NELSON T. JOHNSON AND AMERICAN POLICY TOWARD CHINA 1925-1941

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ABSTRACT

NELSON T. JOHNSON AND AMERICAN
POLICY TOWARD CHINA 1925-1941

by Russell D. Buhite

Nelson Johnson first became intimately involved in shaping American policy toward China in 1925 when he assumed the office of Chief of the Division of Far Eastern Affairs in the State Department. From this date until May 1941 he was a major force in determining the conduct of relations with that country. Based primarily on Johnson's personal papers in the Library of Congress and the published and unpublished State Department records, this thesis discusses his activities over the 1925-1941 period, emphasizing his ideas and suggestions regarding policy.

Johnson made major contributions during the Coolidge and Hoover administrations. He favored going as far as American interests would allow in helping China regain her sovereignty and he consistently guided Secretaries of State Kellogg and Stimson on a moderate course in their policy.

Under Kellogg, he continually opposed interference in the civil war in China. He opposed joining the British at Canton and Hankow in punitive measures against Chinese

strike pickets and other nationalists. He opposed harsh or recriminatory action against China during the Nanking Incident of 1927. He advocated conciliation in answering China's note of June 1925 requesting treaty revision. He suggested going as far as possible, unilaterally if necessary, in writing a new tariff treaty, and on the question of extraterritoriality, favored gradual relinquishment.

Under Secretary Stimson, he made a significant contribution, when as American Minister in China, he influenced the Secretary's policy during the Shanghai affair. His advice that the United States make a statement in favor of upholding the terms of the Nine Power Treaty was chiefly responsible for Stimson's letter of February 1932 to Senator William E. Borah.

In the mid-thirties his influence continued although other officials gained ascendency as policy became more Japanese oriented. During this period, he grew increasingly impatient with Japanese aggression and began suggesting a reappraisal of American policy toward Japan. Not yet recommending that she assume any responsibility for the Chinese, he merely advocated United States rearmament and reconsideration of its intention to grant independence to the Philippines.

By the end of the decade, he openly advocated material support for China. The Chinese had then established a measure of order, had demonstrated a will to resist Japan and he believed they deserved support. His descriptions of the events of the war and of China's valiant fight were

instrumental in the decision to grant assistance.

As a policy maker and diplomat, Johnson was alert, had a critical inquiring mind, and a profound and sympathetic understanding of China. His knowledge of China's language, art, and history and his warm and personable nature evoked great respect and esteem from the Chinese and helped sustain Sino-American friendship during a most difficult period.

NELSON T. JOHNSON AND AMERICAN POLICY TOWARD CHINA 1925-1941

By

Russell D. Buhite

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PREFACE

Nelson Johnson spent his entire adult life in the service of his government. Except for the final fifteen years of his career he dealt primarily with China, as a student interpreter, consular officer, Chief of the Division of Far Eastern Affairs, Assistant Secretary of State, and Minister and Ambassador.

In this work I have attempted to discuss and evaluate his background, influences on his thinking, and his ideas and suggestions regarding American policy toward China over the 1925-1941 period.

My thanks go out to all those who assisted me in the research and writing: to Paul A. Varg who directed the work and whose timely comments on content and advice regarding form and style were invaluable; to Mrs. Nelson Johnson and Miss Elizabeth Johnson, wife and sister of the former diplomat, who were most gracious in talking with me about Mr. Johnson; to the Honorable Stanley K. Hornbeck, who gave so much of his time and shared with me his vast knowledge; to my wife who worked tirelessly at typing and proofreading the manuscript.

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I

THE EDUCATION OF A DIPLOMAT

The author of the biography of W.W. Rockhill describes the great scholar-diplomat as being a man "incapable of personal warmth", "austere, self-sufficient" and a "kind of tyrant" ruling over his Legation staff.[1] Among the members of Rockhill's staff was a slender, pink complexioned, red-haired young man, a mere student interpreter, who stood as much in terror of the "Big Chief" as anyone and who was seldom even recognized by the Minister when they met on the street. This young man, Nelson T. Johnson, was some twenty years later to have Rockhill's job. Possessed of a delightful sense of humor, sociable, friendly and approachable, Nelson Johnson brought to the Minister's post a personality strikingly different from that of his former boss.

While Rockhill was cold, Nelson Johnson was the essence of amiability; he made friends easily and his friends were legion. While Rockhill was self-sufficient, Johnson relied on other people, believing with China's greatest sage that when one walks with two others there are two from whom he may learn. While Rockhill was

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[1]Paul A. Varg, Open Door Diplomat:The Life of W.W. Rockhill (Urbana, Ill.,1952), pp. 2,6.

reserved and formal, Johnson was an extrovert and very informal--whether it took the form of singing along with a couple of Chinese coolies as he rode in his chair or playing cards with members of his staff. When he first went to China as Minister in 1930 he even insisted on riding in a ricksha wherever he went instead of in an automobile, causing much lifting of eyebrows in diplomatic quarters. It might also be noted that he smoked cheap Chinese cigarettes and often travelled about China unescorted.

Extremely popular with the Chinese, he was equally esteemed by both his colleagues and his subordinates. Willys Peck, Counselor of the Embassy under Johnson at Chungking in the late thirties, commenting in a special memorandum said that he thought his chief always did a miraculous job with his staff even under the most trying and difficult conditions. He took the position of a fellow worker with those on his staff. His decisions were always final but he was ready to assign duties to others who were allowed to perform them with as much freedom as possible. He maintained high morale and always fostered a cheerful and sociable atmosphere. Animated discussions flourished about him and there was always time out for the playing of games. "Each man on the staff" Peck added, "has responded tirelessly to this type of treatment."[2]

This is not to say, however, that Johnson was never

[2]Memorandum prepared by Willys Peck Feb. 2, 1941, in Stanley Hornbeck's personal possession, Washington, D.C.

critical of a subordinate. If a man were not doing his job or if there was something amiss about him, he considered it both his duty and a service to the individual to let his feelings be known. Speaking once to Mr. Robert Olds of an unnamed subordinate he said: "You are dealing here with a sea lawyer. It is quite apparent from the man's record that he is egocentric, obstinate, and to a certain extent clever. He is also pugnacious and his record shows that from the time he entered the Service down to the present he has been bombarding the Department for the purpose of getting the Department to recognize and accept his own estimate of himself...".[3] On another occasion: "Mary Martin should be dropped as she is incapable of performing the work that she is required to do."[4] And, "McVay at Yokohama should be sent home and dropped from the Service as he continues to drink to excess."[5] Commenting in 1925 on Douglas Jenkins, American Consul in Canton, and indicating his own regard for sense of humor, he said: "Neither Jenkins nor his wife have the scintilla of a sense of humor but with it all, though, Jenkins has the cleanest office that we have ever had in

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[3]Nelson Johnson to Robert E. Olds, Dec. 23, 1927, Nelson T. Johnson Papers, Library of Congress. (hereafter referred to as the Johnson Papers)

[4]Johnson to the Secretary of State, Dec. 8, 1924, ibid.

[5]Ibid.

Canton and I am proud of him."[6]

Indeed, Johnson himself had a fine sense of humor, a sense of humor coupled with an infectious smile and a quick wit. Always ready to see the fun in any situation, he enjoyed a joke on himself as much as on others. Until his death he enjoyed telling people one particular story about his days as a judge in the mixed court at Shanghai where one day while he was holding forth, a workman--a Chinese dressed as a workman--entered the courtroom, put a ladder up the wall, tinkered with a large clock hanging there, took the clock down from the wall, and left; clock and "workman" disappearing, never to be seen again.[7] Similarly, he always enjoyed turning a phrase in a letter, adding thereby a bit of humor. Writing to a friend in March 1930 and commenting on his recent activities he quipped, "Yesterday I went out to P'ao Ma Ch'ang which, being interpreted in the language of Maryland, means racetrack."[8] And, later in his career while stuck in desolate, isolated Chungking with bombs dropping all around and virtually nothing to do to amuse himself, he said to Colonel McHugh: "Be as gentle as you can when you report on me. I have tried to conceal from my sister and from my

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[6] Ibid.

[7] Miss Elizabeth Johnson to the author, Jan. 27, 1965.

[8] Johnson to Mrs. Frank Bunker, Mar. 31, 1930, Johnson Papers.

friends and superiors the roistering hell-raising life that I normally lead. Don't dwell too much on the fact that we dine out every evening, spend a great deal of our time at the race track and the dance halls and other Chungking hot spots."[9]

As might be expected, Johnson's sense of humor allowed him to take an active role and have fun at activities that most diplomatic officials would have considered demeaning or beneath their station. Thus, he could take his guitar or ukulele to a dinner party and lead the guests in singing "Ivan Skavinski Skavaar." Or he could take part in a spoof State Department production in 1927; a play entitled Kellogg's Cadets or Academy Life Exposed, in which he played the Honorable J. Reuben Bumbleby, American Minister to Danubia--such character being dressed in a top hat, cutaway, white spats, wing collar, grey tie, etc., who in giving the students a lecture on court ceremonial and protocol was called upon to sing the following song to the air of the First Lord of the Admiralty's Song in "Pinafore:"

> When I was a lad I served a term,
> As office boy in a banking firm.
> I cleaned the windows and I swept the floor,
> And I polished up the handle of the big front door.
> I polished up the handle so carefulee
> That now I am a Master of Diplomacee.

