stated, the workmen engaged by Mr. Tu were inefficient and it was necessary to attempt to secure others from Newchwang. The Chinese contractors at that port were unwilling to undertake the work, and through the courtesy of the Commissioner of Customs, the Commander of the Customs Lighthouse...
Tender, a Norwegian, visited Uukden twice, bringing two sailors who superintended the work of the local artisans. Fire stays, at certain, were to be obtained neither locally nor at Tewonwang and were therefore procured in Shanghai. The flag-staff, as it now stands, is 102 feet high, and, erected under the supervision of Captain Andreasen, is most satisfactory. Captain Andreasen would not accept remuneration for his seven days' labor, and I therefore ordered for him a small watch-charm as a souvenir. For this I am prepared to pay myself.

I submit herewith, however, the account in full. The necessity of requesting Captain Andreasen to come to Uukden and of doing again much of the work that had been badly done by local workmen engaged by Mr. Tu brought the cost of the pole up to $693.39, but little more than the sum paid by the German Consul for a much shorter staff.

**Typewriter.** In Instruction No. 51 (file No. 2375/47-48) the Department advises me that my outlay for one Remington typewriter cannot be met at this time. The two machines which we now possess are in constant use either by Mr. Harvin, the Chinese clerk or myself, and without a second machine I could not properly conduct the official correspondence of the post nor perform my duties in a manner that would be satisfactory either to the Department or to myself.

**Preparation for Winter.** In my despatch No. 149, of October 11, 1907, I pointed out the necessity of taking some measures to protect this Consulate from the rigors of the Manchurian winter. I asked for an allowance of $800.00 Mexican for this purpose, such a sum being required for the erection of passage-ways, putting in double windows, cutting holes in the walls for stove-pipes, and erecting stoves in the offices and reception room. Provision for cutting holes in the walls was not made at the time the Consulate was originally repaired, as I expected that the piping could be let through the windows. Such an arrangement, however, proved to be impracticable. As it was necessary that passage-ways be erected between living rooms, reception room and dining room, and an entry added to the office, Mr. Harvin and myself have expended $250.00 "small coins" therefor. Instead of using glass we have employed double thicknesses of paper stretched upon a rough wooden framework. Had the work been of a more substantial character, these passage-ways might have been taken down in the spring and used again next winter.

With the present construction, however, this will probably be well nigh impossible. One of the two stoves furnished by the Department was found, when unpacked, to have been broken in transit. I have found it impossible to have it repaired locally, and have therefore been obliged to purchase a second large stove, as it is necessary to use two in the reception room. I have also been obliged to purchase two small stoves for Mr. Harvin's and my office, one for the Chinese clerk's office, one each for the stable, the servant's quarters, a large stove for the dining room and small stoves for the guest room and for the quarters occupied by the Deputy consul general and myself.

My outlay up to the present time for the permanent installation of this Consulate general has been as follows:

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<th>Description</th>
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<td>Supplementary repairs</td>
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</tr>
<tr>
<td>Flag-staff</td>
<td>$395.40</td>
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<tr>
<td>Typewriter</td>
<td>$212.10</td>
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<td>Passage-ways, stoves (Harvin and Straight)</td>
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<td>Stoves</td>
<td>$242.68</td>
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<td>Installation of stoves</td>
<td>$91.00</td>
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<td><strong>2,069.67</strong></td>
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Now that winter has set in, the expenses of this Consulate are very considerably increased. With two large stoves in the reception room, three in the offices, and a fuel allowance for the official servants living in the gatehouse, the expenditure for heating, office quarters alone will not be less than 45.00 yen per month. Although Uukden is so near the Fushun Mines, coal of a very inferior character is only to be obtained at the rate of 14.00 yen per ton. This fuel burns rapidly and gives but little heat. Lighting will also be more expensive, and in order properly to care for the consular premises it will be necessary to engage another coolie.

I hope, however, notwithstanding the increase in my personal outlay,
that it will be possible, with the strictest economy, to reduce the expenditure of this office, except the loss by exchange and the cost of telegrams, to the limits imposed by the Department. This, however, is only possible owing to the fact that we have at the present time no Chinese writer, and also since the furniture for the office is now practically complete. The expense described for repairs, for the flag-staff, typewriter, stoves and the installation thereof, for the erection of passage-ways, and for the furniture which has heretofore been such a considerable item of each contingent account, have all been necessary for the proper installation of this Consulate and will not, except for the erection of passage-ways, be recurrent outlays. None of these expenditures could well have been avoided, and I therefore employed my own funds, hoping that I might be reimbursed. I do not feel that I should be required to bear this burden myself.

It has been necessary for me in order to meet my liabilities to borrow money from the Russo-Chinese Bank, paying 9% interest therefor. I have been obliged to go into debt for the proper furnishing of the Consulate, and as I have already reported in my unnumbered despatch of October 12th, page 4, I have incurred considerable expense on behalf of the subordinate officers stationed at this post. The demands made by a constant stream of travelers who are unable to find decent hotel accommodations at Mukden have also been heavy, and since it is generally agreed that there are in Mukden more intimate social relations between the consular and the Chinese officials than in any other part of China, I have felt it necessary to entertain the Chinese, and as Senior Consul have owed and extended certain hospitality to my colleagues.

Russian, Japanese, German and particularly Chinese officials are conducting their establishments on a far more extensive scale than has been possible for me, and it has seemed to me essential that this Consulate should preserve at least a certain standard. This has been done, and I believe, with excellent results. Six months spent in a wretched Chinese hotel convinced me that in a place like Mukden, where the commercial importance is less than the political significance of the post, it would be better to maintain no consulate at all rather than to be content with a non-representative establishment. I am prepared to devote my private funds to the maintenance of my position, but I cannot in addition bear those expenses described above in entirety, for I do not consider myself justified in borrowing money for the upkeep of this office.

I should regret to be obliged to request a transfer from this interesting post, but, with the cost of living as high as it is at present and the heavy demands made upon my purse, unless the Department takes some action to relieve my present embarrassment I cannot afford to remain in Mukden.

I have the honor to be,

Sir,

Your obedient servant

Willard D. Straight
Consul General.

Enclosure:

Flag staff account as above.
Dear Sir

I beg to advise having debited you in Current Account with £23.9s. being interest @ 7% p.a. to date on your Loan Account, which kindly confirm.

Yours faithfully,

[Signature]

Agent.

Papers at Cornell University
In a letter dated Nov. 29, 1907, signed by the Chief Clerk (W. J. Carr) for the Secretary of State, he says: "The manner in which you have kept the Department so thoroughly informed on all political affairs within your locality is to be highly commended."

My dear Mr. Straight:

I hope you will not think I have been indifferent to the matter of which you wrote me some weeks ago. On the contrary I have been so much impressed with the plan of the Manchurian Administration to establish at Mukden an agricultural school for the Three Eastern Provinces that I have been desirous of rendering the best aid in my power toward the accomplishment of that end. I have talked with the Director of the College of Agriculture and with our professors, and I have considered a goodly number of names to send to you for submission to His Excellency Tang Shao Yi. But in some cases I could not get the men whom I considered fit for the place, and in others after investigation I did not feel justified in recommending the candidates. Altogether, therefore, I find myself at the present time, after such thought and inquiry as I have given to the subject, in a position in which I am obliged to confess that I can render no assistance. I feel that only first class men should be appointed for this important work in China, and there is such a demand for first class men in agriculture in connection with the schools, colleges, and experiment stations of the United States that I cannot find any who are available and, in my judgment, qualified for this position in Mukden.

Should I hereafter learn of any men who I believed would satisfy the conditions, I will not fail to notify you of them.
Let me take this opportunity of saying that I have followed your own career with the greatest interest and I congratulate you on the advancement which you have made.

With best wishes for your continued success and further promotion (which I should be glad in any way in my power to further), I remain

Very sincerely yours,

Mr. Willard D. Straight, Consul General
Consular Service, U.S.A.
Mukden, China

P.S. I send you under another cover a copy of my last Annual Report.

Mukden, 1st. Dec. 1907,

W. D. Straight Requisite.

Dr. to the Manchurian Trading Co. Ltd.

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C. G. 96.25

Receipts
E. & C. E. The Manchurian Trading Co. Ltd.
Per Manager.
DEBENTURE CERTIFICATE.

THE MOUKDEN CLUB.

$50.00

This is to certify that the bearer is the proprietor of one debenture of $50.00 bearing interest at not more than 5 per cent. per annum as the management of the above named Club shall determine.

This debenture is one of a series of fifty all ranking equally and is issued in pursuance of a resolution dated the 15th day of October, 1910, and subject to the rules of the said Club.

The said issue forms a first charge on the property and assets of the said Club both present and future and may be redeemed by drawing at any time within three years from the date hereof.

Given under our hands this 15th day of December, 1910.

[Signature]
Hon. President.

[Signature]
Hon. Secretary.

N. B. No transfer of the above debenture can be registered unless accompanied by this certificate.

The Willard Straight Papers at Cornell University
I came here last week with the Boardman family and we got here for
a few days before Major a went ill in New York, and I went to
him down the East and South, 8 months. Our common
friends are all in that letter.
Alice and I had a long talk yesterday.
Her Home is in Virginia and
she never looks at it better. She spoke of being here for
a day and a half to visit the close at the Boardman's. But as their
travel was late and the weather
party seemed likely to be weather
with the rest. More about
and I came away before the 42
arrived. They arrived here
for the week or two on route to
a visit. We are all well.
Bretton arrived tomorrow
and has taken rooms at the apart-
ment for 2 months. Capt. B. and
arrived together in W. P. We are
to be with the Warden for a week be-
fore returning to Dakota the end
of the month.
A creature named Emmings
has been to hug the President.
Dear Mr. Secretary:

You may be interested to learn that immediately on my return to Nihwa I advised the Governor of the favorable manner in which you had received his suggestion about the use of the Indemnity. He was much gratified and with the approval of the Viceroy has written Peking about the matter, asking for the sanction of the Imperial Government. I, of course, made it clear that we had no desire to make a gift "with a string to it." Tang seemed to feel that in connection to the use of the uncollected portion of the Indemnity for the service of loan to be floated in the United States the Metropolitan authorities would probably insist that an attempt be made to secure a sum larger than was originally contemplated in order that the Central Government itself might obtain funds.

The Governor will inform me concerning Peking's attitude and I shall, with your permission, acquaint you with the result of his representations.

The incident at Harbin may have impressed you, I fear, as somewhat peculiar. Mr. Fisher was in a most difficult and embarrassing position, apparently, owing to the jealousy between the Russian and Chinese authorities. He requested me to propose the toasts in series to avoid the question of precedence which otherwise would have arisen between the
Russian General and the Chinese Ta-t'ai. The healths of the sovereigns of Japan and Russia and of the French Executive were drunk as a courtesy to the representatives of those Powers who were there present.

Your invitation to meet you in Vladivostock I esteem as a great honor and am grateful for the opportunity which you gave me to do what I could to explain the Manchurian situation. On my return the Viceroy and Governor again expressed their regret that Mrs. Taft and yourself had been unable to visit Manchuria. I took the liberty of thanking them on your behalf for their kind expressions.

Trusting that you have had a most comfortable and pleasant trip and with best wishes, in which Marvin joins, to Mrs. Taft and yourself, believe me,

Sincerely yours,

The Honorable
William H. Taft,
Secretary of War,
Washington.

