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WASHINGTON, SATURDAY, FEBRUARY 4, 1922.

The Sixth Plenary Session of the Conference on the Limitation of Armament, in connection with which Pacific and Far Eastern questions will also be discussed, was held at Washington on Saturday, February 4, 1922, at 10.30 o'clock a.m., in Memorial Continental Hall. The Chairman, the Honorable Charles Evans Hughes, Secretary of State of the United States of America, Presided.

THE CHAIRMAN (Speaking in English): At the last Plenary Session of the Conference I had the pleasure of stating that the Chinese and Japanese Delegates had informed me that they had agreed upon a settlement of the controversy relating to Shantung. I now have the pleasure of stating that I am informed by the Chinese and Japanese representatives that the proposed Treaty on the question of Shantung has been agreed upon, the form of text approved, and the Treaty is ready for signature. (Applause.)

I am directed by the Committee on Pacific and Far Eastern Questions to read, for the purpose of having the statements formally placed upon the records of the Conference, the following declarations with respect to the so-called Twenty-one Demands or the Sino-Japanese Treaties and Notes of 1915.

The first statement that I shall read is the statement made in the Committee by Baron Saito on behalf of the Japanese Government. It is as follows:

"At a previous session of this Committee, the Chinese Delegation presented a statement urging that the Sino-Japanese Treaties and Notes of 1915 be reconsidered and cancelled. The Japanese Delegation, while appreciating the difficult position of the Chinese Delegation, does not feel at liberty to concur in the procedure now reported to by China with a view to cancellation of international engagements which she entered into as a free sovereign nation.

"It is presumed that the Chinese Delegation has no intention of calling in question the legal validity of the compacts of 1915, which were formally signed and sealed by the duly authorized representatives of the two Governments and for which the exchange of ratifications was effected in conformity with established international usages. The insistence by China on the cancellation of those instruments would in itself indicate that she shares the view that the compacts actually remain in force and will continue to be effective, unless and until they are cancelled.

"It is evident that no nation can have given ready consent to cessions of its territorial or other rights of importance. If it should once be recognized that rights solemnly granted by treaty may be revoked at any time on the ground that they were conceded against the spontaneous will of the grantor, an exceedingly dangerous precedent will be established, with far-reaching consequences upon the stability of the existing international relations in Asia, in Europe and everywhere.

"The statement of the Chinese Delegation under review declares that China accepted the Japanese demands in 1915, hoping that a day would come when she should have the opportunity of bringing them up for reconsideration and cancellation. It is, however, difficult to understand the meaning of this assertion. It can not be the intention of the Chinese Delegation to intimate that China may conclude a treaty, with any thought in mind of breaking it at the first opportunity.

"The Chinese Delegation maintains that the Treaties and Notes in question are derogatory to the principles adopted by the Conference with regard to China's sovereignty and independence. It has, however, been held by the Conference on more than one occasion that concessions made by China Ex contractu, in the exercise of her own sovereign rights, can not be regarded as inconsistent with her sovereignty and independence.

"It should also be pointed out that the term 'Twenty-one Demands,' often used to denote the Treaties and Notes of 1915, is inaccurate and grossly misleading. It may give rise to an erroneous impression that the whole original proposals of Japan had been pressed by Japan and accepted in toto by China. As a matter of fact, not only 'Group V,' but also several other matters contained in Japan's first proposals, were eliminated entirely or modified considerably, in defiance to the wishes of the Chinese Government, when the final formula was presented to China for acceptance. Official records published by the two Governments relating to those negotiations will further show that the most important terms of the Treaties and notes, as signed, had already been virtually agreed to by the Chinese negotiators before the delivery of the ultimatum, which seemed to the Japanese Government the only way of bringing the protracted negotiations to a speedy close.

"The Japanese Delegation cannot bring itself to the conclusion that any useful purpose will be served by research and re-examination at this Conference of old grievances which one of the nations represented here may have against another. It will be more in line with the high aim of the Conference to look forward to the future with hope and confidence.

"Having in view, however, the changes which have taken place in the situation since the conclusion of the Sino-Japanese Treaties and Notes of 1915, the Japanese Delegation is happy to avail itself of the present occasion to make the following declaration:

"1. Japan is ready to throw open to the joint activity of the International Financial Consortium recently organized, the right of option granted exclusively in favor of Japanese capital, with regard, first, to loans for the construction of railways in South Manchuria and Eastern Inner Mongolia, and, second, to loans to be secured on taxes in that region; it being understood that nothing in the present declaration shall be held to imply any modification or annulment of the understanding recorded in the officially announced notes and memoranda which were exchanged among the Governments of the countries represented in the Consortium and also among the national financial groups composing the Consortium, in relation to the scope of the joint activity of that organization.