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[9]Johnson to Col. James M. McHugh, Aug. 12, 1940, Ibid.

Chorus:
He polished up the handle so carefulee
That now he is a Master of Diplomacee.

I grew so rich that I was sent,
On a secret mission to the Orient.
I always answered to the Minister's call,
And I never thought of thinking for myself at all.
I thought so little, they rewarded me,
By making me a Master of Diplomacee.

Chorus:
He thought so little, they rewarded him
By making him a Master of Diplomacee.

Now, consuls all, whoever you may be,
If you want to become a Double E.M.P.
If your mind doesn't stop with what you learn in school
Be careful to be guided by this golden rule-
Leave cards on everybody and don't avoid tea,
And you all may be Masters of Diplomacee!

Chorus:
Leave cards on everybody and don't avoid tea
And you all may be Masters of Diplomacee![10]

It is not surprising that Johnson possessed a friendly and personable nature considering his happy childhood and the benefits derived from his excellent old-stock-American family, a family that had by the time of Nelson's birth been in America for a century and a half. The first Johnsons had come from Boston on the Ash in Lincolnshire in the early part of the seventeenth century, settling in the vicinity of Boston, Massachusetts, in about 1636. Moving from there, they went to Connecticut and established a home near Stafford Springs at the town of Stafford in

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[10]In Johnson Papers 1927, undated as to month and day.

the Hartford area where they made their living by tilling the soil. Like most New Englanders, they were apparently good puritans who, having read Leviticus and Chronicles every morning in their homes, went their ways feeling they had conversed with God and knew what was right. Also, like so many New Englanders and other Easterners as well, they were eventually dispersed by the recurring depressions and financial panics in America. After the War of 1812 and during a period of economic crisis Nelson's great-great grandfather left his Connecticut home and moved to Washington. Tradition in the Johnson family had it that this adventuresome ancestor helped rebuild the United States capital, got enough money to move to Pittsburgh, Pennsylvania where he bought ample saleable supplies, floated down the Ohio River to Cincinnati, then struck out across the country to what is now Indianapolis, Indiana and opened a store, it being one of the very first buildings in that city.[11] Nelson's more immediate family came from that area.

His father, Jeremiah Johnson, left Indiana and went to Washington D.C. at about the time of Benjamin Harrison's election to the presidency. Having read law in the office

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[11]The Reminiscences of Nelson Trusler Johnson, Oral History Project, Columbia U. vol. I and Nelson Johnson to Miss D. B. Johnson Dec. 30., 1935, Johnson Papers.

of Harrison and with W.W. Dudley, the man responsible for putting Harrison in the White House, Jeremiah Johnson studied at Georgetown University and received his Master of Laws degree in 1886. He later opened a law office on F Street in Washington.

Nelson's mother, Salome Trusler, was the daughter of Colonel Nelson Trusler, of the 84th Indiana volunteers during the Civil War. Colonel Trusler died shortly after the war, his widow and daughter moving to Washington where the widow (Nelson Johnson's grandmother) went to work as a clerk in the old pension office. No feminist, she was the daughter of pioneers filled with the wholesomeness and hardiness that was their lot; she came to be a great influence on the life of young Nelson. Here in Washington Jeremiah Johnson and Salome Trusler, a charming young lady who had attended Western College in Oxford, Ohio, met, were married, and settled in a house on Third Street. Son Nelson Trusler Johnson was born on April 3, 1887.

When the depression of 1893 came along Jeremiah Johnson did what so many Americans of his era did, he moved West. Leaving son Nelson and daughter Elizabeth and his wife in Washington, he went to the Oklahoma territory where he participated in the famous land run. Soon thereafter, he and some cohorts decided to build a town; when one member of the group owning a portable press elected to give up on the venture, Nelson's father bought

the press and was on his way to becoming a newspaper man. Soon the group decided to move to the railway--to Kildare, Oklahoma. Here in about 1896 Jeremiah set up a weekly paper and his wife and two children joined him, the family living in a small frame house on the edge of the prairie. After a short stay there, the family moved to nearby Newkirk. Nelson Johnson's earliest and fondest recollections were of Oklahoma; of the covered wagons, of the prairies, the animals that roamed the countryside, and of the hardy settlers that populated its territory.

Young Nelson was not to spend much time in Oklahoma, however. He had been there only about four years (from 1896-1900) when his parents decided to send him back to Washington to stay with his grandmother and to re-enter the schools. Placed in Friends School, a non-denominational, co-educational institution, young Johnson fell under the gentle guidance and quiet influence of Thomas Sidwell its founder and head. Sidwell was a fine man with deep and abiding affection for children and plenty of progressive ideas, who taught his students tolerance and optimism toward people, life and government. Although Friends was considered a fashionable school, children of both wealth and modest means attended; even children of all nationalities. Nelson attended Friends School until he graduated in 1906 at age 19. Then, desirous of going to Yale but not having sufficient financial means to

do so, he entered George Washington University. There he studied Greek, General logic, English, Mathematics and other required first year subjects, joined the Delta Tau Delta Fraternity and helped edit the college annual. A good mixer, Johnson quickly made friends with the son of a German professor at college and learned through him of the consular service. Apparently this was the beginning of his interest in the Foreign Service. It was also, by his own admission, the beginning of his awareness of the outside world.[12]

The summer after his freshman year at George Washington Johnson spent doing chores around the family place in Maryland, enjoying his leisure, and reading. One day while working, his mother came up to him and called his attention to a newspaper advertisement announcing an examination for student interpreters who were to be sent to China and Japan. Fired by the idea but never expecting to make the grade, he sent letters to the Department of State preparatory to taking the examinations. When told that he had been chosen to take them, he was completely astonished. He then went to the Library of Congress, loaded himself up with books in the areas that he would have to know, and spent the rest of the summer studying. Since no oriental language was required, he planned to use

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[12]Johnson Reminiscences, I.

German, the only foreign language that he knew very well. When time came to take the examination he still was not seriously considering the possibility of passing. And, if he was surprised to learn that he had been chosen to take the exams, he was doubly so when he learned that he had passed them! Neither he nor anyone in the family expected that he would do so. When word finally came that he was to go to China, it began to dawn upon him that he knew absolutely nothing about China. He was soon to learn, however. Johnson never returned to college after that first year. After taking the State Department examinations he took a thirty day leave, went to Oklahoma for a visit, went to San Francisco, and sailed from there for China, soon to begin his language studies. From this time on China was to be a major part of his life.

Arriving in Peking, the twenty year old Johnson was assigned to a Chinese language teacher, an old gentleman who knew absolutely no English. In his first lesson he learned Shui the word for water and the words for "what does that mean" and with this meager beginning he was able, after about six months, to carry on a conversation in a fragmentary way. After two years in which he worked daily on his Chinese, he could speak the language well; by the end of his career he spoke it like a native. However, he never did learn to read and write it, beyond a rudimentary stage.[13]

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[13] Ibid.

After completing his language training Johnson was assigned on November 1, 1909, to Mukden as vice and deputy Consul General and Interpreter. In April 1910 he was given the same position at Harbin; the same at Hankow in July; and the same at Shanghai in December 1911. In 1913 he was named Mixed Court Assessor designated to exercise judicial authority and jurisdiction in civil and criminal cases; then in 1914 he was appointed Consul at Chungking. He was assigned as Consul to Changsha in 1915, detailed to Shanghai in1918, and to the Department also in 1918. In June 1920 he was named Expert Assistant for the Conference on the Limitation of Armament, in which position his chief function was to prepare memoranda on the Lansing-Ishi agreement and on spheres of influence--memoranda that no one ever bothered to read.[14] In the early twenties he was appointed Consul General at Large to inspect Consular offices throughout the Far East and Australia; in April 1925 he was detailed again to the Department and on July 1, 1925, was named Chief of the Division of Far Eastern Affairs.