The Willard Straight Papers at Cornell University
CONFIDENTIAL
AMERICAN CONSULATE GENERAL
SUZHOU, CHINA.

December 3, 1907.

My dear Mr. Denby:

Your letter of September 9th reached me some time ago and should have been answered long since had it not been more than usually engaged.

I am much flattered that you should have written as you did and assure you that I share your desire that there should be a recognized and dignified medium for the express of views on matters oriental. This function I think the "Pacific Era" should perform. The first number I have read with much interest. Since you have written me at some length I am taking advantage of the opportunity you have given to offer a few suggestions which I trust you will not consider uncalled for interference on my part.

I enclose a clipping from the "Peking and Tientsin Times" concerning your initial number. If you will pardon my saying so I think that the flavor of the issue was a little too literary. To appeal to the practical man whose awakening interests in things oriental we hope will be demonstrated along commercial and industrial lines it seems to me that there should be more matter dealing with topics such, for instance, as "Japan in Korea", "Japan's Relations with the Philippines and Hawaii", "The Panama Canal and Our Pacific Responsibilities", "The Pacific Fleet and the Two Ocean Standard", "The Story of American-Chinese Relations and American Opportunity in China Today", and so on. A most interesting article would be the story of the first group of Chinese students, with an account of the very responsible posts they hold today. Tang here, Liang Yun Yen at Peking, W. T. Liang as the Shanghai Taotai, Chi at the head of the Railways.

I should think that it would be advisable to have a special editorial department commenting on Eastern political developments and suggesting the plan of campaign which the United States should adopt to most changing conditions. The "Journal of the American Asiatic Associates" gives the desired information in certain form, but your idea, I take it, is to popularize the East. You will be obliged, therefore, to put a certain sugar coating on your propaganda. Comment on legislation affecting our Eastern interests would be timely and surely no one would be better fitted than yourself to explain "The American Court for China" and "American Extraterritorial Jurisdiction in China", both subjects concerning which little is, and much should be, known.

I fear that it would be impossible for me to write and sign an article on the present Japanese position in Manchuria. You may be interested to learn, however, that there are at present about thirty thousand Japanese civilians outside the Leased Territory. There are some eleven thousand troops acting as Railway Guards, but this number is under that allowed by treaty. There are Japanese Consulates at all the Manchurian Treaty Ports of importance and "Branch Offices" at the minor places.

The Willard Straight Papers at Cornell University
Since the civilian South Manchurian Railway Co. took over the line I have heard no substantiated complaint against the granting of preferential rates to Japanese. This was, I think, undoubtedly done by the Military authorities when they controlled the road. Rates from Dalny to points north of Mukden are now, however, the same as those from Newchwang notwithstanding the difference in the length of the haul. But this would scarcely seem to be a legitimate basis for protest.

There is only one Japanese mercantile firm of any importance doing business in Manchuria, the Mitsui Bussan Kaisha. There are large numbers of employees of the Railway located at different points, who with those of the Yokohama Specie Bank and one or two contracting firms constitute the respectable element outside the official class.

Although many scoundrels have been written to the contrary I feel quite sure that we could meet and easily overcome Japanese competition were we willing to take the trouble to do so. They are not a commercial race. They are soldiers, first, bureaucrats and shopkeepers.

Over fifty per cent of the Japanese population subsists either on or by, prostitution. There are supposed to be 5,000 of these women in Manchuria. With a Japanese community of two thousand there are eighty houses of ill fame in Kuanghsengtan alone. In the trail of these women are hotel keepers and small dealers, vendors of remedies for venereal disease and a number of carpenters and other laborers who erect the structures in which these folk ply their trade, supported by official Japanese, soldiers, railway employees and Chinese clients. With such a class of immigrants it is not surprising that there has been much friction between Japanese and Chinese, that the former have encroached upon the rights of the latter, and that evils arising during the military occupation have continued up to the present time. Those who criticize the Japanese most bitterly do not blame the lower classes who cannot, perhaps be expected to know better, but they do hold to account those officials who, with competent jurisdiction, thoroughly cognisant of the abuses practised by their nationals fail to indemnify those who have suffered thereby and to suppress the evils themselves.

At Antung over six thousand acres were acquired by forced purchase, thirty to forty or even a lower per cent being paid on the market value, and when the proprietors refused to sell they were tortured in a most cruel manner. This was done by the Japanese Military after the termination of hostilities. Though the Japanese Government must be aware of what happened no redress is given. The Japanese Settlement at Antung is built upon ground seized in this way and the Japanese Consul derives 549,320 Yen per annum from Chinese opium and gambling dens which he has encouraged to open in his settlement and which he protects from the interference of the Chinese officials.

The story of the Yalu Timber negotiations the continued retention of Mukden of Chinese official and private property which should have been returned at the close of the period of military occupation in April last, and the renting thereof to Japanese
merchants by the Kuangtuug Government, the Japanese aggression in the Chinese question, are all facts which one cannot ignore.

On the other hand, it must be admitted that Manchuria is open today as it probably never would have been had the Russians retained control. The "Open Door" really, I think, exists, or could be made to if we are willing to interest ourselves in Manchurian trade and insist that there be equality of opportunity. I do not believe that the Japanese are strong enough to carry on their imperialistic programs in the face of our opposition. There has in fact been a noticeable change in their demeanor within the past few weeks. Their Consul General Hugiwara who for fifteen months employed tactics which he had been wont to use in Seoul, was recently replaced by one Kato from Tientsin, a very mild mannered person, and the different demands which Hugiwara was pressing so earnestly have been shelved for the time being at least. The Chinese who in many cases have only their own weakness, corruption and indolence to thank for their calamities, have recently been much more self-assertive, an attitude attributable in part, I think, to the coming of the Pacific Fleet and Secretary Taft's Shanghai speech, which frightened the Japanese as much as it encouraged their continental cousins.

I can write but little for the story is a long one and requires careful telling. The conclusion seems obvious however, for as long as the Military Party reigns supreme in Tokyo, so long must we be constantly on our guard in China. Experience in

Korea and Manchuria opens one's eyes.

I shall send you the photographs for which you ask and hope to be able to find a suitable selection with your handsome appropriation. It will give me much pleasure to attempt in the "Oriental Renaissance" to which I shall turn as soon as possible.

I hope that you will have a pleasant season in Washington. Please raise all our salaries, build us all dormitories, provide for paid vice-consuls, and render it unnecessary for Consuls to pay half their salaries to their substitutes when they are on leave. I shall not be able to get home for another eighteen months at least. Trusting that you will not take my suggestions amiss, and with kindest regards, believe me, with best wishes for the success of your new venture,

Yours very sincerely,

The Honorable
Edwin Denby,
President Pacific Era Publishing Co.,
Detroit, Michigan.
Dec. 4, 1907

2204 R Street.

Dear Mr. Straight,

I was perfectly delighted to receive your hand written letter of September 28th. I thoroughly enjoyed it, and erected my studio to build the thing, all for which probably appears strange to you.

I understand there was some foolish talk of any kind, but of course, all such things are always out of the air. I imagine and still maintain that Gilbert caught his form badly.  Can you remember if that is so, and if so, I should be glad if you would tell me.

Yours truly,

[Signature]
If I were you, I should not go.

today came you letter with the enclosed for Mr. Harrison, which I forward as soon.

Sometime ago, after I communicated your telegram to him, I received from him an exceedingly nice letter, explaining that he had not heard from me. He said that the state of the army wanted, as a fact, and that he was about to return to Washington.

If I were you, I should not go.

The best decision was his decision

in this matter, because the money

Strangely is so unexpectedly acute

pick him; I think had simply disappeared, which I know exactly

So. It is commonly difficult to

be in Washington behind the

certainty is not to be found in

the bank.

Harrison again as soon as this

happens is true, and if you write

case to give me the facts of the case in

hand, I should be glad to take the

matter by with him in his care,

It is a fact it so, now and then,

during the winter.

The First National are due to

appear in Washington tomorrow to

remain a cup of coffee, as I am informed.

I shall seek

The Willard Straight Papers at Cornell University
When several times to be there only just arrived in this country. I attended the last church meeting in Corn which was interesting and delightful. The plan is fine from pretty, lovely, beautiful, and will also succeed well. The meeting took place in the house. The Methodist Church came down the stage and in hand and were well known. The simplicity and lack of formality appealed to me very much. On the other hand, you mentioned a difference between you and between genealogists. The performance of the latter was far superior.

2204 R Street.

really just a headache to adjust. They are manifestly well done, the need is just as valuable if not more widespread a bit less and there.

You last long report in the usual condition as far as you can and was not found by me to deal with a book.

The rains that have been in another department, no further to the situation. American from China post are in the hands of the editor. It seems incredible that a crowd has no
The Willard Straight Papers at Cornell University

Aunt Sallie to arrest his own captors in a suit under the law. The arrest is for the purpose of extradition, but it stands the law.

Two years ago, he nearly tried to institute the Secretary to bring the matter before Congress, but he failed. There have lately been four or five cases in China that have brought up striking the need of an extradition treaty with China, and I am confident that an effort will again be made to maintain the treaty there. We will see everything we can to hasten it.

I spent in the Punch f12.

Bering, today, the brave letter for her husband's grave, and I asked Statton to notify you as soon as it had arrived. The lox is written by Mr. Brogan at houma, and I trust this it will arrive without delay.

At dinner, the other night, I met with a friend here in Boston who was much interested in the Chinese. She has quoted some curiously enough and in consequence seems more likely than she was when before.

Give my best wishing.

Willard Straight
December 4, 1907.

My dear Cassandra:

I am really ashamed of myself for not having written you earlier, especially since I have for a month almost been enjoying the tables which you through Johnstone and the Comptroller do kindly procured for me. However, you must pardon me on some ground or other even though you will not accept the time worn excuse of "press of business". Enclosed I am sending a draft for twelve Taels which amount I believe is that due on four stands, for which same I am greatly indebted.

I have just returned from Harbin and Vladiveostock, having travelled from the latter to the former with Secretary Taft. I had several long talks with him about general conditions in Manchuria and while I touched on the subject of our joining an international loan was given so little encouragement that I did not present the memorandum which you had so kindly prepared for me. I endeavored to convince him that the Three Eastern Provinces have by no means been preempted by our yellow friends, and, I think, succeeded in impressing upon him the necessity of taking some action here if we really wished to substantiate the position which we have adopted towards Manchuria. Whether he will be prepared in view of the financial situation at home to take action or not I do not know. The campaign will itself lessen the likelihood of his actively interesting himself in the Eastern Question for the time being. You may feel assured, however, I think, that the President and the Secretary of State will be inclined, if they accept the advice which I think Mr. Taft will give, to regard Manchuria as a fair field and not as one that must be approached either with the acquiescence, or with special regard for the sensibilities, of the Japanese.

The opportunity of meeting and talking with Mr. Taft was most fortunate. He was in a very receptive frame of mind and, I think, is unusually well informed about the entire Eastern situation. I was surprised at the amount of information he possessed.

Needless to say Marvin and I took advantage of our presence in civilization once more to do theatres, restaurants and Cafe Chantante, and had a wonderful time.

We both of us speak of you often. You are one of our "A-set" voyagers I assure you, and you may be certain that there is always a warm welcome awaiting you here, and a very real desire on our part to have you with us as often and as long as possible.