"2. Japan has no intention of insisting on her preferential right under the Sino-Japanese arrangements in question concerning the engagement by China of Japanese advisers or instructors on political, financial, military or police matters in South Manchuria.

"3 Japan is further ready to withdraw the reservation which she made, in proceeding to the signature of the Sino-Japanese Treaties and Notes of 1915, to the effect that Group V of the original proposals of the Japanese Government would be postponed for future negotiations.

"It would be needless to add that all matters relating to Shantung contained in the Sino-Japanese Treaties and Notes have now been definitely adjusted and disposed of.

"In coming to this decision, which I have had the honor to announce, Japan has been guided by a spirit of fairness and moderation having always in view China's sovereign rights and the principle of equal opportunity."

In response to that statement made on behalf of the Japanese Government, Mr. Wang, made to the Committee the following statement on behalf of the Chinese Delegation:

"The Chinese Delegation has taken note of the statement of Baron Shidehara made at yesterday's session of the Committee (30th meeting Feb. 2, 1922) with reference to the Sino-Japanese Treaties and notes of May 25, 1915.

"The Chinese Delegation learns with satisfaction that Japan is now ready to throw open to the joint activity of the banking interests of other Powers the right of option granted exclusively in favor of Japanese capital with regard, first, to loans for the construction of railways in South Manchuria and Eastern Inner Mongolia, and, second, to loans secured on taxes in that region; and that Japan has no intention of insisting upon a preferential right concerning the engagement by China of Japanese advisers or instructors on political, financial, military or police matters in South Manchuria; also that Japan now withdraws the reservation which she made to the effect that Group V of her original demands upon China should be postponed for future negotiation.

"The Chinese Delegation greatly regrets that the Government of Japan should not have been led to renounce the other claims predicated upon the Treaties and Notes of 1915.

"The Japanese Delegation expressed the opinion that abrogation of these agreements would constitute 'an exceedingly dangerous precedent,' with far-reaching consequences upon the stability of the existing international relations in Asia, in Europe and everywhere.

"The Chinese Delegation has the honor to say that a still more dangerous precedent will be established with consequences upon the stability of international relations which can not be estimated, if without rebuke or protest from other Powers, one nation can obtain from a friendly, but, in a military sense, weaker neighbor, and under circumstances such as attended the negotiation and signing of the Treaties of 1915, valuable concessions which were, not in satisfaction of pending controversies and for which no quid pro quo was offered. These Treaties and Notes stand out, indeed, unique in the annals of international relations. History records scarcely another instance in which demands of such a serious character as those which Japan presented to China in 1915, have, without even pretense of provocation, been suddenly presented by one nation to another nation

with which it was at the time in friendly relations.

"No apprehension need be entertained that the abrogation of the agreements of 1911 will serve as a precedent for the annulment of other agreements, since it is confidently hoped that the future will furnish no such similar occurrence.

"So exceptional were the conditions under which the agreements of 1911 were negotiated, that the Government of the United States felt justified in referring to them in the identic note of May 13, 1915, which it sent to the Chinese and Japanese Governments. That note began with the statement that 'In view of the circumstances of the negotiations which have taken place and which are now pending between the Government of China and the Government of Japan and the agreements which have been reached as a result thereof, the Government of the United States had the honor to notify the Government of (the Chinese Republic--Japan) that it cannot recognize any agreement or undertaking which has been entered into or which may be entered into between the Governments of China and Japan impairing the treaty rights of the United States and its citizens in China, the political or territorial integrity of the Republic of China, or the international policy relative to China commonly known as the open door policy.'

"Conscious of her obligations to the other Powers, the Chinese Government, immediately after signing the agreements, published a formal statement protesting against the agreements which she had been compelled to sign, and disclaiming responsibility for consequent violations of treaty rights of the other Powers. In the statement thus issued, the Chinese Government declared that although they were 'constrained to comply in full with the terms of the (Japanese) ultimatum' they nevertheless 'disclaim any desire to associate themselves with any revision, which may be thus effected, of the various conventions and agreements concluded between other Powers in respect of the maintenance of China's territorial independence and integrity, the preservation of the status quo, and the principle of equal opportunity for the commerce and industry of all nations in China.'