Asked later what compelled him to leave college after only one year to enter the Foreign Service, Johnson said it was probably the spirit of adventure although he never was much of a scholar and, intellectually, he was never

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[14]Stanley Hornbeck to the author, Jan. 16, 1965.

at the head of his class.[15] While it may be quite true that he was never an intellectual leader in a formal sense and although he was considerably more interested in skating, swimming, walking in the woods, and other athletic pursuits than he was in scholarship, it is a fact that he was also a bookish boy--the type person who made life and his own books his principal teachers; the type who could make himself a scholar, outside the oft-times narrow confines of the classroom. An omnivorous reader, he began at age nine to read Abbot's Little Histories. At thirteen, he was reading Dickens and Thackeray, and like others of his generation, Dead Eye Dick which he said he kept hidden in the barn. He also read Alice in Wonderland, a work that he loved so dearly that he kept a copy by his bed throughout his life. Fond of the classics, he was equally interested in history, geography and related subjects. He read Thucididyes and Gibbon, MacCauley, Trevelyan, Parkman, Rhodes and other famous scholars. After going to the Far East he became interested in Chinese art, Chinese history and Chinese literature. He also read Chinese geography and geology and on various occasions set out on his own to study rock strata and soil composition. He read Sansom's works on Japan, Lattimore's studies of Mongolia, Pearl Buck's novels, George Creel's work, and by the end of his career it could safely be said that he knew just about every

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[15]Johnson Reminiscences, Vol. I.

major piece of scholarship produced relative to the Far East. He also knew the works of A.W. Griswold, S.F. Bemis, T.A. Bailey and others who dealt with American foreign policy.

Appalled at the lack of understanding of China among most of his colleagues, Johnson showed a curiosity about things that others did not possess. People living merely on the surface whether in regard to China or other matters he came to refer to as having "Treaty Port Minds" or "Shanghai Minds."[16] These "Treaty Port Minds" had no knowledge of Chinese art, they knew no Chinese people, knew nothing of Chinese religion or culture. Johnson did; he read, he traveled, he explored, he mixed with the people; he came to know China even as few natives knew it.

Although possessed of an inquisitive, extremely active and agile mind, Johnson was never one to spend a great deal of time on theories. He busied himself finding out about people, about things, about life. Filled with what is popularly called "common sense" he reflected accurately his heritage--his pioneer background.

During his early years Johnson's grandmother, with whom he lived during the most impressionable age from thirteen through nineteen, was a major force in his life. She was a woman of superb character, determination and

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[16] Ibid., III.

humor, and although stern she was dearly loved by her grandson. She read to him, encouraged him in his school work, nursed him when ill, and more importantly instilled in him those traits of personality that were her own forte. Among others influencing his young life were Thomas Sidwell, head of Friends School who helped cement tolerance and optimism into his personality, and a physical education teacher at Friends, a German by the name of Godes who taught him an appreciation of athletics and the value of organized physical exercise.

Once he began his career in the Foreign Service, he came to serve with and under numerous people, some of whom also influenced his thinking. Roger Greene was one such person. He was Consul at Harbin when Johnson met him and served under him as his interpreter. Son of a missionary to Japan, Greene had a fine mind and an excellent education, the first officer under whom Johnson served directly who had such an education. Greene's encyclopedic knowledge reinforced Johnson's respect for learning by demonstrating its value to the Consular officer.[17] Willard Straight was another individual who made a great impression on young Johnson. Although he and Straight never spent much time together, Straight's handsomeness, his fertile brain, and his informal air made him particularly attractive to the young student interpreter. Straight

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[17] Ibid., II.

who could play a guitar, mix with any group, quote Kipling and be at home on the polo field, on one occasion joined Johnson and his fellow students in the mess to play penny ante.[18] A person like this, eschewing sham, avoiding pretense and relying on his own ability for recognition always appealed to Johnson. Another personality that he always admired was Theodore Roosevelt. Roosevelt who was always active and vigorous stood for things that Johnson wanted to stand for; a manly man who lived a free and open life, hunted, climbed mountains and talked to the learned and ignorant alike, he was what Johnson considered the essence of the true American.[19]

Johnson was always a little less enthusiastic when referring to his old chief, W.W. Rockhill. Rockhill, he thought, was one of America's better diplomats but he spent too much time on his studies and not enough on his job. And, he was a strange sort of person who had no social gifts, who attended parties only reluctantly and who always went to bed at ten o'clock regardless what was going on. As Johnson said, he and his colleagues "stood in holy terror of Rockhill."[20] They did so chiefly because of his formal manner and because Rockhill

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[18] Ibid., I.

[19] Ibid., III.

[20] Ibid., I.

himself always supervised the Chinese examinations and had a habit of asking questions until he found some one not knowing an answer; then leaping on him verbally. Never wishing to imitate Rockhill's manner, Johnson did admire his scholarship and although fearing him, he also respected him. Later, he came to have a high regard and even affection for his former boss.[21]

Among others who influenced Johnson's early career and added to the shaping of his ideas were Charles E. Hughes and E.T. Williams. Hughes, whose entrance into the Department Johnson likened to a breath of fresh air after the"fumbling" and "stumbling" of Bryan, Lansing, and Colby, was extremely well-informed and knew what he was doing at all times. As late as 1954 Johnson said he still thought of the State Department in terms of Hughes because of this contrast and because he was so impressed with the fact that Hughes always was so clear about what he was saying and doing, and left no doubt to anyone of his knowledgeability on a given subject.[22] E.T. Williams, former Chief of the Far Eastern Division, was a close personal friend of Johnson's. A man like Johnson in many respects, Williams was learned, had great cultural appreciation and possessed patience, understanding and

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[21] Ibid.

[22] Ibid., III.

gentleness. He was an inspiration to the young Johnson and the two became very close, Johnson always holding a deep affection for the much older gentleman.

Among the superiors withwhom he worked after gaining positions in which he was intimately involved in shaping American Far Eastern Policy, Johnson thought particularly highly of Secretaries Kellogg and Stimson. Johnson believed in what he thought was the clearsightedness of Secretary Kellogg, liked his vivid personality and great energy and by the end of his tenure admired him greatly. He was particularly impressed by Kellogg's rise from the pioneer world of his birth to the sophisticated world in which he was to play such a great part. Kellogg and Johnson worked very closely on Far Eastern policy from 1925-1928, agreed on nearly every aspect of this policy; and it can be confidently stated that Kellogg's policy was essentially Johnson's policy. Stimson, who was Johnson's chief from 1928-1932, was to a large extent also guided by Johnson in shaping Far Eastern policy. And, Johnson and Stimson, like Johnson and Kellogg, were usually inagreement regarding action to be taken in that part of the world. While others were critical, Johnson defended Stimson's nonrecognition doctrine as the only feasible or practical way to meet Japanese aggression, not because it was a substitute for stronger action but because it would keep the legal record

clear as far as the United States was concerned and would see her through the period when she was unable or unwilling to take a more forceful posture to the period when she was prepared to act.

Johnson did not think as highly of President Franklin Roosevelt. He had great admiration and respect for him when he first came to office as he considered the President's overcoming the effects of a dread disease and rise to the highest office in the land as being indicative of great courage and fortitude. He continued to hold Roosevelt in great esteem until later in his career; then when he became acquainted with Lauchlin Currie administrative assistant to the President, and "people like that" with whom the President surrounded himself, his opinion diminished considerably. Johnson, particularly upset when Roosevelt sent Currie on a "fact finding mission" to Chungking in early 1941, once said of the hastily commissioned envoy:

> "he reaches the scene (the Embassy Office) simultaneously with me, I after some thirty years of travel, talk and observation; he after an elapsed period of twelve days during which he has had contacts with no minds or facts that might have prepared him for what he is to hear or see."[23]

Roosevelt also at one point even attempted to replace

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[23]Johnson to Hornbeck, Feb. 11, 1941, in Hornbeck's personal possession in Washington, D.C.

Johnson as Minister to Australia with a political boss from New York, Johnson's job only being saved by the Senate which refused to confirm the President's appointment.[24] However, the major cause of Johnson's disillusionment with Roosevelt was the President's agreement to the terms of the Yalta conference.[25] As a diplomat and policy maker who considered the fundamental goal of United States policy to be the promotion of American self interest, it is understandable that Johnson, looking back, would be upset at the decisions reached at Yalta. As a friend of China, it is understandable that this feeling would be exacerbated.

Traditionally, as Johnson conceived it, American policy toward China had had two basic goals. First, it

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[24]In early 1943 President Roosevelt appointed Edward J. Flynn, a New York politician, to Johnson's post and directed Johnson to "retire". Flynn, who was not satisfied with the title of Minister, was to be made Ambassador to the whole South Pacific. However, the Senate refused to confirm the President's appointment and Flynn withdrew. Since Johnson had never wanted to retire, the administration then decided to keep him on. Issues of the New York Times in early 1943 carry a good account of the Senate's handling of Flynn but do not present a full picture of Johnson's position. The author's knowledge of the matter is based primarily on personal correspondence between Johnson and Stanley Hornbeck from December 1942 through early 1943 in Hornbeck's possession in Washington D.C. and on conversations with Hornbeck. Hornbeck, a close personal friend of Johnson's, warned the Minister of the impending ouster and did all he possibly could to prevent it.