If you wish to show this letter to Bland do so, otherwise please regard it as your own. Kindly remember me to Johnstone and believe me, with many thanks for your trouble in preparing this memorandum and regrets that nothing should have developed therein, and best wishes always,

Yours sincerely,

If you wish it I will return the Memo to you.
December 4, 1907.

Dear Captain,

Marvin and I returned from Vladivostock and Harbin about a week ago and since then I have been endeavoring to gather in the rag ends of my work which I had turned over to Arrell during my absence.

Our trip was a most interesting one and gave a much needed light on the probable attitude of the Administration toward the Eastern Question. Mr. Taft's Shanghai speech which you surely read, sounded the key note. His conversation convinced me that he had made up his mind that we were in this game to stay and that it was high time that we did more than talk about the Chinese classics and study the manners and customs of this strange people.

I read your memo to both the Secretary and Edwards who was with him. He made no comment but asked a few pertinent questions. He wanted to know how much support you received from the Legation, how long it would take a man to learn Chinese and a few other kindred matters. Edwards seemed favorably impressed with your suggestion about language officers and I think the Secretary was much interested. The attempt to interest him I trust was not made in vain. Of course he will be pretty much occupied with his Presidential boom from now on. But if ever he succeeds in entering the White House as Master thereof I think that we may look for great things. Your ideas too, will, I think be placed before the President. Mr. Taft's whole attitude was most encouraging and I think that we need have no fear that people at home are not watching this situation with great interest, and unconsciously preparing for what I believe to be our Pacific Destiny.

Please remember me to Miss Reeves. With kindest regards believe me,

Yours sincerely,

[Copy]

[Image 0x0 to 1411x1133]
December 5, 1907.

John Foord, Esquire,
Secretary American Asiatic Association,
P. O. Box 1500,
New York.

Dear Mr. Foord:

Referring to my recent letter to you in which I promised to propose new members for the Association as soon as it might be possible for me to do so, I now offer three names, to wit:

George Marvin, American Deputy Consul General, Mukden.
Fairman Dick, 51 East 49th Street, New York.

Trusting that the library of reference and the files of Eastern literature are now open to inquiries, I am, with kindest regards,

Yours sincerely,

Consul General.
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Total: $122.75

Payment: $122.75

Received payment: $122.75

W. H. Straight

Shing Tai & Co.

Mukden, November 1907.
Mukden, Dec. 9, 1907.

Dear Excellency:

Your telegram came yesterday and afforded me more relief than you can imagine. You were very kind to respond quickly and so generously to my appeal.

I am writing this because I have decided that it is impossible to do it as it should be done on my present salary and allowances, and that as far as the Government is concerned, if it wishes properly to maintain its dignity it should appoint someone with private means who could carry off all the little details that cost, and mean so much. I am quite willing to do whatever I am set to do if I can - and willing to sink all I have in running the establishment. It should be done well, for as you know the name "American" is not synonymous for all that we might wish, in the East, and this is a place where much can be done to vindicate ourselves and to repair past errors not only of commission but of omission.
I can imagine that you must take a certain amount of joy in saying
"I told you so". But I trust that you will forebear. The burden small though it
has been compared with those which others have borne, is nevertheless a real one.
It is hard to feel that one should economise, but that economy can only entail
a loss of position. The British have put on no side whatever thus far, but our
position is different. We bulk big in both the Chinese and Japanese mind, as we
should and must do so. Our Temple is an excellent setting but an expensive one.
One is forced to think with two appreciative an understanding of the fabled
Chinese family that was ruined in trying to live up to a pair of ivory chop sticks.

I wish everything that for my own peace of mind I could "approach" the
unseen with a smile, as I used to do, but I can't which I suppose means age,
though I don't think it can be laid to experience, for in some miraculous manner
"things have come out all right" generally as in this instance - thanks to you. I
often think of my state of mind on receiving your cable asking me to join you in
Korea, and of what it has all meant to me. However --

I am sincerely grateful to you. Your stepping in has turned the
button and once more there is light.

I am anxious to hear about your visit to Washington, and of people and
things. The United States is frequently very far away I at find.

Yours,

W. Straight.
The Willard Straight Papers at Cornell University
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Account rendered.

W. S. Straight
U.S. Cornell
Tientsin, 30th Sept. 1907

Dr. Tientsin Press, Limited.

W. Straight
WOOLLEN, VOSY & Co.
CHEMISTS AND DRUGGISTS
RUE DE FRANCE.

Nov 1 Hand 3.2. Daid free keep postage.

W. Straight

PHARMACIE UNIVERSELLE.
RUE DE FRANCE.

Tientsin, 365 NOV 1907

Dollars. Cents.

3

The Willard Straight Papers at Cornell University
Dear Sir,

I beg to acknowledge receipt of your favour of the 9th instant handing me a draft on the Russo Chinese Bank for $200. As requested I have credited you in Loan Account with $200, and in Current Account with $60.

Yours faithfully,

[Signature]

Agent.
Mukden, China,
December 15, 1907.

My dear Casemove:

Your letter of the 8th reached me yesterday. As far as I know the Germans have secured no contract for the Heilungkiang-Taitashar Railway. In fact I should very decidedly say that they have not done so, though they may be making the attempt.

A narrow gauge road, forty-five miles long, has been contracted for with the Government of Heilungkiang by Toagel (?) and Schroeder of Tientsin and will be built between the city of Taitashar and the Russian Railway. I now understand however that the Russians who last spring offered to cooperate with the Chinese in constructing a road from Taitashar to Algin are protesting against the German contract as an infringement of some ante bellum agreement. Whether their objections will lie or not I do not know.

Arnhold, Karberg and Co. and Carlowitz are undoubtedly doing a good deal of Government business up here and I think that the German Consular officers are particularly active in assisting them.

If I can at any time be of assistance to you you may be sure that I shall resent it if you do not call upon me.

With kindest regards, believe me,
Sincerely yours,

WILLARD STRAIGHT.

DEPARTMENT OF STATE.
WASHINGTON.
December 15, 1907.

My dear Straight:

Your letter of October 13th with its enclosure were very interesting to me. I am always glad to get these letters, both as news of you and because they contain much information that is useful to the Far Eastern Bureau. You may be sure that their contents is read and appreciated, and you must not think they are not appreciated because I must confine myself to very short replies. Please believe that I am not the less interested if I seem to absorb your letters without giving in return.

About the Student Interpreters:—I should think you would furnish a room or two out of Departmental funds as quarters for the one who is with you. Let him have his food prepared with yours and pay the actual cost of it, but living by himself in his own nest. Of course there is no way in which you can be sure always to have a congenial man with you, and I cannot see that you are under the obligation to live your life in the constant company of your staff. I don't see why a student interpreter with
an extra five hundred from the clerk-hire fund or with a
salary of $1000 or $1500 as interpreter instead of his
own salary should not be able to live in Mukden perfect­
ly well, if he has furnished quarters provided in the
buildings of the Consulate General, which are of course
intended to house the whole staff as well as the chief.
As for getting a substitute for Peck; you should place
yourself in communication with the Legation.
I am glad to hear that Marvin is a congenial
companion. You must indeed need one these winter days
in Manchuria.
With best wishes for a Happy New Year, I remain,
always,
Very sincerely yours,

P.S. Excuse the awkwardness and brevity of this
poor letter. Am frightfully busy. Although
the letter was not written the very warm
parts of my life are written in it!

M.W.

The British and Chinese Corporation, Ltd.

My dear Straight,

You are a good man and I bless you as much.

But I hope that in going to Manchoungtau you are not unduly disturbing your
own even tenor for if you say that all is smooth on that route and no
trouble, it would have sufficed to meet the lady at Mukden and send her
a wire at Harbin to say you would do no. But if you are doing nothing much
for the State Dept. it may be a pleasant outing for you, and I know it will
be very pleasant for the Lady. I did here by the leg and cannot get
Madsen a noticer as ronigrons write in the letters.

I left in a way out of state and here at all, but shall go down to Tientsin and bring her up in state on
Xmas day. The enclosed letter conveys that glad things
I hope you did not have it into me for not writing you when I got back
here, but I was so rushed that I had hardly time for meals. Things are a bit
quieter for the moment but the Chinkiang gentry's delegates are expected here
on the 18th and we shall then have much useless paper. The daily paper's way
to handle the question (vide the Englishman in China, Vol. 1, page 108) would be
to deal seriously with the central Government and not to believe all their
lies, but, alas, we have no Government of our own, and so the silly farce must
continue. Now anyone can talk of treating these people as equals and responsible
when they plead daily their inability to manage their wretched subjects, passes
my comprehension. Much less should we (i.e. Morrison) talk of withdrawing
the troops which are the only argument and object lesson they understand.
There is an economical, financial and political crisis ahead of us in this country and our Jap friends are well aware of it. Only the ostrich Anglo-Saxon, who has most to lose by it, blinks the fact.

As to that northern line, ask the great Tang Shao-yi what he is going to do about it. The Japanese have protested and unless the Chinese Government shows something more of energy and intelligence than usual in protecting these sovereign rights about which they care so much (when they are not threatened) the thing is likely to fizzle out. I hope to get up your way soon, if the Chekiang gentry will let me, and find out what the game is, but I will not come until the Viceroy gets back. Meanwhile we all sit on the fence.

I'm glad to hear that your pictures are getting on. I shall no doubt, under the sweet influences of unwonted domesticity, settle down to work and finish the book which is still three chapters short. It will be just in time for the crisis aforesaid. I have decided, in view of Morrison's latest utterances, to add another chapter and call it "Optimists and Pessimists." Cant you suggest a few more?

Yours truly,
Mukden, China.
December 18, 1907.

My dear Phillips—

Yours of November fourth was much appreciated. I was particularly pleased to hear of your work in brushing a few of the barnacles from the Ship of State, and can assure you that it should mean a great deal for the service in the East if your schemes go through. Nothing could be more satisfactory to the poor devil at the other end of the line than the knowledge that what he writes is read, and nothing will give him more pleasure and spur him on to further effort than the receipt of an acknowledgment that says, if nothing more, "read with interest". I think that there has been too much routine hitherto, and not enough attempt to encourage those who are trying to do their best.

The needs of the service in the Far East have been rather on my mind of late, the burden on my purse I might add is positively awful. In reading the "Daily Consular Reports" one is continually struck with the fact that many officers give not a continental for the mere limitations which their districts should impose, but go gaily on report about anything, whether it be for China as a whole or having simply particular reference to some one else's bailiwick. I have been on the point of writing a formal kick. Grocer of Tsingtau has been the one that roused my ire most. His list of "Japanese Residents in Manchuria" was an entirely unsealed for departure from his own territory! He has also written of the "Coal Fields of North China" touching on the Kaiping Mines which are distinctly within Hagedale's province. Hagedale too, is an offender for he has submitted clippings regarding Railway Development in Manchuria. Thornwell Haynes late of Banking frequently signed reports which dealt with the commercial situation in all China and which could have been written by any one who cared to go through the "Customs Gazette". Such things, it seems to me, should not be. Officers should confine their reports to matters coming within their own cognisance, for they are not only likely to win the resentment of the persons whose territory they have invaded but they are not in a position to verify the statements appearing in journals from which they invariably slip their subject matter.