"Because of the essential injustice of these provisions, the Chinese Delegation, acting in behalf of the Chinese Government and of the Chinese people, has felt itself in duty bound to present to this Conference, representing the Powers with substantial interests in the Far East, the question as to the equity and justice of these agreements and therefore as to their fundamental validity. "If Japan is disposed to rely solely upon a claim as to the technical or juristic validity of the agreements of 1911, as having been actually signed in due form by the two Governments, it may be said that, so far as this Conference is concerned, the contention is largely irrelevant, for this gathering of the representatives of the nine Powers has not had for its purpose the maintenance of the legal status quo. Upon the contrary, the purpose has been, if possible, to bring about such changes in existing conditions upon the Pacific and in the Far East as might be expected to promote that enduring friendship among the nations of which the Presi-

dent of the United States spoke in his letter of invitation to the Powers to participate in this Conference.

"For the following reasons, therefore, the Chinese Delegation is of the opinion that the Sino-Japanese Treaties and Exchange of Notes of May 25, 1915, should form the subject of impartial examination with a view to their abrogation:

"1. In exchange for the concessions demanded of China, Japan offered no quid pro quo. The benefits derived from the agreements were wholly unilateral.

"2. The agreements, in important respects, are in violation of treaties between China and the other Powers.

"3. The agreements are inconsistent with the principles relating to China which have been adopted by the Conference.

"4. The agreements have engendered constant misunderstandings between China and Japan, and, if not abrogated, will necessarily tend, in the future, to disturb friendly relations between the two countries, and will thus constitute an obstacle in the way of realizing the purpose for the attainment of which this Conference was convened. As to this, the Chinese Delegation, by way of conclusion, can, perhaps, do no better than quote from a Resolution introduced in the Japanese Parliament, in June, 1917, by Mr. Hara, later premier of Japan, a Resolution which received the support of some 130 of the members of the Parliament.

"The Resolution reads:

"'Resolve', that the negotiations carried on with China by the present Government have been inappropriate in every respect; that they are detrimental to the amicable relationship between the two countries, and provocative of suspicions on the part of the Powers; that they have the effect of lowering the prestige of the Japanese Empire; and that, while far from capable of establishing the foundation of peace in the Far East, they will form the source of future trouble'.

"The foregoing declaration has been made in order that the Chinese Government may have upon record the view which it takes, and will continue to take, regarding the Sino-Japanese Treaties and Exchange of Notes of May 25, 1915."

Thereupon, on behalf of the American Government, I stated to the Committee the position of the Government of the United States:

"The important statement made by Baron Shidchara on behalf of the Japanese Government makes it appropriate that I should refer to the position of the Government of the United States as it was set forth in identical notes addressed by that Government to the Chinese Government and to the Japanese Government on May 13, 1915.

"The note to the Chinese Government was as follows:

"In view of the circumstances of the negotiations which have taken place and which are now pending between the Government of China and the Government of Japan and of the Agreements which have been reached as a result thereof, the Government of the United States has the honor to notify the Government of the Chinese Republic that it cannot recognize any agreement or undertaking which has been entered into or which may be entered into between the Governments of China and Japan impairing the treaty rights of the United States and its citizens in China, the political or territorial integrity of the Republic of China, or the international policy relative to China commonly known as the open door policy.

"An identical Note has been transmitted to the Imperial Japanese Government."

"That statement was in accord with the historic policy of the United States in its relation to China, and its position as thus stated has been, and still is, consistently maintained.

"It has been gratifying to learn that the matters concerning Shantung, which formed the substance of Group I of the original demands, and were the subject of the Treaty and Exchange of Notes with respect to the Province of Shantung, have been settled to the mutual satisfaction of the two parties by negotiations conducted collaterally with this Conference, as reported to the Plenary Session on February 1st.

"It is also gratifying to be advised by the statement made by Baron Shidehara, on behalf of the Japanese Government, that Japan is now ready to withdraw the reservation which she made, in proceeding to the signature of the Treaties and Notes of 1915, to the effect that Group V of the Original proposals of the Japanese Government--namely, those concerning the employment of influential Japanese as political, financial and military advisors; land for schools and hospitals; certain railways in South China; the supply of arms, and the right of preaching--would be postponed for future negotiations. This definite withdrawal of the outstanding questions under Group V removes what has been an occasion for considerable apprehension on the part alike of China and of foreign nations, which felt that the removal of these demands could not but prejudice the principles of the integrity of China and of the open door.