[25]Johnson Reminiscences, III.

had served to protect legitimate American interests, insuring Americans of equality of commercial opportunity and; second, it had served to aid China and to help her with her internal development--whenever such action coincided with American interests. The Open Door policy, which really began in 1842 when Admiral Kearney demanded that the opening of treaty ports of China to others be accorded also to the United States, was a manifestation of the former. The United States sought no colonies, no unique privileges; it wanted only the right for its merchants to compete freely in the China market with those of other nations. This was the basis of the Open Door--the basis for the notes sent by Secretary Hay in 1899. Thus the Open Door, in Johnson's view, was simply a statement of an American principle, an appeal to the powers to allow trade without discrimination, nothing more; it was the policy under which the United States always operated prior to 1900 and under which she always attempted to operate after 1900. Action, like the consortium arrangements and the railroad schemes under Taft were merely attempts to maintain American influence in the face of the other more aggressive powers. Such action was completely justified.[26]

When Wilson and Bryan, who were filled with pious

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[26]Ibid., I.

hopes for the world, attempted to exercise American moral propensities in the western hemisphere, they soon found that our security as a nation demanded such a degree of forceful interference in the affairs of our Latin neighbors that their actions looked grossly inconsistent, and foolish. However, since the United States was more detached from the Far East, the errors of this new "uplift" policy did not appear as quickly in that part of the world and thus the result was a policy of drift and the gradual reduction of American influence--influence that had to be maintained if the United States were to retain its position as a trader avoiding discrimination against its goods and services. Eventually seeing that the exigencies of the situation required that the United States act more realistically but refusing to admit the lack of wisdom of his previous policy, Wilson had to return to a policy similar to that of his predecessors. Johnson always considered Wilson's infusion of "ideals" into American policy toward China as particularly ill-advised.[27] Such ideals were to be espoused only when coincident with American interests.

While the Open Door was nothing more than an attempt to retain equality of opportunity for Americans in China, the Nine Power Pact did undertake to protect

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[27] Ibid., III.

China's territorial and administrative integrity. Johnson viewed this agreement as an attempt by the United States to befriend the Chinese--an attempt to keep the powers from victimizing China while she was going through a period of revolution. In this sense, he saw American policy as being idealistic. However, he also saw that the agreement was completely consistent with American interests since it involved no undertaking to use force to protect China and implied to United States policy makers a continuation of American influence and activity there without possible exclusion by any other power and without any "messy" involvement. It was a manifestation of an American desire to help, Johnson thought, but it was a manifestation emanating from a highly materialistic, acquisitive people who were very ambiguous about their foreign policy--a people whose ideas had been shaped by the characteristics predominant in the American pioneer.

"We are a nation of pioneers;" Johnson once said; "our forefathers pitted their wits against nature to build upon this continent the nation that we know today."[28] This idea was fundamental in his conception of his country's heritage and was fundamental in his conception of his own personal heritage as well. There seems to be little

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[28]Speech entitled "Should the United States Explain Itself", undated in the Johnson Papers.

doubt that Johnson was affected by what could adequately be termed the "pioneer spirit." In his writing, he continually referred to the pioneer and the glory of his way of life; he extolled the pioneer's individualism and the great courage that was a part thereof. He, likewise, praised his proclivity for helping his neighbor, for although the pioneer was a rugged individualist, he possessed the spirit of cooperation; and it was this spirit as much as the former that made the United States a great nation. He praised the pioneer's masculinity, his love of hard work, his idealism, and his deep and abiding faith in the future. Johnson thought of Abraham Lincoln as the greatest American of all time; he gloried in Lincoln's humble origins, his simplicity and his compassion for his fellow man. At one time while still with the Department in Washington, he made a trip following the Lincoln family's route over the mountains westward. He often extolled the virtues of Lincoln's pioneer mother, the traits hammered into her character by the rugged comfortless life that she led. He thought it the epitome of life in America that Lincoln, a humble, unsophisticated but intellectually superior individual, born in the wilderness and receiving few of the benefits of formal education could come to play such an important role in national and world affairs.

Similarly, Johnson often stated to Secretary Kellogg

that in writing his memoirs he could make his story infinitely more meaningful to other Americans if he would only endeavor to contrast the pioneer world in which he was born with the sophisticated world in which he was to play a part. Deeply impressed by Carl Sandburg's Lincoln, Johnson thought Sandburg could tell the story of Frank Kellogg better than anyone else and on one occasion even suggested that Kellogg go to him and ask him to do this.[29] It seems probable that Johnson thought of himself in somewhat the same light as Kellogg--in the sense at least that he thought of himself as rising from a pioneer heritage to a position of prominence. Although not born to a pioneer family, he went to Oklahoma at a very early age and knew its pioneer or early statehood days. And, although his stay there was short, the shortness of his stay proved no obstacle to the impressions that it made upon his mind. In fact, it is conceivable that the four years that he spent there, the years from age nine to thirteen, proved just long enough to impress him with the glamour of the frontier, yet not long enough to impress him with its less savory features. Thus, throughout his life, the fondest memories were of the frontier, of the dust of Oklahoma, the hardiness and healthfulness of the place, and the rugged men that

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[29]Johnson to Frank Kellogg, July 16, 1936, Johnson Papers.

it made; men who were friendly in spirit but who knew that one must be ready to "shoot or give up the street."

Since policies are to a large extent the expression of mental attitudes, Johnson's own thoughts as well as his views of what might be called the composite mind of America are important in understanding his role in the making of American policy toward China; they are important in understanding how he thought the United States should act in conducting its foreign affairs. As indicated, Johnson conceived of himself if not specifically as a pioneer, at least as a person stamped by most of the characteristics thereof. Like himself, the American that he came to represent as Chief of the Far East Division, Assistant Secretary of State and Minister and Ambassador to China he also considered as bearing the pioneer stamp. This by no means meant that this American possessed uncomplicated thoughts or simple attitudes, however. On the contrary, his thoughts were complex because the pioneer characteristics were superimposed on the mythology, ethics, hero worship and traditions of his forefathers, the Jews, Romans, Franks, Norse and Germanic peoples. The qualities growing out of experiences on the series of frontiers in America then, added to, tempered or altered the European heritage. Thus the American was a complex person, a person who was individualistic, resourceful, materialistic, inventive, and

sympathetic, and who was willing to help his neighbor--if in so doing he did not become involved so intimately in his neighbor's affairs that he lost his freedom for individual action.

In Johnson's view Americans always pursued a foreign policy that reflected these attitudes. The pioneer life of having to do without the material goods that could do so much to bring him comfort taught the American to be materialistic. The pioneers also learned to depend on one another to battle the elements and to cope with emergency situations and this taught them concern for and interest in the welfare of others. Thus one could see Americans traveling abroad scorning other people for not having the material goods that they had, the washing machines, automobiles, vacuum cleaners, bath tubs and the like. But, at the same time, one could see a genuine desire on the part of the American to help these people; people that he considered less fortunate than he, for the American always had profound sympathy for the underdog. In response to this stimulus, the American's altruism, his idealism and his philanthropy appeared. Missionary work was a part of this response.

The pioneer by his ingenuity, resourcefullness and initiative built America into one of the greatest empires the world has ever seen. So, along with his altruism and idealism and desire to proselytize there

went an acquisitive, constructive, practical development which had to be served. And, a world which did not take this phase of American life into consideration Johnson said, "will suffer a sad awakening some day." "We ourselves must obey and not forget that side of our development; the spirit is in our blood and we will forget our altruism and our idealism if and when we become convinced that our interests are at stake."[30] It was the acquisitive, materialistic aspect of the American's makeup Johnson thought that built the United States into the great country that it is; it was this aspect that conquered the vast expanse of the Northwest and the Louisiana territories and developed agriculture and built great industrial plants therein, that built the great cities and expanded from the East coast to the West. It was also this materialistic side of the American that drove him onto the high seas to seek trade in Latin America, Europe, and eventually in Asia. It motivated him to build new and faster ships and led to the growth of American business in China and to the opening of Japan.

Indeed it seems apparent that Americans in determining their policy toward China were motivated by both

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[30]Johnson to Roy Howard, Aug. 29, 1933, ibid., Johnson reiterated this view of America very often through his career.

their acquisitive or materialistic and altruistic sides. There were times during the course of Sino-American relations when it appeared that the former side was pushed into the background; when the greater emphasis was laid on cultural or missionary work, when missionary groups colored and even attempted to dominate policy. But altruism never really gained the fore in United States policy. It may have been the altruistic side of the American character which hailed the settlements of the Washington Conference, as Johnson believed, and the policy followed by Johnson and his superiors in the late twenties may have occurred as a direct result of a sincere desire to help the Chinese, but it should not be forgotten as Johnson himself stated, "that this was the altruism of a very practical, acquisitive, energetic people;"[31] a people whose desire "to help" could blur their vision but could never really block their view of their own self-interests. Johnson, like the American of whom he often spoke, was both the idealist and the realist, a friend of the Chinese, but an American nationalist first and foremost.

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[31] Ibid.