As a matter of fact, of course, we have not as far as I know, anyone who is particularly authorised to "cover" all China from a commercial point of view. The Consul General at Shanghai is too busy a man, and the rest of the representatives it seems to me should confine themselves to their own districts. Otherwise any ambitious person with a good command of the typewriter might sit down of a pleasant morning and make startling comments on things in general. The solution, of course, lies in the appointment of a commercial Attaché who will make it his business to attend to all such matters as commenting on the general trade of China or of the trade of the entire Empire.
in any one article, as, for instance, copper, which was the
subject of a recently published report by Mr. Haynes. With
the limited Legation staff it is, I suppose, impossible and
perhaps would not be advisable, for Peking to control the
di ssemination of commercial information.

The Commercial Attaché too, could be constantly on
the move, investigating conditions in regions where it would
be difficult or inexpedient for consuls to go. Visiting the
United States frequently he could also be in touch with
commercial organizations, could study their supplies and
locate the demand therefor, bringing them into touch with
oriental firms who might be prepared to handle their goods.
Such I believe are the functions of the British officials of
this character who are working in South America and on the Con-
tinent. No one, I imagine, is not working along such
practical lines. When all is said and done, however, its a
rather thankless task, this endeavor to increase the American
export trade. Our merchants, at least those who have addressed
inquiries to this office, are not prepared to expend either
time or trouble in introducing their wares abroad and seem
to feel that the benighted Chinese should consider himself highly
honored if allowed to glance through an illustrated booklet
printed in a language which he does not understand, but
which represents the highest development of "American inventive
genius", whether it be in corset making or in the manufacture

of electric curling irons.

Marvin and I made the trip to Vladivostock together
and had a most remarkable experience. He wanted to see the
Secretary and Edwards about a scheme of his to make a trip
through the Philippines under the auspices of the War Department
and I of course was much elated at having no opportunity to
lay before him the chances for American activity in Manchuria.
In my recent dispatches you will have read the loan scheme.
The idea of using the indemnity therefor is a comparatively new
one and one of Tang's pet ideas. You will probably have imagined,
and correctly, that in corresponding with Mr. Harriman I had
advised him that the Governor wished to borrow and had urged
him to embark on a very extensive Manchurian investment. The
financial crash at home has I fear made it impossible for him
to consider the proposition for the time being. It is unfortu-
nate for he is essentially the person to undertake the de-
velopment of this region. I hope, however, that the introduction
of the to-be-undecided indemnity payments, may make the
subject one deserving the Department's interest and encouragement,
I will not attempt to go into the paper chance which we have
in Manchuria at the present time for you know full well the
advantageous position which the history of our intercourse,
bar the Exclusion and the Canton-Hankow Railway incident, with
China has given us. You know too the dread of Japanese aggression
which is very strong in the Chinese mind. But beyond that,
Japan's hands are tied, I think, for the present. She is trea ding
on thin ice. She has not by any means won for herself an
unassailable position here, and it only needs a strong hand
with large funds and the approval of the American Government,
to direct the growth which the Chinese are more than anxious
to foster. Of course the agitation about the Chekiang Railway
looks discouraging, but I think that the Chinese have sufficient
political acumen to appreciate the difference between the
Yangtze and Manchurian problems. In the former region the
community of foreign Interests which serves as a guarantee of
Chinese integrity has been in existence for years. In Manchuria
it must be created. No wonder then, that at the very moment
when demagogues were shouting at Soochow and Shanghai, Tang
granted the contract for the Heilungkin-Fukumen road to
Paulings and arranged to borrow the money therefor from Bland.

This road should be commenced in the Spring if the
Japanese do not take too much trouble. The fact that contracts
have been made is barely known yet, and this of course, is for
yourself and those who may be interested in hearing what has
been done. The Japanese have already, according to the press,
objected to the construction of a road that will compete with
the South Manchurian line. Whether their protest will lie re-
 mains to be seen. Certainly Bland, Paulings' representative
and the British Minister went into the matter knowing full well
what the consequences of their action might be and prepared,
unless I am misinformed, to insist upon the "Open Door", to

Ignore the Scott-Mouravieff, and nonfulfilled Russian Evacuation
Agreements and to demand China's adherence to the terms of the
Shanghaidu-Fewohuang Railway Loan Contract.

Anxious as Tang seems to be to obtain American money
I have heard nothing from him regarding the Indemnity-Loan
arrangement although he promised to submit it to Peking at once.
The delay I presume has been caused by the engrossing nature
of the Chekiang Loan complication and the vexed question of
West River piracy. It is possible too, of course, that
the Peking authorities are unwilling to affront Japan anew,
when the Yalu Timber, Chientao, Telegraph and Posts, Heilungkin-
Fukumen Railway, and other question are causing so much
embarrassment. His reluctance to go further at present may
also be attributed to his natural desire not to commit himself
until he feels sure that he will receive some support from
our side.

The Japanese as I have already written seem to be
 losing their hold somewhat, Hayashi, however, declared the
other day (my information is reliable) that "Japan no longer
regarded Manchuria as an integral part of the Chinese Empire,
but rather as a region wherein the powers of China and Japan
were co-extensive". The Chinese are not likely to accept
this dictum unquestioned as their attitude regarding Chientao
and the Yalu Timber proves. With intelligent and politically
disinterested support their position would be a very strong one.
Morrison passed through the other day on his way from London to Peking. In case you have not read his speech before the China Association I enclose a clipping therefrom. The British press in North China condemned his attitude most roundly. It is deemed particularly unfortunate in view of the Chinese procrastination in settling the Chekiang Loan and West River Police questions. Morrison writes me that Bland is "hopping mad", that Jordan "groans" and that Majors declares that he has "undone in an hour the work of a year". This casts an interesting side light on the beneficent policy of Great Britain, and with the actions of that Power in the resistance with which it proceeds to the regulation of the traffic in Indian opium, makes one feel that the British are only anxious to encourage Chinese development to extend their markets and ready to depreciate progress where it threatens to interfere with the sale of their goods. It seems to me that Morrison's idea is the correct one even if its expression at this particular juncture has been a little unfortunate.

With regard to the barouche, I am sorry that you feel that there can be no allowance for such a purpose. I grant you that the same crying necessity exists elsewhere, but is it not worth while remarking that almost every other Consulate is provided with an official chair? Such instrument of torture I do not possess nor have I an conveyance whatsoever, although some Departmental genius instructed Obshire that he might purchase a boat, and expend $120 per annum in Boatmen's wages. Could not this be diverted? I await your decision before submitting it officially, but really my heart burns when I have to call on the Governor in a wretched Chinese cart or a broken down Russian droshkia. To take a chair means ten dollars (it would be eight for bearers alone if we owned one) and the Contingent allowance does not permit any such extravagance, that is not for ordinary calls. I can't always ride for that is too infra dig.

The question of an Assistant will soon be cropping up with Marvin's probable departure. As I have already written you I will not mess any of the present crowd of student interpreters at Peking. If they come they will have to eat elsewhere, though they may live here. The situation is awkward but cannot be helped.

I hope that the trip through northern Manchuria may be arranged. The result thereof should be extremely interesting. We should get away by the middle of April in order to be back before the rains. It should cost about ten ducats per man per day, possibly not as much as that. I do not think that it would be wise for me to make this journey alone and should suggest that Marvin be sent with me, leaving Arnell in charge here. As you know all sorts of things might happen to one off in the wilds and a single white man with a crowd of natives would not be in a position to continue in the Consular Service. Therefore I will ask for Marvin as the
natural companion and one whose absence would least derange the establishment. He could go on to Manila afterwards or return to the United States as he saw fit.

Please give my regards to your able and invaluable assistant. Write me of Service news. What is to become of Bagford and old Martin, the Honorable John and will Denby be the next Minister to China?

Marvin, if he were not asleep, would join me in best wishes. It is bitterly cold and my bed room, where I am writing, rapidly approaching freezing point.

A Merry Christmas and Happy New Year to you.

Yours,

WILLARD STRAIGHT

---

Peking, December 20th 1907

Dear Mr. Straight,

Many thanks for your letter of the 16th inst., for your kind information about Japanese aggression in Manchuria. I have just read a note to-day, to join me in about the Japanese designs. China is in a very difficult position, and she Japanese as all are gages remain ignorant, and the so-called negotiations are nothing but a sham. To seal the word better that anything is going on all right. As regards the telegraphic wire, or wires, there have been negotiations for 18 months and an enemy when an armistice. It is quite clear to me that unless the coming peace being promised to lose his Japan to carry out the Peace treaty. There the Chinese is lost to China. Japan is now doing in Peking a telegraphic wire in Manchuria. What was the 18 years ago in Korea and the finish result will we don't in the future. I have done my utmost to get the Chinese treasuring and peace.
opinion interested in the Manchuria affair, but I find that everybody considers Manchuria as my own personal interest to any but the Japanese. I have opposed to Great Britain to bring her influence to bear on the Japanese, and at least to force them to close their line of telegraph stations outside the Peiping but I should say much that the British F.O. will do anything. It is not my a question of these telegraph stations but if not closed or handed over to China a protest is established which will be taken advantage of by Russia in North Manchuria & may be made by France in Aojama a Negorie.

The Manchus has now again protested to the Peiping and now Ministers to Tokyo protest to the Japan F.O. & now Ministers to London put the matter before the Peiping but I am afraid it is not of much use.

Wilt Reid.

Yours sincerely,

T. H. Dury.
The Willard Straight Papers at Cornell University
Cipher Telegram received December 27, 1907.

Mr. Willard Straight,

12/26/07 11:00 A.M. Have you any comment to make on Marvin's proposed resignation.

Root.

My dear Straight,

I am really very sorry that you should have had that ill-fated scene (no reflection on the Lady) and am very grateful to you for all the trouble which you took. You are a Man and a Brother, and I will do all I can to make amends for the mishap.

The Lady arrived yesterday and has proved to be a good solid woman and is engaged now in the somewhat difficult task of making Peking an endurable habitation. She had a dust-storm on arrival, and was in a state of alarm; she had no proper underclothing and was soon in a state of undress; but these are lesser troubles of life, and they will be forgotten in due time. There are no clothes fit to wear until her over-seas things come, but these are the lesser troubles of life, and they will be forgotten in due time.

You must let me know, and repay, the cost of that well-intentioned and benevolent act of yours, the Special Dur, so that I may repay you. I said you would not have you go at your charges, so send me along the little fellow who had made aEnterprise to buy me a coat to replace the one I had lost. Otherwise I shall be distressed.

You say, come up here. It is nice of you to say it, and I should like to come, but what about the Chekiang gentry and other temporary affections? If these fade away and we get through with the business, I must make it at Shanghai without delay where there is important work to be done, and after that, I think, I shall be your ways again. We are up against it in the matter of the Peking railway as the Japanese have forbidden China to proceed with the extension, but I do not see how they can maintain that attitude without admit-
admitting that the open door is a myth and that there position in Manchuria is incompatible with the development of any British or other non-Japanese interests in that region. Which would be instructive and probably lead our Govt to reconsider the advantages of the alliance. We, the British, were in possession of that interest (the Northern Railways) long before the ally came upon the scene and the only ground on which the said ally can prevent our policy of the Russians. Which would be a bold thing for them to do.

I am at a standstill in the matter of that book and don't know to face the situation. The book was not even finished when the spirit will move me to get on with it. I think if we were sure that my colleague the artist was through with his part of the job, that fact might shame me into shutting the door on all men and doing the solid two weeks' work which will put the word Finis to the thing. By the way, they have been spreading a rumour that your house is a part of it, was destroyed by fire last week. Is there any shadow of truth in this or is it pure invention? I thought of you coming home to make an announcement and felt quite at a loss to find one. The last book, I think, will be a true page in the annals of Manchuria.
Imperial Chinese Telegraphs,
Shanghai,

June 19, 1879.