"With respect to the Treaty and the Notes concerning South Manchuria and Eastern Inner Mongolia, Baron Shidehara has made the reassuring statement that Japan has no intention of insisting on a preferential right concerning the engagement of China of Japanese advisors or instructors of political, financial, military or police matters in South Manchuria.

"Baron Shidehara has likewise indicated the readiness of Japan not to insist upon the right of option granted exclusively in favor of Japanese capital with regard, first, to loans for the construction of railways in South Manchuria and Eastern Inner Mongolia; and, second, with regard to loans secured on the taxes of those regions; but that Japan will throw them open to the joint activity of the Interna-

tional Financial Consortium recently organized.

"As to this, I may say that it is doubtless the fact that any enterprise of the character contemplated, which may be undertaken in these regions by foreign capital, would in all probability be undertaken by the Consortium. But it should be observed that existing treaties would leave the opportunity for such enterprises open on terms of equality to the citizens of all nations. It can scarcely be assumed that this general right of the treaty Powers in China can be effectively restricted to the nationals of those countries which are participants in the work of the Consortium, or that any of the Governments which have taken part in the organization of the Consortium would feel themselves to be in a position to deny all rights in the matter to any save the members of their respective national groups in that organization. I therefore trust that it is in this sense that we may properly interpret the Japanese Government's declaration of willingness to relinquish its claim under the 1915 Treaties to any exclusive position with respect to railway construction and to financial operations secured upon local revenues, in South Manchuria and Eastern Inner Mongolia:

"It is further to be pointed out that by Articles II, III and IV of the Treaty of May 25, 1915, with respect to South Manchuria and Eastern Inner Mongolia, the Chinese Government granted to Japanese subjects the right to lease land for building purposes, for trade and manufacture, and for agricultural purposes in South Manchuria, to reside and travel in South Manchuria, and to engage in any kind of business and manufacture there, and to enter into joint undertakings with Chinese citizens in agriculture and similar industries in Eastern Inner Mongolia.

"With respect to this grant, the Government of the United States will, of course, regard it as not intended to be exclusive, and, as in the past, will claim from the Chinese Government for American citizens the benefits accruing to them by virtue of the most favored nation clauses in the treaties between the United States and China.

"I may pause here to remark that the question of the validity of treaties as between Japan and China is distinct from the question of the treaty rights of the United States under its treaties with China; these rights have been emphasized and consistently asserted by the United States.

"In this, as in all matters similarly affecting the general right of its citizens to engage in commercial and industrial enterprises in China, it has been the traditional policy of the American Government to insist upon the doctrine of equality for the nationals of all countries, and this policy, together with the other policies mentioned in the Note of May 13, 1915, which I have quoted, are consistently maintained by this Government. I may say that it is with especial pleasure that the Government of the United States finds itself now engaged in the act of reaffirming and defining, and I hope that I may add, revitalizing, by the proposed Nine Power Treaty, these policies with respect to China." (Applause.)

After these statements it was proposed and decided in the Committee that the statements thus made should be reported to the Com-

ference to be spread upon its record. In the course of the vote Mr. Koo stated in the Committee that his colleagues and he himself desired to indorse the Chairman's suggestion that all of the statements on this very important question should be spread upon the records of the Conference, it being understood of course that the Chinese Delegation reserved their right to seek a solution on all future appropriate occasions concerning those portions of the Treaties and Notes of 1915 which did not appear to have been expressly relinquished by the Japanese Government. The Chairman stated:

"Of course it is understood that the rights of all Powers are reserved with respect to the matters mentioned by Mr. Koo."

The question now is upon the approval of the Resolution that these statements be spread upon the minutes of the Conference as a part of its permanent record. Do you desire to discuss it?

The United States of America assents.

Belgium?

Baron de Cartier assented.

The Chairman: The British Empire?

Mr. Balfour assented.

The Chairman: China?

Mr. Sze assented.

The Chairman: France?

Mr. Sarraut assented.

The Chairman: Italy?

Senator Schanzer assented.

The Chairman: Japan?

Admiral Baron Kato assented.

The Chairman: The Netherlands?

Jonkheer Beelaerts van Blokland assented.

The Chairman: Portugal?

Viscount d'Alto assented.

The Chairman: It is so ordered.

See: Anal. Doct. Evidence
Dy. Doct. Series #
Anal. # 4