II

NELSON JOHNSON AND CHINESE NATIONALISM

In May, 1925, American Minister John V.A. MacMurray wrote:

> "I have found Chinese feeling...aroused to an emotional fervor which I was scarcely prepared to realize even after a dozen years of observing the growth of national self-consciousness. The Shanghai Incident seems to have awakened instincts and passions hitherto dormant, and given an element of fanaticism to what were behind the somewhat unsympathetic and desultory aspirations of the small articulate portion of the Chinese people."[1]

The trouble at Shanghai began in mid-May when strikes in Japanese cotton mills resulted in violence with the Japanese firing on the Chinese strikers, wounding a number of them and killing one. On May 30, Chinese laborers and students held a memorial service in Shanghai for their dead fellow. After the service the group demonstrated in the International Settlement. Declaiming against conditions in Japanese cotton mills, they shouted anti-foreign slogans and insisted that the Japanese go home. When the mob appeared to get out of control the police inspector in that sector, a man of British nationality named Everson, gave the order to Sikh and

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[1]John V.A. MacMurray to the Secretary of State, July 28, 1925, Papers Relating to the Foreign Relations of the United States, 1925, I,799 (hereafter referred to as F.R.).

Chinese constables to fire. Nine Chinese were killed and numerous more were wounded.

Chinese nationalism or anti-foreignism then spread feverishly. Consul General Cunningham at Shanghai reported: "general strike resolutions were passed by students...to become effective June 1st and demands were made and wild resolutions passed on all conceivable questions." "Conditions are regarded exceedingly serious and indications are that the activities will not be confined to Shanghai."[2] In Peking students harangued passers-by on the Shanghai affair. Thousands of students began parading and called on the President and Minister for foreign affairs. At Canton a general strike and boycott was called against the British, Japanese and Americans. Consul General Douglas Jenkins stated: "foreigners will find it will probably be a long time before they will find it safe to move about freely ....Business is at a standstill."[3] Strikes and street demonstrations spread as far into the interior as Chungking. China was no longer the dormant country that the treaty powers had known. She no longer limited

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[2]Consul General at Shanghai to the Secretary of State, June 3, 1925, ibid., 648-649.

[3]Consul General at Canton to the Secretary of State, June 22, 1925, ibid., 751-754.

herself to requests relative to the treaties that had for so long limited her sovereignty; she demanded revision.

The treaty system, developed during the nineteenth century severely compromised China's sovereignty. In the treaties concluded in 1842, 1844, 1858, and 1876, Great Britain, the United States and the other powers secured from the Chinese extraterritorial jurisdiction for their nationals, control over China's tariff system, the right to build schools and preach Christianity within China, control of China's post office and communication system and the establishment of an International Settlement at Shanghai.

Although resenting these impingements of her sovereignty, until World War I, China was never in a position to do anything about them. She had carried out a successful revolution against the Manchus in 1911 but she was still too weak to throw out the foreigners. However, during the world war by virtue of her joining the allied cause she was enabled to abrogate all treaties with Germany and Austro-Hungary. She thus pushed the door open for the expulsion of all foreign "rights".

When the Versailles Conference opened China hoped to make even further gains against the foreigners. She hoped to get Japan out of Shantung by dispossessing her of all the former German rights there, to secure the abrogation of the Twenty-One demands of 1915 and to

achieve consideration for the eventual abolition of the special rights enjoyed by the powers under the treaty system. During the course of the negotiations, first signs of Chinese nationalism appeared as student groups in China began demonstrations and sent off telegrams to the delegation at Paris. However, the public support achieved at home did little to benefit the cause of China at the Conference. The Powers refused her requests to discuss the broad treaty question, and on the specific issue of the expulsion of Japan from Shantung supported Japan.

The one favorable development resulting from the conference was the broadening of nationalistic spirit throughout China. News of the Shantung award set off student demonstrations. In May 1919, students marched on the Legation quarter, student strikes were called and student fervor exerted so much pressure on the national government that it had eventually to refuse to sign the Versailles Treaty. A new national consciousness was burgeoning.

Unable to achieve the degree of treaty revision that she had hoped for at the Versailles Conference and thwarted in her attempts to have her problems made a part of the agenda there, China hoped to receive more consideration when the Washington Conference convened. Accordingly, the Chinese proposed in Washington that the powers agree to a self-limiting declaration to the

effect that China's territorial and administrative integrity be respected and that the powers examine their existing agreements with her with a view to treaty revision as soon as such revision was practicable.

The requests of the Chinese dealing with the preservation of their administrative and territorial integrity were agreed to by the powers, in slightly amended form, and were made a part of the Nine Power Treaty. China, therefore, achieved a part of her goal. But only a part for the powers were unwilling to commit themselves to sacrifice their own interests to the degree that they would consent to broad and comprehensive treaty revision. They rejected China's bid for tariff autonomy and the elimination of extraterritorial jurisdiction, and promised, as a straw, only to hold a Special Tariff Conference which would at some future date alter the tariff schedules. On the question of extraterritoriality, the powers would only agree to consider the establishment of a Commission that would survey the situation and recommend possible means of reform. They took the position that nothing could be done until China revamped her laws and judicial system, and until such time as they were content that she had done so in a satisfactory manner. China was to put her house in order and the powers would let her alone do to this, but they would concede nothing until this

was done.

Notwithstanding the powers' commitment to respect her territorial and administrative integrity, China received only minor benefit from the Washington Conference. It was agreed that foreign post offices would be abolished in China (except those in leased areas) under the condition that China set up and operate an efficient postal system and not alter the status of the foreign Co-Director. The powers also agreed that radio stations owned and operated by foreigners might be restricted. Aside from these resolutions, the only other measures taken that even resembled favorable actions toward China were Britain's commitments to return Weihaiwei and a French offer to discuss at some future date their holdings in Kwangchow-wan.[4]

As far as China was concerned, therefore, the Washington Conference served chiefly to preserve the status quo. The attempt of the major nations to keep a lid on the Chinese "problem" created a highly explosive and dangerous situation. Revolutionary conditions within China were progressing to a point where the powers were either going to have to pursue a hard line

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[4]Dorothy Borg, American Policy and The Chinese Revolution, 1925-1928, (New York, 1947), pp. 9-11.

against China, which meant the use of armed force, or they were going to have to admit to gradual relinquishment of their influence and control. Given these conditions, the effective conduct of Sino-American relations was to demand a good deal of patience and understanding on the part of American policy makers.[5]

Although the actions of all the powers prevented China's achieving the fulfillment of her desires at the Conference, it can be said that the United States was more favorably disposed toward her than the others. The American delegation was responsible for securing the adherence by the powers to the preservation of China's territorial and administrative integrity; they believed that a strong China was essential to the peace of the Far East and were undoubtedly sincerely interested in allowing her time to develop and to work out her own destiny.

Although it is a fact that in securing the formal declarations of adherence to her traditional principles and in getting abrogation of the Sino-Japanese treaty, the United States was serving its own interests in the Far East as much as China's, the altruism which had previously appeared in the conduct of American foreign policy was demonstrated in part through these agreements

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[5] Ibid.

reached at Washington. The United States wanted the other powers to agree to let China alone because it considered it in both the Chinese and American interest to secure such agreement. If the Open Door were maintained and China were not carved up by the powers, American interests, business and cultural, would prosper; if this situation prevailed, China would have a chance to develop to the point where she could take her proper place among the nations of the world. This was the interpretation that Secretary Kellogg and Chief of the Far Eastern Division, Johnson placed on the Washington Conference when they came to deal with the difficult and complex problems emanating from a revolutionary China.[6]

Nelson Johnson assumed the office of Chief of the Division of Far Eastern Affairs in time to grapple with the difficult policy problems occuring as a result of the Shanghai Incident of May 1925. His first task was to help decide upon a proper reply to a Chinese note of June 24, 1925, asking treaty revision. A direct result of the nationalism engendered by the Shanghai Incident, this note stated:

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[6]The Reminiscences of Nelson Trusler Johnson, Oral History Project, Columbia U. vol. III, and Johnson to Tyler Dennett, June 8, 1934, Johnson Papers.

> "There should be a readjustment of China's treaty relations with the foreign powers to bring them more in line with the generally accepted conception of international justice.... So long as these inequalities and extraordinary privileges continue to exist there will always remain causes of disaffection which are apt to produce friction and disturb the cordial relations and good understanding between China and the foreign powers, such as...in the recent deplorable incident which took place at Shanghai...."[7]

Consistent with his stated belief that the United States should do all that was practicable to befriend the Chinese, Johnson took the position that his nation should go beyond the letter of the Washington treaties and agree to initiate discussions eventually leading to the end of tariff controls and extraterritoriality. In a conversation which he and Kellogg had with the Chinese Minister on June 30, the Chinese Minister asked if the United States would be willing to urge upon the other powers the hastening of the calling of a conference on tariff matters as provided for in the Nine Power Treaty. Kellogg said the United States would be glad to do this, and, moreover, would be willing to urge the hastening of the sending of the Commission on extraterritoriality. But the Chinese Minister pointed out that the conference

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[7]Charge d'affaires, to the Secretary of State, June 24, 1925, F.R., 1925, I, 763.

on tariffs would not give China the fiscal relief she desired, in other words, tariff autonomy. Johnson suggested then that something further might be accomplished if the instructions to the conference on tariffs could be amplified to include a request or recommendations upon which a plan for giving complete tariff autonomy might be worked out after the special tasks of the conference had been completed.