My representations to the Chinese Government regarding the China Eastern Railway have been accepted, and I am happy to report that the Chinese have now agreed to pay the Russian company a royalty of 18.5% on the gross revenue of the railway. This is a significant development, as it will provide the railway company with a steady source of income.

In addition to the railway, I have been working with the Chinese Government to establish a telegraph network throughout China. This network will provide a means of communication between China's major cities and will be an important tool for the Chinese Government in managing its affairs.

I am pleased to report that the Chinese have agreed to establish a telegraph station in Shanghai, which will serve as a hub for the network. This station will be staffed by trained Chinese telegraph operators, and I am confident that it will be a success.

I am also working with the Chinese to establish a telegraph station in Peking, which will provide a direct connection between the Chinese capital and Shanghai. This will be an important development, as it will enable the Chinese Government to communicate more easily with its officials in the north.

I am optimistic about the future of the telegraph network in China, and I am confident that it will be a valuable asset for the Chinese Government. With the establishment of the stations in Shanghai and Peking, the network will begin to take shape, and I am excited to see what it will become.

Yours sincerely,

[Signature]

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Yours sincerely,

[Signature]
Imperial Chinese Telegraphs.

Shanghai,

[Text of telegram...]

[Signature]

The Willard Straight Papers at Cornell University
To the Willard Straight Papers at Cornell University

Dear Sir,

We have received your letter of 9th instant and have investigated the matter referred to therein.

We understand that you have returned the books to us on October 31st, 1900, and that we had not received them before that date. We have in our records a notation showing that we received a shipment of books on September 22, 1900, which were subsequently returned.

We have, therefore, credited your account with the charge for the books returned on October 31st, 1900, and we have deducted the amount of $1.50 which we understand you will find in your statement.

We trust that we will be able to open up our accounts in a manner satisfactory to you.

Yours truly,

Crystal Limited

[Signature]

Received December 18th, 1900.
### ACCOUNTS PAYABLE MONTHLY

**To: CRYSTAL LIMITED.**

White & Stone Bottles will be paid for on return at the rate of $1.80 per dozen.

**N. B.** Black (or return at the rate of 40 cents.

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**The above charges are inclusive of charges for bottle at the rates specified above.**

E. & O. E.

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E. & O. E.

The above charges are inclusive of charges for bottle at the rates specified above.

Cipher telegram received December 28th, 1907.

Straight American Consul General, Mukden.

Marvin's resignation accepted with good wishes for prosperous career.

Root.
I crossed the station to find everybody on the premises. There had arrived and was sitting in triumph like any chorus of men, surrounded by a vast throng of women, all shouting and standing in groups and very loud! Ordered away around the neck, first, and then gone. I gave Mr. the decided good-byes, and then went, sending you the papers to-day. blue, and dept the blue ends.

Soon after getting home, I thought I saw a man remount, and was behind, leaving me in command of a job copy and five women who were about eleven. Our great car -- all pipe painters, no Torrance.

The Willard Straight Papers at Cornell University
The Willard Straight Papers at Cornell University
December 29, 1907.

Dear McDonnell:

Your letter from Irkutsk reached me after an uncommon long time in transit. I yesterday cabled you "Cannot arrange. Letter."

On my return from the north I had several conversations with the Governor anent the proposed scheme. His attitude did not encourage me to write to you for he held that the departure was a new one and that it must at first be considered as an experiment. If successful the scheme would be continued, if not it would be abandoned. He agreed entirely with your ideas about the futility of undertaking such work with one hand on the purse strings. He did not, however, see his way clear, to enter on a long contract. Aside from the experimental phase of the question he himself is not certain to remain here for more than a year if he does that and he pointed out that if the project were not satisfactory his successor might well object to taking over an obligation of this sort. After considerable discussion he deemed it better to offer a one year term only, and a salary less than the one you desired. The place was offered to Marvin who, I had ascertained, would take it on for a year but no longer. He has accepted and enters upon his new duties on the first of the year. He will write to you and ask your assistance in establishing home connections for the Chinese will not send him to America or Europe as they desire first to test the effectiveness of their news service on the community most interested through the columns of journals in the East. I trust that you may be able to aid him, that you may be able to aid him and that you may be kind enough to do so. If the plan is carried through with any degree of success I should think that the work had a big future. Marvin will not, I believe, wish to continue in such a service more than a year and at the expiration of his contract there may be a more lucrative and satisfactory offer made by the Chinese, if not in Manchuria at Peking itself.

I hope that you are enjoying life at home and that your future is shaping itself satisfactorily. Marvin has just started for Canton with McKinley the land frauder who was arrested at Harbin. Otherwise he would join me in kind regards to you. With best wishes and regret that as far as the big publicity scheme at home goes the incident is for the present closed, I am,

Sincerely yours,

WILLARD STRAIGHT.

This matter of course must be regarded as very strictly confidential.
December 29, 1907.

Dear Martin:

Your cable reached me from Shanghai on Christmas Day. I replied yesterday "Cannot arrange. Letter." I am extremely obliged to you for your trouble in this matter and wish that the position might have gone to Kleeber, who, from what I have heard you say of him, must be an exceptionally good man.

On my return from the north I had several talks with the Governor about the question. I told him that you thought that the right kind of a man would not accept the post and venture out here unless he was given an assurance that the work would be not only remunerative but that it would extend over three years at least. Tang seemed to think that the period was too long. He characterized the proposed step as an experiment and told me that he would prefer to take a man on for a year and see how it worked. If successful he would be willing he said to make more permanent arrangements. He furthermore pointed out that he might not remain in Mukden more than a year and that his successor might not be willing to take over an engagement of this sort. After some further discussion he decided to offer the post to Marvin who, I had in the meantime ascertained, was willing to take on the work for twelve months and who would not bind himself for more. Marvin has resigned from the service and enters upon his new duties on the first of January. He expects to play the Shanghai and Hongkong papers, and will also I imagine go to Manila, for which point he will start in the middle of next month. He is going to write to you and ask your assistance in establishing connections at home. The Chinese will not send him to America or Europe as they wish first to establish their own news service in the Far East. I hope that you will help him if you can do so. If his work is successful the Chinese will want a man at the expiration of Marvin's contract and when you come out I hope that we may see one another and discuss the matter further. It may at that time be an undertaking worthy of your own steel.

We have been doing a little arranging and Marvin left for Tientsin and with the land-grander McKnightly this morning. Life is full of changes and excitaments these days. I am anxious to hear of your plans as we are counting on Eleanor for the June house-party.

Thanks again for your trouble. Please let me know the cost of your cable and I shall reimburse you therefor. Remember me to those that you see who run about in motor-cars.

Yours,

W. STRAIGHT.

This is, of course, very strictly confidential.
To the Honorable
The Assistant Secretary of State,
Washington.

Sir:
I have the honor to acknowledge and confirm below the telegram exchanged between the Department and this consulate regarding the resignation of Mr. George Marvin, Deputy Consul General and Marshal at this post, as follows:

Cipher telegram received, Dec. 27, 1907. "Straight, American Consul General, Shumen, 12/28/4 P.M. Have you any comment to make on Marvin's proposed resignation?"

"Rest."

Cipher telegram sent, Dec. 27, 1907. "Seastea, Washington, 12/27/4 P.M. Viceroy Governor have requested Marvin to undertake publicity work calculated to conserve Chinese sovereignty in Manchuria. Would recommend his acceptance. Assistant is required."

"Straight."

Cipher telegram received, Dec. 28, 1907. "Straight, American Consul General, Shumen. Marvin's resignation accepted with good wishes."

"Rest."

I have the honor to be,
Sir,
Your obedient servant,

[Signature]

Consul General.

Mudan, China,
December 30, 1907.

Dear Fletcher:

I am sorry that it was impossible for me to give you definite information regarding Marvin's departure earlier than I did. Having once failed to realize on my prophecies as to the probable workings of the Japanese Railway I deemed it advisable to submit what appeared to be reliable grounds for sending a message.

Marvin will, I imagine, go on to Peking with you from Tientsin, and will tell of his leaving the service. This means that I must at once answer your official communication concerning a Vice-Consul. There are none among the present corps of students or interpreters whom I should particularly care to have here. L. Williams would be the best I should think, and I would rather have him than anyone else. I should prefer, however, to try to find someone from home, and I have already written Washington, some weeks ago about the possibility of having a new man sent out. Were it not for introducing the Japanese-Chinese complication I should prefer Chandler to anyone else out here. For the present, however, I should be prepared to go without a Vice- only mind you as a temporary thing. If I could find a good man to act as Marshal and do clerical work. Can you think of any one among the Marines who might do. If there is some fellow whose time is about to expire and whom Gullick would be willing to spare we
Dear Mr. Secretary:

In an official dispatch I today acknowledge and confirm the telegrams exchanged regarding Martin's resignation and I trust that you will agree that it might have been unwise to swell too extensively on the matter in an ordinary communication.

Last September I mentioned to the Governor, apropos of the Chientao dispute, that China was not having a fair chance and that by utilizing the journalistic weapons at her disposal Japan was ventilating her own views without crediting China with the points in her favor in the controversy. I intimated that it might be well for China to publish her contentions, not only in this, but in other questions, wherein my knowledge of the situation led me to believe she was not being equitably treated.

Tang received the suggestion with favor and asked if I could find a man to undertake the work. I assured him that I thought that I could do so. There the matter rested.

While appreciating the value to the Manchurian Administration, and indirectly to ourselves, of the dissemination of news of this character, I did not deem it wise to say anything further until the Governor himself reopened the subject. I had no desire to appear over-anxious about the matter. Prior to my departure for Vladivostock, however, he again broached the subject and asked whether I had done anything or not. I replied that I had awaited his further instructions before proceeding.
promising, however, to discuss the matter with Egan who was with Secretary Taft. This I did. Egan pointed out that a suitable man if secured in the United States would in addition to a high salary probably require a three year guarantee. On my return I advised the Governor of the result of my inquiries. He stated that as the undertaking was necessarily an experiment he would be reluctant to engage anyone for as long a period. After some further discussion he decided to offer the post to Marvin who was willing to accept a year's contract.

Nothing, naturally, is to be said locally about the official connection. Marvin will remain in Mukden as a newspaper man. In a week or so he will start for Tientsin, Shanghai, Hongkong, Manila, Kobe, and Yokohama and arrange a telegraphic news service with the journals in these places, making the publication of his intelligence his primary object, securing the best terms possible therefore, and at the same time concealing the question of subvention as carefully as possible.

I have arranged that he is to take up quarters outside the consulate, but he will continue to mess with me as he is already so closely identified with us that any radical step might increase the suspicion with which his sudden resignation and continued residence will doubtless, in any case, be regarded. I fully appreciate the desirability of not becoming in any obvious manner associated with this new departure, and I trust that you will agree that, for the reason stated, any break with Marvin should be avoided. For personal reasons, of course, I wish him to continue as nearly as possible, his present relation.

With all the most chivalrous sentiment in the world, and all the horror that we must feel when we see the weak bullied by the strong, you of course understand that neither Marvin nor myself have interested ourselves in this affair solely "pour les beaux yeux" of the Chinese. You will I hope hold that the strengthening of the Chinese position in Manchuria vitally concerns us, and knowing the Japanese as you do, you will appreciate what an effective weapon an intelligent, well-written, non-prejudiced exposition of this situation with all its changing phases, will be. Tang realizes that his propaganda must be strictly accurate and Marvin is unwilling to be a second Brinkley, for, after all, the Chinese case is sufficiently strong without any attempt to acquire virtue by damning the other side as did Bethell with the ill-starred "Korea Daily News".

Through the instrumentality of this venture, moreover, I hope that we may be able to create a more active interest in things Manchurian in the United States. Marvin will establish connections, - num on the subsidy - with various journals, and although the Presidential Campaign will be all-engrossing I hope that something may leak in. As being responsible for this venture, with the power of directing the growth of public opinion, we should be able to serve ourselves again by gaining the good-will of the Chinese toward the introduction.
of American capital, and in inducing Americans to invest in Manchuria. While I may be over-sanguine I feel confident that once established here we could extend our commercial influence throughout the Empire, and if our course is wisely guided, gain enormous advantages as the friends and associates, and not the concessionaire-picked robbers, of the Chinese.

Luncheing with me today was 'Alfred' Sze, a classmate of mine at Cornell, and now director of the Peking-Hukden line. Phillips will tell you about him. Sze discussed at some length the Chekiang Railway Loan difficulty which is now engrossing the attention of the Peking authorities. He attributed the anti-British agitation, first, to the intrigues of the ex-Grand Secretary Chu-Hung-Chi, who, with Ts'en, the ex-Vicerey of Canton, is trying to involve in foreign complications and discredit Yuan Shih Kai, second, to the newspaper-fomented dissatisfaction with the manner in which the Shanghai-Hanking Railway has been built by the British-Chinese Corporation and its agents.

The organisation of this syndicate is worthy of Wall-Street. It is composed of two great interests, the commercial house of Jardine, Matheson & Co. and the Hongkong and Shanghai Bank, and operates as follows: The Syndicate secures a loan contract, collects a commission for everybody, the Bank floats the loan and receives the underwriters commission, it acts as the financial agent of the Railway Company when organised and has a bankers commission, while Jardine, Matheson, collect five per-cent on everything purchased by the railway, from steel girders to cigarettes used by the Directors in entertaining their friends, and in addition make the usual mercantile profit for selling the goods. These facts have been given me not only by Sze, but by the Governor, and by the representative of Pauling's, a British firm of railway contractors. No wonder than that in securing the original contract for loans for the five lines, Canton-Kweilin, Shanghai-Hanking, Suzhou-Nanghai-Ningpo (the Chekiang Railway, bone of contention at the present time) Hailuyang-Fukow, and the road in Shansi (?) this Corporation could afford to spend 800,000 Taels in bribes, for accepting which Chu Fao Fay, late Chief Secretary of the T'ai Wu Pu, is in disgrace, Sheng Kung Fao, one of the most influential men in China, under a heavy cloud, and the British-Chinese Corp. likely to have some of its contracts annulled.

This Corporation desires to lend money for the construction of the Hailuyang-Fukow Railway, but Sze tells me that it will probably not be accepted from an organisation in such bad odour in the south. If unwilling to take British money the Government will have to build the road with the earnings of the North China line. Whether these will be sufficient or not I do not know. The Japanese, moreover, are protesting against the building of the road on the grounds that it will compete with the South Manchurian Railway. Tang, however, assures me that their objections will not lie, for if China yields to the Japanese representations she might as well give up Manchuria.
The situation is particularly interesting because I have been assured by the British interests involved that the Chinese would welcome their cooperation in order to bring British influence to bear upon the Japanese, while I now hear from Sse, who is vitally concerned with the extension of his own line, that British money will not be required and that the British are not prepared to support the enterprise by diplomatic representations. I was much surprised to hear the hostile tone which Sse adopted in discussing the British whom he regards as intolerant and over-bearing, and whose action in constructing the Shanghai-Hankow line he characterizes as swindling. Their good name, he said, would be further damaged by the investigation of the exploits of the Peking Syndicate which will immediately follow the conclusion of negotiations regarding the Chekiang Railway loan. He thought the Belgians with whom he had dealt on the Peking-Hankow Railway, much more systematic and economical than the British on the North China line. I asked him about our own position after the Canton-Hankow incident. He said that luckily for us the popular conscience had not then been awakened as it has now, the newspapers have developed since that time and have had plenty of material to keep them busy, but that the denouement had been postponed a year or two we should have been very much blamed.

As representing the opinion of intelligent and influential Chinese in Shanghai Sse said that he thought it would be a grave error to recall Judge Willey who had made an excellent impression on the native mind. His withdrawal said Sse would be deemed to indicate Governmental disapproval of his reforms, a much to be regretted contingency.

To return again to the question of railways, however, before many years a great trunk system will be built throughout China. The Government will, with the assurance of the Provinces buy back the foreign-built roads and will operate all. We should be instrumental in starting this enormous work. Our position is the most fortunate possible. The history of our relations with China is much in our favor. The British, however, have brought down the wrath of the nation on their heads. They will not, Sse says, be favorably considered in future loan negotiations. The Japanese are out of the running. The French, Germans, Russians, Belgians, are all looked upon with more or less suspicion, and we alone are regarded by most as fair and disinterested. This is so much capital to our credit and it seems to me that we should not reap what we have sown.

It is in preaching this that I hope Marvin may be successful, and I trust that his expose of Japanese methods may tie their hands until we are ready to enter the field. The danger lies in the failure on one part to appreciate the certain ends of, and to obstruct, their political-commercial policy. In open competition we have nothing to fear.

Best wishes for the New Year to Mrs. Wilson and yourself. May it bring you all joy and gladness, success
and added laurels.

Yours sincerely,

WILLARD STRAIGHT.
The Willard Straight Papers at Cornell University
Bul over - 9/16.07 S.4

Rem. 1. Arveld Karlberg 23.46
2. Jagd Transatl. 4.80
3. Chuky/vea Kols 39.36

\[ \text{Total} = 23.46 + 4.80 + 39.36 = 67.62 \]

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8.4 & \frac{848.45}{25.45} @ 34 \text{ German} \\
\text{at} 30 & \frac{25.45}{873.90} \text{ Small and} \\
\text{Debit to d.W.B. specia order} & \\
\text{Ruso-Chiimi Bank} & \\
\end{align*}
\]
INSURANCE IN MANCHURIA.

Open Field for American Fire and Life Insurance Business.

In writing from Hamden, China, Consul-General Willard Straight says that Manchuria offers a practically unexplored unexploited field for the extension of American fire and life insurance business, furnishing these particulars:

The writing of life insurance has been undertaken in Hamden by two companies but owing to the unintelligent methods employed has been attended with but little success. If, however, the results which have been obtained by various foreign companies in Tientsin, Shanghai and other southern cities be taken as a criterion, there is no doubt that this enterprise presents great possibilities in Manchuria. Although fire insurance has been written to a limited extent by Japanese as well as by European companies, the former, although they were the pioneers in this business and at the start obtained very satisfactory results, with prospects of a large and rapid increase in the number of their policy holders, have through a failure punctually and completely to fulfill their obligations forfeited to a great extent the confidence of the Chinese, while the Chinese agents representing foreign firms, having but a vague knowledge of the objects of insurance and being unable to convince possible insurers of its advantages, have thus far made little progress in the extension of their business. Not only do the Chinese prefer American and European to Japanese policies, but the Japanese themselves have greater confidence in the former, and in many cases will insure with foreign rather than with their own companies.

In order, however, to popularize life and fire insurance in Manchuria, the agents should be Chinese-speaking foreigners who have a knowledge of insurance methods and are able to lay its nature, purposes and advantages before the natives in an intelligent and convincing manner. Since, as already stated, this field is as yet practically new, American insurance companies should take immediate steps to secure a foothold here, would be able to anticipate their rivals. The inherent conservatism of the Chinese makes them reluctant after tasting one thing and proved it to be good, to change it for another of a similar kind.

MANCHURIAN ADMINISTRATION.

Readjustment of Government, Commerce, Taxation, Railways, etc.

Consul-General W. W. Straight, in the following article sent from Hamden, reviews the progress in Manchuria attendant upon the full resumption of Chinese authority, and the steps taken for its modernization along the lines of self-government and commercial development:

Prior to the outbreak of the Russo-Japanese war the provincial administration of Shanginsing was headed by the tartar-general and viceroy, assisted by a civil governor and a mandshu lieutenant-general. Five boards, of war, punishment, works, and ceremonies, respectively — were presided over by vice-presidents, who in their several departments were colleagues of the viceroy. There were two circuits, one under the tact' of the Eastern Marches, who resided at Fenghuangchung, and the Shanhaikwan circuit, under a tact' with the rank of brevet provincial judge residing at Hwuhwang.

Since the arrival of the present viceroy (Viceroy Chao Erh Sun having been transferred to Szechwan) the entire system has been altered. The civil governorship has been abolished and the functions of the five boards have been
assumed by the viceroy, who has delegated the performance of his new duties to various offices - the provincial treasury, the bureau of military affairs, the bureau of justice, and the bureau of mines, public works, agriculture, industry and commerce, education, and foreign affairs, the land and tax offices, the salt monopoly, and telegraph administration. The Manchu military organization has been left unchanged.

Changting officers - Encouraging new projects.

Upon the opening of the Antung custom house the taot'ai of the Eastern Marches was made customs taot'ai at that port, the Chambaikuan taot'ai having long performed similar functions for Sowonwang. With the gradual influx of immigrants numerous new magisteries have been created and the more important of the old ones raised to the dignity of prefectures.

The Viceroy Chao Erh Sun actively encouraged projects likely to increase the prosperity of the region under his control. Under his auspices chambers of commerce were formed in all the principal trading centers, and the local officials have been disposed to treat with the merchants and consult with them on all matters affecting trade. These chambers have now interested themselves in the formation of "self government" boards, organisations which it is hoped will eventually make representative municipal government possible.

Although the methods by which the people might best be prepared for self-government have been generally discussed in the local press and by the chambers of commerce but little real progress has been made thus far. It must be said, however, that the fact that the movement has been undertaken with the support of the official classes in itself bespeaks an unusual absence of the reactionary feeling. The viceroy has appropriated 5,000 taels (tael about 80¢) for the installation of a school of municipal administration, and premises have been secured outside the "little south gate" of Mukden. This institution has been placed under the direction of the provincial commissioner of education who is assisted by two consulting secretaries and twenty-one other officers, the monthly salary list totalling 2,060 taels.

Selecting and Training Men for Local Officers.

Local officials have been ordered to submit the names of those among the gentry of the city and vicinity whom they consider fitted by education and experience to be trusted with the responsibility of assuming the direction of the municipal administration. The men selected in this manner are to be trained in the school referred to, and upon the completion of their course will be eligible for election as members of the municipal municipal government, which, it is stated, will be supported by general taxation.

The subjects included in the course of study are local geography, elementary drawing, arithmetic, law and municipal government. A Japanese instructor has been engaged to teach these subjects, but as he is unacquainted with the Chinese language, it is stated that little has been accomplished during his incumbency. Similar schools are to be opened in Tieling and Liaoyang.