When the Chinese Minister also stated that the Commission on extraterritoriality did not give promise of anything concrete for the Chinese, Johnson suggested further that something could be accomplished in this regard, if there could be included in the instructions to the several commissioners a request that they submit with their report recommendations upon which a plan for the gradual relinquishment of extraterritorial rights might be based.[8] In short, Johnson was suggesting that the United States should consider sympathetically and in a spirit of helpfulness the Chinese position. This attitude originated with him; it was also the attitude soon taken by Secretary Kellogg.

In accordance with this attitude, Kellogg sent a message on July 1 to Charge Ferdinand Mayer in Peking

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[8]Memorandum by Nelson Johnson, June 30, 1925, ibid., 768-769.

which stated the American position clearly:

> "In discussing with your colleagues the text of the reply which each will make to the identic notes of the Chinese Foreign Office of June 24 you will take occasion to impress upon them this Government's desire that the Powers concerned expedite preparations for the holding of the Special Conference regarding Chinese customs tariff stating that this Government believes that that Conference should be requested, after accomplishing the work required by the treaty, to make concrete recommendations upon which a program for granting complete tariff autonomy to China may be worked out. You will also make clear to your colleagues this Government's desire that the preparations for the despatch of the Commission to investigate the question of extraterritoriality be proceeded with without delay and state that this Government feels that this Commission should be requested to include in its report recommendations upon which a program for the gradual relinquishment of extraterritorial rights may be based..."[9]

Although the American government took a conciliatory position on the question of treaty revision, the other powers and particularly the British were afraid that if they agreed to go beyond the letter of the Washington agreements their action would be viewed as capitulation to Chinese demands. Britain thought that China was setting out to expel the foreigner and to extort forcibly his rights.[10] Japan also considered the American proposals as too liberal especially on the tariff question. The Japanese Ambassador indicated to Kellogg that his

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[9]Secretary of State to Charge d'affaires, July 1, 1925, ibid., 767-768.

[10]British Charge d'affaires to the Secretary of State, July 6, 1925, ibid., 775-776.

government was constrained to take exception to the American proposal to make reference in the Powers' note to China to the extending of the scope of the tariff Conference.[11] However, criticism of the American proposals was not limited to the other powers. American Minister MacMurray in Peking took a more conservative position than Kellogg and Johnson. He thought that it would be much more sagacious to adhere literally to the provisions of the Washington Conference. "To go beyond the letter and beyond the spirit of our Washington treaty obligations," he stated, "... is not only to exceed what I recall as the purposes of the Washington Conference but also to encourage a spirit of irresponsibility with which even the soberest Chinese have recently been infected through various Bolshevik and juvenile nationalistic influences."[12]

Here one can see the basic difference between the positions of Kellogg's major advisors. Johnson was willing and even anxious to see China regain her sovereignty. Viewing China realistically, he believed that revolutionary conditions within that country demanded a degree of leniency on the part of the powers. MacMurray

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[11]Secretary of State to MacMurray, Aug. 1, 1925, ibid., 806-807.

[12]MacMurray to the Secretary of State, Aug. 1, 1925, ibid., 809.

on the other hand believed that leniency would breed more anti-foreignism. Both respected the Washington agreements but MacMurrary viewed them in terms of obligations on the part of the Chinese while Johnson viewed them in terms of commitments by the Powers.

With slight alteration, the identic messages which the treaty powers communicated to the Chinese government on September 4, 1925, reflected accurately those proposals first advanced by Nelson Johnson. The powers agreed to appoint delegates to the Special Conference on Chinese Tariff matters provided for in the Treaty of 1922 and agreed to consider and discuss any reasonable proposals made by the Chinese for a revision of the tariff treaties. On the question of extraterritoriality, they agreed to send a Commission to see what steps if any could be taken as regards to the gradual relinquishment of extraterritorial rights and agreed to empower the Commissioner to submit reports which were to serve as recommendations to be used in determining proper steps to be taken toward that relinquishment.[13]

When the United States began work with the Conference on Tariffs in October 1925, it did so then with serious intentions of working out some equitable solution on the

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[13]MacMurray to the Chinese Minister of Foreign Affairs, Sept. 4, 1925, ibid., 831-833.

vexing question of treaty revision, Kellogg, like Johnson, believed that the Conference should go beyond its activities as defined in the Customs Treaty and enter into a discussion of the entire subject of the conventional tariff, even including proposals looking toward ultimate tariff autonomy. "It is my desire," he said, "if we can work out a plan whereby tariff automony will now or eventually be given to China and extraterritoriality be given up that this be done."[14] Later he stated: "We are going to the Conference seriously to cooperate with the Chinese in arriving at some workable solution of the question of Chinese tariff which will go as far as it is fair to go in satisfying the nationalistic aspirations of the Chinese and yet insure American trade freedom from unequal or discriminating treatment. If we cannot do this in cooperation with the other powers at this conference we must then negotiate separately."[15]

However favorably disposed the two American policy makers were toward tariff revision, nothing of great consequence came of the powers working in concert through the Special Tariff Conference. They did agree on resolutions relative to tariff autonomy but then much to China's

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[14]Secretary of State of MacMurray, Sept.12, 1925, ibid., 849.

[15]Secretary of State to MacMurray, Oct.5, 1925, ibid., 855.

dismay, they began debate on the purposes for which funds from increased tariffs would be used. With many details still to be worked out, the Conference recessed in December not reconvening until February. During the whole course of the negotiations Chinese political conditions were extremely unstable and this as well as the powers' intransigence on certain issues produced a poor climate for serious or conclusive agreement.

In April 1926, the formal work of the Conference ended as the government at Peking was overthrown. Since the powers refused to recognize the government formed in mid-May, the Chinese cooperated no further with the Conference. Although the delegations of the Treaty powers continued informally to attempt to work out a settlement and although they agreed on certain aspects of a settlement, for all intents and purposes the Conference ended with the overthrow of the Peking government in April.[16]

The Commission organized to study the question of extraterritoriality achieved little more success. Originally scheduled to meet in December of 1925, the Commission did not hold its first meeting until January 1926 and then when it did meet its effectiveness was limited by various factors.

As mentioned previously, the purpose of the Commission

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[16]Borg, pp. 109-110.

was, first, to study the judicial system in China indicating its effectiveness and efficiency and secondly, to make recommendations to be used in determining possible steps to be taken toward relinquishment. Relative to the first purpose, it was extremely difficult for the Commission to ascertain the true facts relative to the administration of justice in China because of the unsettled conditions created by the northern march of the uncooperative Kuomintang armies and because of communication difficulties. On the second, the Commission was to do its work at such an inopportune time, at a period of such great upheaval in China, that the report finally submitted when the Commission ended its work was so colored by events that it proved not to be the beginning guide to the eventual relinquishment of extraterritoriality that Johnson and Kellogg envisaged, but rather a series of suggestions relative to the reform of existing conditions in China. It did little but advocate the preservation of the status quo, at least until China "cleaned house."

However, the report did correspond accurately with the attitude taken by American Minister MacMurray on the question of extraterritoriality. He had recommended in February 1926, and maintained this posture all along, that the powers of the Commission be not enlarged to make agreement relative to relinquishment until the report of

the Commissioners was read by the governments involved. Moreover, he recommended that there be absolutely no modification of the treaties because of the revolutionary conditions existing in China; Chinese demands for such modification he considered preposterous.[17]

Although not in direct contact with the chaos of a revolutionary China as MacMurray and the Commissioners were, both Secretary of State Kellogg and Nelson Johnson realized quite well the situation existing there. Nevertheless they still believed that the United States should continue to look in the direction of relinquishment. In June 1926, Kellogg wired to Silas Strawn, the American Commissioner, telling him not to recommend requirements from China as a prerequisite to relinquishment of extraterritoriality that he considered not absolutely necessary for the protection of American interests. He stated, in effect, that while it expected adequate protection of its citizens the United States did not expect ideal conditions in China.[18]

Nelson Johnson, like his chief, had long been in favor of taking steps in the direction of the abolition

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[17]MacMurray to the Secretary of State, Feb. 27, 1926, ibid., 968.

[18]Secretary of State to Silas Strawn, June 11, 1926, Department of State File 500. A4e/708.

of extraterritorial jurisdiction and was in sympathy with Kellogg. As early as 1916 he believed that the Chinese had made a sufficiently serious effort toward constructive reform within their country that the United States should attempt to meet her half way. If she did not, he believed, revision would eventually be forced upon her.[19] He was always exasperated by the shortsightedness of those like Charles Denby who once told him in conversation in 1925 that the United States should be extremely cautious about giving up its extra-territorial rights for in so doing it would be sacrificing the great interests of the Standard Oil Company and the Robert Dollar Company. The sacrifices of American interests would be far greater, Johnson believed, if the United States did not view realistically what was happening in China and conduct its policy in such a way as to not thwart unnecessarily China's attempt to regain her sovereignty.[20]

Consistent with his position, when the preliminary report of the Commission was made in 1926 Johnson reported to Kellogg that he agreed with it in the sense that the United States should not give up extraterritorial rights

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[19]Johnson Papers 1916, undated as to month and day.