Efficient, well-drilled, well-armed, and active police forces have been organized at all the larger cities of the province. The men carry rifles or heavy sticks. Their uniforms are neat and serviceable - black in winter and khaki for summer wear. They are well housed and well paid, and at some places Japanese instructors have been engaged to drill the recruits. At Tatungkou there are fifty men with two instructors who give daily lectures in Japanese on the history of police administration, continental and Japanese police organization, etc. They are both mounted and unmounted forces, and at Mukden, particularly, they have been active in their efforts to suppress the petty robberies and disorder which have been the natural consequences of the disturbed conditions of the past few years. The depredations of the "Hungchut" or mounted bandits, who have for years terrorized the rural districts, have been largely restricted and numerous captures and executions have exercised a most salutary effect.

Military Force, River Control, and Taxation.

No steps have as yet been taken to recruit large forces for the provincial army; but the men, about 5,000 in number, located in and about Mukden, are admirably trained and armed, generally with rifles purchased from the Japanese.
A number of Japanese military instructors are employed. It is proposed to organise
a considerable force in Manchuria, to be placed under the direction of an official
especially appointed for the post by the central Government.

The Imperial commission which visited Manchuria in the autumn of 1906
memorialised the throne at length concerning the steps necessary to secure a rapid
recovery and development in the three eastern Provinces. It is proposed to conserve
the Liao River, to extend the Chinese Railways, to operate mines, and to under-
take extensive administrative reforms. Time alone will show whether these suggest-
ions, academically excellent, but expensive in execution, will be accepted and
acted upon with tangible results.

The provincial system of revenue collection was simplified and revised
in November, 1906, but the new scheme has not as yet been generally enforced. A
number of duties were abolished, and two taxes, a 1 per cent "production"
and a 2½ per cent "consumption" tax substituted therefor. An official charge of
5½ per cent on the value of property is made for the registration of the transfer
thereof and a cemumflk fee of 1 tael is charged for issuing a deed. In
addition to the taxes named, there is a land tax of less than 50 cents gold per
acre per annum, the salt monopoly and the opium, tobacco, wine, animal, and cart
taxes, which, although they amount to less, considered as a whole, than the levies
imposed elsewhere in China, are nevertheless claimed to be more than the people
can afford to pay. Indications are not lacking, however, that the abuse of their
positions by the tax collectors has been responsible, rather than the excessive
amounts legally charged, for the difficulties that have arisen.

Custom Houses and Duties.

Custom houses have not as yet been established at any of the newly
opened interior cities nor have the details of the system of collection which, it
is hoped, will be less complicated than that in force elsewhere in China, been
fixed. It is probable, however, that foreign merchants will pay the "production"
tax on native produce purchased in the interior for export, and the "consumption"
tax on imports when they have passed beyond the limits of the open cities. A

chief commissioner has been appointed for Mukden, with other commissioners of
customs subordinates to him located at Antung, Dairen, Harbin, and Kirin. Provis-
ional regulations are to govern the trade between these places and foreign countries
and other parts of China have been drawn up, but have not as yet been the subject
of negotiation.

The archives of the provincial treasury of Shengking were destroyed
during the Boxer outbreak of 1900, and owing to the unsettled conditions prevailing
since that time no accurate record has been preserved of either collections or
disbursements. The local officials state that the revenue probably never ex-
cceeded 1,200,000 taels per annum. Under the more efficient administration of Chao
Erb Sun, however, the collections between the Seventh Moon of the thirty-first and
the end of the Sixth moon of the thirty-second year of KuangHsu (August 1906, -
August 1907, are given as follows:

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Weight and measure</td>
<td>912,490</td>
<td>Tobacco</td>
<td>67,261</td>
</tr>
<tr>
<td>Lixin</td>
<td>269,098</td>
<td>Wine</td>
<td>346,901</td>
</tr>
<tr>
<td>In Eastern Marches</td>
<td>259,260</td>
<td>Opium and opium land</td>
<td>310,608</td>
</tr>
<tr>
<td>Timber</td>
<td>43,256</td>
<td>Salt monopoly</td>
<td>1,182,351</td>
</tr>
<tr>
<td>River transport grain</td>
<td>29,921</td>
<td>Boot tax</td>
<td>18,870</td>
</tr>
<tr>
<td>Grain speculation</td>
<td>71,618</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Newhung 9 per miles</td>
<td>146,541</td>
<td>Total</td>
<td>2,606,665</td>
</tr>
</tbody>
</table>

The land tax is stated to amount to 30,706 taels annually. It is
estimated that the provincial taxes, duties, imposts, and excises should, if
honestly accounted for, yield approximately 10,000,000 taels per annum.

The disbursements for the past year, including considerable expenditure
for public works, education and military equipment, as well as the outlay
attendant upon the inauguration of new administrative departments, are estimated
at 4,000,000 taels, special appropriations having been made by the central Gover-
ment to supplement the inadequate provincial collections.

Post office service.

As in the case of the plan for customs organisation, a special depart-
ment of the Chinese imperial post has been created for Manchuria. From Mukden
the chief postal commissioner will direct a foreign staff and supervise the work
of the offices, whose number it is expected will ultimately be increased to about 150, located throughout the three eastern provinces. Some difficulty has been experienced thus far in establishing satisfactory communications between the various portions of Manchuria on account of the lack of a thorough understanding between the authorities of the different railways operating therein. It has been necessary, moreover, to utilize the Japanese postal machinery in the transmission of Chinese mail matter, which has resulted in frequent misunderstandings. While no arrangement has as yet been effected to insure the delivery by the Chinese post-office in southern Manchuria of mail borne to east Asia by the Trans-Siberian Railway, it is now possible, thanks to a special ruling by the chief postal commissioner, to forward through the Chinese post to its Harbin office letters addressed to Europe or America.

Between the inland cities not located on the railway lines courier services have been inaugurated, and although the native postal "hongs," which have in the past served the Chinese public, still function, the business of the Government offices is rapidly increasing. The Harbin office alone sells about $1,500 gold worth of stamps per month, and during the first quarter of 1907 issued $4,000 gold worth of money orders. The business of this office has increased nearly tenfold in the past year and a half, and it has been necessary to open branch offices throughout the city.

Japanese Offices—Names of Posts.

Japanese post-offices are established in the southern Manchurian cities along their railway lines, and Russian post-offices function from Harbin northward at the principal cities.

During the progress of the war the service inaugurated by the Chinese post was in many instances suspended and it has only been within the past year that new offices have been opened and old ones reestablished. A number which had been installed before the war are still nonexistent, but the new administration contemplates a rapid development as soon as the executive offices

are located at Mukden, where buildings have only recently, after great difficulty, been obtained. The offices are as follows:

<table>
<thead>
<tr>
<th>Japanese Post</th>
<th>Chinese Postal</th>
<th>Foreign Postal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yingkou</td>
<td>Yichou</td>
<td>Mukden a</td>
</tr>
<tr>
<td>Liaoyang</td>
<td>Chingkou</td>
<td>Harbin a</td>
</tr>
<tr>
<td>Tieling</td>
<td>Changtu</td>
<td>Harbin a</td>
</tr>
<tr>
<td>Liaoxi</td>
<td>Changtu</td>
<td>Harbin a</td>
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<tr>
<td>Shanhaigou</td>
<td>Chiamai</td>
<td>Harbin a</td>
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<tr>
<td>Tieling</td>
<td>Wafangtse</td>
<td>Harbin a</td>
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<tr>
<td>Tiemen</td>
<td>Heilinlun</td>
<td>Harbin a</td>
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<tr>
<td>Haikou</td>
<td>Penghuangtse</td>
<td>Harbin a</td>
</tr>
<tr>
<td>Tungchihangtse</td>
<td>Heavenly</td>
<td>Harbin a</td>
</tr>
<tr>
<td>Anhui</td>
<td>Fulinlun</td>
<td>Harbin a</td>
</tr>
<tr>
<td>Heilang</td>
<td>Haihuw</td>
<td>Harbin a</td>
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<tr>
<td>Hulain</td>
<td>Tanshun</td>
<td>Harbin a</td>
</tr>
<tr>
<td>Haicheng</td>
<td>Haihuw</td>
<td>Harbin a</td>
</tr>
</tbody>
</table>

*Reopened after the war.  bNot yet open.  cNewly opened.

So-called "linguist" clerks are located at all places of importance, and letters addressed in English are generally delivered without delay. Foreign postal officers are now stationed at Yingkou (Dewahung); Mukden, and Harbin.

Telegraph and Telephone Extensions.

The Imperial Chinese telegraph administration has established offices throughout Manchuria. New lines have been constructed since the war, and although some opposition was offered by the Japanese military authorities to their crossing the line of the South Manchurian Railway this difficulty has been overcome. Wires formerly controlled by the Russians have, moreover, been transferred to Chinese hands, and the service, therefore, is now operating in all centers of importance except Antung. All offices accept English messages. They are as follows:

<table>
<thead>
<tr>
<th>Chinese Province</th>
<th>Japanese Post</th>
<th>Chinese Postal</th>
<th>Foreign Postal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shengking</td>
<td>Mukden</td>
<td>Harbin a</td>
<td>Harbin a</td>
</tr>
<tr>
<td>Chinehou</td>
<td>Heilinlun</td>
<td>Harbin a</td>
<td></td>
</tr>
<tr>
<td>Changhai</td>
<td>Wafangtse</td>
<td>Harbin a</td>
<td></td>
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<tr>
<td>Tieling</td>
<td>Harbin a</td>
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</tr>
<tr>
<td>Kaifeng</td>
<td>Harbin a</td>
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<tr>
<td>Tianjin</td>
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<td>Tungchihuang</td>
<td>Harbin a</td>
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<tr>
<td>Yingkou (New</td>
<td>Harbin a</td>
<td></td>
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</tr>
</tbody>
</table>

*Transferred by Russia.

At Mukden there are two telephone services, the public exchange operated by Japanese and the Chinese official line connecting the various yaman, police offices, and government bureaus. The two systems are connected. The Japanese have a long-distance service along the railway lines from Dalny.
Mangchiutun, with a branch to Newchwang, and a second between Mukden and Antung. Instruments are also in use at Liaoyang, Tieling, Antung, and Datung-kou, having in all of these places been originally installed by the Japanese military authorities. The Chinese, however, have appreciated the advantage of this method of communication and propose to control their own lines and to install systems in Kirin and Kewanchengtze.

Opportunities for Direct Business.

In response to inquiries from American business houses, Consul-General Willard B. Straight writes that American merchants and manufacturers who wish to engage in the trade of Manchuria must adopt more active and aggressive measures than those which have been employed heretofore in the China trade. The consul-general continues:

It is not perhaps clearly understood that while in the past Newchwang like other treaty ports in China, has served as a depot for the importation of foreign goods and the export of native produce, all the most important inland cities have now been opened to trade. There is therefore in Manchuria an opportunity which exists nowhere else in China for the importer to deal directly with the merchants who place their goods in the hands of the individual consumer.

In Shanghai and the older ports sales are still made to native houses, who ship the goods inland to the distributors. In Manchuria, however, if foreigners are content to trade in Newchwang alone they can not hope to compete with Japanese merchants, who are constantly in intimate touch with the markets in the interior, for the Chinese dealers at Mukden, Liaoyang, Tieling, Kewanchengtze, and Kirin, who have heretofore been forced to buy their stocks in Newchwang or the south are glad to avail themselves of the presence of the Japanese firms, who have established "go-downs" at all the important points, to purchase locally according to their needs.