[20]Memorandum of Conversation between Johnson and Charles Denby, June 18, 1925, D/S File 893.00/6317.

until certain Chinese legal and judicial reforms were carried out. However, he also indicated that he believed that the United States had no right to dictate to China the kind of government or laws it should have in dealing with foreigners. Moreover, a hard line taken by the United States at this time would appear grossly inconsistent since she had supported China in depriving Germany and Austria-Hungary of their extraterritorial rights. His opinions were undoubtedly a major factor in determining the tenor of Kellogg's note to Strawn of June 11.[21]

Once the Commission on Extraterritoriality had completed its work no significant Sino-American negotiation took place on the subject until the Kuomintang had acquired control of the government and could speak, at least nominally, as the voice of all of China. Satisfied that a degree of stability had been achieved, in July 1928, the United States concluded a tariff agreement with the Chinese. When this agreement, which constituted American recognition of the Nanking regime, had been consummated, the United States could once more begin to discuss the knotty problems of extraterritoriality. Johnson was to play an even greater role in this round of negotiations.

In the meantime United States policy makers had

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[21]Johnson to the Secretary of State, June 10, 1926, D/S File 500. A4e/707.

to deal with the difficult problems of late 1926 and 1927, problems arising after the Kuomintang launched the Northern Expedition which was ultimately to carry it to control of the National government. This campaign formally began in May of 1926 when the military arm of the Kuomintang under Chiang Kai-shek managed to defeat the armies of Northern Marshal Wu Pei-fu. Continuing, in July Chiang's army managed to capture Changsha; and in October they took Hankow, Hanyang, and Wuchang; in December they moved in to Kiangsi and Fukien. In January 1927, they moved the government from Canton to Hankow. Then in April 1927, Chiang and the Kuomintang conservatives formed their own National government at Nanking and expelled the Communists. Since the Nationalists were committed not only to the extermination of the Northern militarists during this period but also to a policy of anti-foreignism, the powers had to meet numerous problems involving chiefly the protection of their nationals and the preservation of their "rights."

One such problem arose in September 1926 when actions that the British termed "piratical outrages" against them were perpetrated in Canton harbor by some Chinese strike pickets participating in the Hongkong boycotts. Apparently what happened was that the pickets fired upon British and other Nationals doing business there, injuring some and doing some damage. In retaliation, Britain instructed

her naval forces at Canton to seize and disable all boats employed by strike pickets. Wishing to cooperate with the United States, the British government on September 2 notified the United States of the action it was taking in the case and asked her if in view of the fact that an outrage on and imprisonment of an American had recently occurred she would not like to associate herself with the action she was taking.[22] Maintaining the liberal attitude toward China adopted earlier, Chief of the Far Eastern Division Johnson took the position that the United States should act to give adequate protection to its citizens in this case but should not agree to join the British in the use of force against the Chinese.[23] In a message to the British Ambassador he stated: "I regret... to inform you that this Government is not in a position to associate itself with the action which His Majesty's Government is taking in this matter as set forth in your note."[24]

In November of 1926 another incident occurred which

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[22]British Ambassador to the Secretary of State, Sept. 2, 1926, F.R., 1926, I, 723. Account based in part on Dorothy Borg, American Policy and the Chinese Revolution 1925-1928 (New York, 1947), pp. 140-141.

[23]Memorandum in Johnson Papers, April 22, 1929.

[24]Secretary of State to the British Ambassador, Sept. 9, 1926, F.R., 1926 I, 726-727.

similarly demonstrates the continued liberal policy of Washington in its relations with the Chinese. Reflecting their anti-foreignism, certain Chinese nationalists at that time made an attempt to get control of the Customshouses at Hankow--to demobilize the Customs Administration. Immediately upon seeing the impending problem, the Inspector General of Chinese Customs put the matter before the Diplomatic body at Peking and appealed for protection for the foreign staff of the Customshouse for the purpose of keeping the house open and working in case a Chinese Union should precipitate a strike of the Chinese and attempt to oust the foreign staff. Minister MacMurray, as he had on most other issues during 1925 and 1926, advocated a hard line against the Chinese, supported the Inspector and said that, if necessary, the United States should join the other powers in landing naval forces to keep the Customs working.[25] Once again, the ideas of policy makers in Washington prevailed and MacMurray's suggestions were overruled. Consequently, Kellogg wired the American Legation at Peking indicating that in the opinion of the Department the Chinese Maritime Customs was a Chinese national service under the Chinese Government, that foreigners

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[25]MacMurray to the Secretary of State, Nov. 27, 1926, ibid., 964-966. See also Borg, p. 141.

employed there were servants of the Government of China, and that if the Chinese Government wished to destroy that administration the United States had no right to intervene. The United States, therefore, would not join the powers in landing naval forces to prevent the closing of the Hankow Customs Houses.[26]

During the next few months civil commotion and even mob violence prevailed to such a great extent throughout China that the United States was undecided as to how to proceed with its "pro-Chinese" policy. While it was quite willing to avoid victimizing the Chinese while they attempted to work out their internal problems, the United States could make no progress toward treaty revision by simply watching and waiting; waiting for a Chinese government to create sufficient unity and stability so negotiations could begin. The difficulty was, however, that the great spurt of nationalism or anti-foreignism was creating a condition that was to demand that the United States and the other powers re-examine their posture even if China did not get stability. The exigencies of the situation were to require that the powers be willing to negotiate and to express this willingness even if there was no well-defined group with whom to negotiate.

Thus, the British in late December, indicating a

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[26]Secretary of State to MacMurray, Nov. 29, 1926, ibid., 966, and Memorandum in Johnson Papers, April 22, 1929.

softening in their position, stated that they were willing to negotiate the question of treaty revision and to go a long way toward meeting the Chinese aspirations on the matter. The United States, which had all along been pursuing a policy similar to the one that the British now were beginning to advocate, in reply to the British statement indicated that it would go even further on treaty revision; would, as a matter of fact, go it alone if necessary in working out a solution with China. The United States would, moreover, not even require that a Chinese government demonstrating its ability to insure peace and stability be a prerequisite to discussions, but rather only one that seemed to represent the "authorities or the people" of China. This was the essence of the policy statement issued by Secretary Kellogg on January 27, 1927.[27]

As the leader of the group in the State Department advising Kellogg on this matter, and as an advocate of a liberal Chinese policy, Nelson Johnson took the position that in following this seemingly even more liberal tack in its relations with the Chinese the United States could possibly accomplish a good deal by winning the friendship of China. The only reservation he had was that in

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[27]Secretary of State to the Charge in China, Jan. 25, 1927, F.R., 1927, II, 350.

prematurely indicating American willingness to negotiate, the United States could precipitate a fight among those opposing groups in China who might wish to carry on the negotiations and thereby carry off the prestige involved.[28] However, generally speaking, he was in complete agreement with Kellogg's policy as stated in the message of January 1927.

American policy makers advocating a liberal policy toward China were to experience great frustration in the months subsequent to January, for political conditions in China during this time were to go from bad to worse. From the point of view of foreigners the most difficult times came in late March when the "Nanking Incident" occurred.

The trouble at Nanking began on March 24 when a group of soldiers wearing Nationalist army uniforms perpetrated a series of outrages on all foreigners living there. Looking very much like part of a pre-arranged plan, the assaults continued and soon even the British, American and Japanese Consulates were also being attacked; the American Consul and his family eventually having to seek refuge in a foreign house near the city wall. As the attacks did not cease and when it appeared that the lives of a good number of Americans were in very real

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[28]Johnson to the Secretary of State, Jan. 12, 1929, D/S File 711.93/113.

danger, the American Consul ordered American gunboats to lay down a barrage to kill or scare off the attackers. The attacks ended shortly thereafter but not before a good deal of damage had been done and a number of Americans and other foreigners killed. As a result, on April 11 the United States, Great Britain, Japan, France and Italy presented jointly a group of three demands to the Nationalist government. Seeking a quick end to the crisis, the powers asked early and adequate punishment for those responsible for the murders and material damage done, an apology in writing from the Commander in Chief of the Nationalist Army along with a promise that such outrages would not happen again, and complete reparation for all personal injuries and material damage.[29]

Bolder than previous Chinese governments and not willing to evidence traditional Chinese quietism, the Nationalists shot a reply to the American government on April 14 saying that it would make good damage done to the American Consulate; that it would make "reasonable and necessary" reparation for personal injury and other material damage, except for damage done by the American Naval bombardment or by Northern rebels and agents provocateurs; that it would mete out punishment only after a

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[29]The Consul General at Hankow to the Minister of Foreign Affairs of the Nationalist Government, April 11, 1927, F.R., 1927, II, 189-190.