Chinese Dissatisfied.

At the present time there is widespread dissatisfaction among the Chinese not only with Japanese business methods, but with the quality of Japanese goods. Their cottons, which are heavily sized, do not wash or dye well, their miscellaneous articles are shoddy but they are cheap, and sales are consequently large because of the scarcity among the people of ready money, and the market for
American piece goods has been poor. The Japanese, however, are determined to improve the quality of their goods, and in the meantime they are strengthening their Chinese connections, a task which is made the more easy by the lack of foreign competition.

A great deal has been said about the Japanese control of the Manchurian market. Certain privileges certainly were acquired during the war, but I believe that should they ultimately secure such a control as has been described, it will be not because they have benefited by preferential treatment, but because foreign firms have not been willing to adopt the aggressive tactics which alone will secure success in this field.

**Rail and Road ways and River steamers are proposed:**

Consul-General T. D. Straight at Mukden, writes that the commissioner of customs at Mukden, in a recent report to the Viceroy, calls His Excellency's attention to the fact that in their freight tariff the Japanese railway authorities discriminate against the Chinese port of Newchwang in favor of Dalny. In order to create healthy competition in the carrying trade the commissioner recommends the following:

1. The imperial railways of north China extended from Hsinking to Pukow, a distance of 160 li (52 miles) and later continued north to Tientsin, the capital of Honan province, thus affording a winter transport to Chingwanzo or some other ice-free Chinese port to be hereafter established for the grain produced in the west Liao region. It will otherwise be necessary to store this produce in Pukow, Tungchingtung, or Hsinking for shipment to Newchwang when the river opens in the spring, or to haul the grain to Tieling or some other point on the railway, whence it would probably be exported through Dalny.

2. The Liao River be conserved and that a company be organized to operate light draft river steamers.

(2) The repair of the cart roads between Pukow and San Hsin Chuan (on the Liao), Tieling and Hepingou, and Changtu and Tungchingsung. Post roads such as have been constructed in Chihli Province are suggested as models, there being no necessity for attempting elaborate road building in this region.

The Viceroy has referred the recommendations to the various departments of the provincial administration and requested them to report on the means by which they may best be carried into effect. An official has already been despatched to Japan to study river conservancy.

**FLOR IN MANCHURIA:**

**Competition between the American and Russian Products.**

A report from Consul-General T. D. Straight, of Mukden, says that it is stated that Russian flour from the Harbin mills will shortly be placed on the south Manchurian market to compete with the American article, of which during 1906, 247,191 piculs, valued at 891,104 hakwan taels, or about $668,342 gold, were imported through Newchwang with an even larger amount through Dalny. Mr. Straight continues -

Russian flour is to be purchased by local dealers through the Russo-Chinese Bank and will be sold at Mukden, wholesale, at about $2.20 small coin, or approximately $1.10 United States gold per bag (42 pounds). American flour is now selling at wholesale at about $2.50 small coin per bag, but owing to the rise on the American market, this price can hold only while stocks ordered prior to that rise are obtainable. In less than six months there has been an increase of 56 cents per barrel in the c.i.f. price at Yokohama and Kobe, virtually the same rate holding for Dalny. American sales would therefore seem to be seriously menaced by probable Russian competition. The ability of the Harbin millers to undersell the dealers in our flour will be increased by the improvements, shortly to be effected, of facilities for transshipment from the Russian to the Japanese railway systems. It should be remembered, in connection with this desire of the Russian interests to enter this field, that the Harbin mills were considerably enlarged existing during the late war to supply the
Manchurian armies. Owing to the withdrawal of the troops, however, they are now forced to seek their markets elsewhere. The Russo-\dhatne Chinese Bank is reported to have advanced considerable sums to the mill owners, and it is largely to protect their own interests that the bankers are interestine themselves in extending the flour business in southern Manchuria.

American millers may be interested to learn that the Chinese prefer their native flour, ground by hand or by horse or mule power to the foreign product, on account of the greater proportion of gluten contained in the former. They state that the native article, which may be likened to the American graham or wholewheat flour, possesses more "fl" or strength. It sells for about $6.90 small coin per 100 catties, or about 10 cents (silver) on a 49 pound bag higher than American flour. An attempt to put graham flour on the market in Manchuria might be attempted with excellent results, and millers interested in making a trial shipment should communicate with firms trading in this region (addresses on file at Bureau of Manufactures), one of which during the past year imported large quantities of American flour.

MANCHURIAN LUMBER RESOURCES.

In regard to the utilization of the forests of Manchuria, Consul-General Willard D. Straight sends the following from Mukden:

There are two regions in Manchuria from which oak might come, the forests in the central part along the Sungari river, and those in southeastern Manchuria along the Yalu River and the Korean Frontier. Such wood in the former region is largely used locally for the building of junks on the Sungari. It is possible that Yalu timber has reached America. The timber market in southeastern Manchuria is at present, however, in an unsettled state, owing to the nonorganization as yet of the joint Japanese-Chinese timber falling company whose control the lumber business in that region is, by international agreement, to be carried on. I am informed, however, that foreign merchants located at Antung are anxious to engage in the lumber trade.

SHIPPING COTTON GOODS - - - Methods to follow.

Consul-General Willard D. Straight, of Mukden, in reply to a request for information from a New York house regarding an attempt to substitute dyed for undyed cotton goods now supplied the Chinese market, reports that although the cost of hand dyeing done by the natives is high the probable advantage which might be gained by the importation of the machine-dyed article would be offset by the increase in customs duty. The consul-general furnishes valuable information in relation to methods of trading in Manchuria. He writes:

As to the best manner of shipping piece goods destined for the Manchurian markets, although I have been unable to secure the figures I have obtained information from two or three sources to the effect that it is cheaper to make the transshipment at Kobe than at Shanghai as the cost of transportation from the former port to Bechhwang or Dally by Japanese steamers is less than from the latter port, where, owing to a combination among the shipping interests, rates have been kept at a higher point than would otherwise be the case. Direct shipments of American goods to Dally have occasionally been made during the past few months, and it is reported that a regular service will before long be opened between the United States and that port. Should that be done the route should become the cheapest as well as the quickest one for shipments to Manchuria. The inauguration of a direct service to Bechhwang if brought about, will, of course, be the preferable one.

Attempts to sell directly to the Chinese merchants in the interior have not hitherto proved satisfactory. In this regard, however, it may be said that the dealers in the southern Manchurian marts, as distinct from their fellows in the north and other parts of China, are shopkeepers rather than wholesale merchants. They have been accustomed to purchase their stocks either in Shanghai or Bechhwang but they are now anxious for the advent of the foreign importer, hoping that, without any great increase in the cost of the goods required, they will be able to
avoids the expense of maintaining agents in the south, and by purchasing at
their convenience avoids the dangers of overstocking, relying upon the forei
gners to assume the risks and solve the difficulties of transportation.

CREDIT AND BANKING

As an offset to these disadvantages the foreign firms willing to bear
the expense of establishing themselves in the interior will be able to conduct
their business virtually on a cash basis, for although there was a regular
system of credits in operation before the war, recent economic action has
limited the circulation of paper notes unsupported by cash reserves and has
restricted the dealings in "transfer" money, which was one of the most objection-
able features of the former commercial practice. The Japanese, thanks to their
opportunities for acquainting themselves with the needs of the market, have
adapted their methods to its requirements. The increase in their trade is due
to this fact as well as to the absence of the customs collectorate at Harbin and
the exceptional transportation facilities which they have been accorded.

The Industrial Bank of Japan, a semi-official institution, is about to commence operations here, the
principal business of which will be to lend money to native farmers. The
Yokohama Specie Bank which already has branches at Hsuehhsien, Mukden, Tientsin,
Antung and Changchun, also makes loans to Chinese merchants in amounts generally
not exceeding $5,000 at 10 per cent per annum and accepts their title deeds as
security. The proposition thus far seems to have proved a safe and satisfactory one.

AMERICAN INTERESTS IN MANCHURIA

Merchants cannot get samples of goods for exhibition.

In reporting on the improving conditions in Manchuria, Consul-General
Willard D. Straight furnishes the following information concerning Americans
and American houses in Mukden:

Within the last few months two new American houses, as well as an
agency for an American sewing machine and another for an American oil company,
have been established in Mukden in addition to many other foreign houses. At
ttempts are being made by the local American merchants to introduce broad-tired
iron cart wheels, suited to Manchurian roads, to replace the clumsy and expen-
sive wooden articles now in use. They are also endeavoring to sell furniture
for the government offices and to supply the provincial forces with saddles,
shoes, and other equipment. At the local agricultural college an American
cornmutter and other American implements are in use.

The demand for Japanese cotton goods still continues, although there
are at present only 500 bales of their shirtings in the Mukden market, against
500 bales of American cottons. The stocks of the former have recently been
depleted by the shipment north of 2,000 bales which had for some time been held
locally. A Japanese company has recently placed upon the market "hanyo", a new
style of cotton piece goods, well woven, and heavier than the ordinary American
sheeting but lighter than the American drills. Chinese dimensions have been
used, the pieces being 17½ inches in width and 21 yards in length. Local
Chinese say that this cloth (sample of which may be obtained from the Bureau
of Manufactures by American cotton manufacturers or their export agents) is the
most popular in the market and of a weight and size particularly appreciated
by the farming class. It sells for $2 (small coin) per piece. Foreign dealers
here, however, seem to feel certain that American cotton will regain their
supremacy in the Manchurian market.
Sample Goods, Railways, Customs, and Crops.

The merchants in Mukden complain that in attempting to obtain samples of American goods for exhibition purposes they are unable to secure any special concessions from the home firm, who are unwilling to grant more than a liberal discount. Those dealers who are anxious to canvass for sales are operating on small capital. It seems unfortunate, therefore, that they should be required to assume all the risks, and that American manufacturers should sacrifice the considerable sales that might be made were they ready to share the expense of putting their goods before the consumer.

The South Manchurian Railway will be able to accommodate first-class passengers on the arrival of the new cars ordered from the United States, until which time second-class cars are the best that can be had. The excellent trains of the Imperial Railways of North China now run to Mukden, traversing the distance between that point and Shantung in thirteen hours and bringing the Manchurian within thirty-six hours of Peking.

At Dalny the office of the Imperial maritime customs has been established, much to the gratification of the foreign merchants of Novochang. Due to an agreement made in May of this year with the Mukden foreign office, "exemption certificates," taken out at the point of importation for goods paying regular import duty, entitle these goods to exemption from further levies at or within the inland cities opened to foreign trade.

At Haichang and Haiching, in the south, markets are not good, but business at Hakden,ushing, and Eumushanpo is increasing. The droughts which threatened agricultural disaster at the commencement of the summer were broken by heavy rains. Since early August there has been sufficient water in the Liao River to permit the passage of steam boats, and cargo which had been held at Hailing, Sungchahang, and other river ports has been moved to the coast. Throughout central Manchuria the crops are estimated at 30 per cent of a full yield, while the prices for grain promise to be higher than last season. In the Sungari Valley and the wheat country around Harbin, however, the harvest will be meager, which should increase the demand for American flour. The mercantile community regards the situation as gradually improving, and foreign and Chinese merchants regard the business prospects with confidence. While they do not anticipate record sales, they are nevertheless hopeful that business will be brisk, feeling that the season should mark the return of normal and natural conditions, auguring consistent development in the future.