government inquiry of the incident; that it favored an international investigating commission to look into the whole matter; and that it would not apologize until the findings of such commission indicated that it should apologize. Concluding, the Chinese reply stated that the best guarantee for the protection of American and other foreign lives and property in China would be to end the "unequal treaties."[30]

Although somewhat angered by this note and by the fact that Chiang Kai-shek did not take the bit in his mouth and attempt to settle the incident promptly and equitably, Johnson adopted a fairly lenient posture on the matter. He believed that it was obvious that the Nationalist Government, located at this time at Hankow, did not really control the situation and that the outrages at Nanking were committed by a section of the army under a General Cheng Chien who was subservient to a radical group also at Hankow that was intent on embarrassing Chiang Kai-shek. Moreover, the outrages, he believed, were not participated in by the people of Nanking and those responsible had left the city probably never to be seen again. But, even if the guilty could be found, there would be no assurance that they would

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[30]The Consul General at Hankow to the Secretary of State, April 14, 1927, ibid., 192-194.

heed the rebukes of the government of Hankow. Thus when American Minister MacMurray advocated that the United States join the other powers and issue an ultimatum to China with a time limit set for compliance before military action be used, Johnson raised his voice in opposition. Kellogg, predisposed in Johnson's direction, therefore followed a more moderate line.[31]

On May 6, the State Department was notified that C.C. Wu had been appointed Chinese Foreign Minister and that he was desirous of settling the Nanking Incident. This information was quickly conveyed to the acting American Consul General at Shanghai who was told to listen to all that Wu had to say. The United States began waiting then for a more suitable reply to its demands of April 11 but did not indicate that it would not modify these demands in order to reach a settlement.[32] Indeed, Johnson and Kellogg were quite willing to make American demands correspond to the realities of the situation. On the Chinese side, Minister Wu soon proposed to the American Consul the settlement of the incident along the following lines: First, that the Chinese Ministry of Foreign Affairs would say that the acts had been perpetrated by irresponsible soldiers in the nineteenth division and that they had been punished; second, that

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[31]Johnson to R.S. Norman, June 29,1927, Johnson Papers.

[32]MacMurray to the Secretary of State, May 6, 1927, F.R. 1927, II, 219.

the Minister of Foreign Affairs would express regret and give guarantees of future protection; third, that the Nationalist Government would make good on all damage done to the Consulate and to Americans where it was clear damage was done by Chinese troops and in other cases would pay according to the findings of a joint Commission according to international law; and fourth, that the Commission would decide on damage done by bombardment by the Americans and decide how much was due China.[33]

In response to these proposals, Johnson in November drafted a memorandum which was ultimately sent to MacMurray for his guidance and which indicated the American position. The message stated that the United States wanted to be convinced of the sincerity of the Nationalist Government and wanted that government to accept full responsibility for the affair, such responsibility to be absolute and not to be interpreted as indicating that it was in some way limited by the principles of international law. Also, the United States would expect the Chinese Government to promise to punish the guilty persons, where possible, but if it was clear that this could not be done that this point be not pushed

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[33]MacMurray to the Secretary of State, May 28, 1927, ibid., 222-223.

too far. In lieu of punishment the Chinese should at least disavow and stigmatize as "worthy of punishment" those known to have been involved. In lieu of an apology, the United States would accept a statement of profound regret from Chiang Kai-shek if the Nationalist government would promise an end of violence to Americans and American interests. On the question of an investigating commission, the United States would consent to the appointment of a joint Sino-American Commission solely to ascertain the facts and to fix the amount of damage to be paid, and in addition, the United States would be willing to take up the question of treaty revision but not as a condition of settlement of this particular question. However, it would not express regret for the naval bombardment, for as Johnson himself always insisted, it was not a bombardment in any case, but merely a protective barrage laid down to prevent the killing of American nationals. Concluding, the memorandum went on to state: "The Government of the United States desires that this incident in so far as it concerns the United States, should be settled.... It is therefore to be hoped that the Minister will seek to bring about such a settlement at the earliest favorable opportunity."[34]

However, unsettled conditions in China made it

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[34]Memorandum by Johnson, Nov. 3,1927, ibid,232-234.

virtually impossible to make much real progress toward settlement of the issue during the remaining days of 1927. The condition of the Chinese Nationalist government had been by no means stable throughout the early discussion of the Nanking Incident as at one point there were even three competing and very vocal Chinese Ministers of Foreign Affairs, a condition prompting Johnson to quip: "It is going to be very difficult for these three gentlemen to find enough words to go around."[35]

If the Nationalist government lacked unity and was unstable through the spring and summer of 1927, it experienced nearly as precarious an existence in the fall. Chiang Kai-shek had resigned as Chief of the Nanking faction of the government in August and the split between the opposing groups of the Kuomintang (Nanking and Hankow) had ostensibly been breached with the establishment of a united Kuomintang government in Nanking in September. However, neither Chiang, nor Wang Ching-Wei nor others whose support was desperately needed would throw themselves behind the government and the result, of course, was that this government simply marked time through late 1927. In addition, the fact that during this period American Minister MacMurray was home in Washington

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[35]Johnson to Jacob Gould Schurman, May 17, 1927, Johnson Papers.

made it all the more difficult to proceed with the negotiations. Very little was accomplished, therefore, until early 1928.

In early 1928, Chiang Kai-shek returned from retirement in Japan, once more took control of the Chinese Nationalist army, and took powerful political positions in the Kuomintang. Aiming at unity, Chiang and the other Kuomintang members did achieve more cooperation and much more stability than had previously existed, and, as a result negotiations toward the settlement of the Nanking Incident resumed.

Throughout February and March proposals and counter proposals were made between MacMurray and the Chinese officials with little optimism, at least on MacMurray's part, that a satisfactory agreement would be reached. However, a final round of whirlwind negotiations between the American Minister and General Huang Fu in late March proved fruitful and on March 29 a settlement was achieved. Released on April 2, the terms of the settlement were as follows: China agreed to express its regret for indignities to the American flag and for loss of property, personal injury, etc.; the Nationalists accepted responsibility for the outrages even though they were perpetrated by radical elements; they promised to protect American lives and property in the future; they indicated that punishment had been meted out

where possible to those responsible; they promised to pay reparations for damage done, a joint commission fixing the amount; and they looked forward to serious efforts on both sides to effect treaty revision.[36]

"It seems to me," Johnson wrote in September 1927, "that it is possible for us to discard most of the provisions covering our official and personal rights in China."[37] Once the Nanking Incident had been settled and the Nationalist armies had captured Peking, the United States and China could resume negotiations toward this end. Still wary of anything but the gradual relinquishment of extraterritoriality and still wishing to take more of a wait and see attitude on this matter American policy makers did, however, believe that more immediate treaty revision could be effected in the area of tariff automony.

By its actions prior to and during the Special Tariff Conference, the United States had made a commitment to the Chinese on the question of the tariff. Therefore, most department officials believed, as did MacMurray, that the United States should go ahead, even independently in an effort to grant tariff autonomy to China, especially since China had now achieved a degree of stability beyond

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[36]MacMurray to the Secretary of State, Mar. 30, 1928., F.R., 1928, II, 331-333. See also Borg, 376-385 for an account of the preliminaries to the settlement.

[37]Johnson to MacMurray, Sept.29,1927, Johnson Papers.

anything seen in that country for some time. As a consequence, MacMurray was commissioned to discuss the matter with the Chinese and after discussions lasting about two months, on July 25, 1928, the American Minister and the Chinese Minister of Finance signed a new tariff treaty. The treaty gave China independence of action on tariff questions provided there was no discrimination against American goods or commerce, and constituted complete recognition of the new Government of China.

The conclusion of the tariff treaty marked the end of the first chapter in the negotiations regarding treaty revision, a chapter during which the chief American policy makers in Washington continually expressed a willingness to "help" China whenever such a course was possible or practicable. Nelson Johnson's role in shaping policy during this period was extremely significant for he brought to his post of Chief of the Far Eastern Division genuine and profound knowledge of China and an astute recognition of what was actually happening there. Moreover, as an official in Washington and not on the scene of mob violence or civil disorder he was able to view the course of events with detachment and recommend policy based on reason rather than emotion. Friendly toward the Chinese, he believed that the United States could and should do all possible to avoid interference in Chinese affairs and should be patient

while China developed to nationhood. America should intervene, he thought, only to protect its nationals. Given the fact of China's revolutionary condition, not only idealism but also realism told him that the only course for the United States to follow was one of gradual relinquishment of its treaty privileges. For in this difficult time in China the only other alternative was forceable intervention--a policy that he knew the American people would not support and a policy that his own conscience would not allow.

Johnson's chief, Secretary Kellogg, was predisposed to lean in Johnson's direction most of the time during their years together, Kellogg often, however, leaning that way and adopting a soft policy because of a very real fear of Bolshevism and because he felt that this situation demanded that we make certain concessions to the Chinese. However this may be, Kellogg undoubtedly would not have followed a consistently lenient policy toward China had it not been for Johnson, for it seems certain that he would have been much more susceptible to the advice of the American Minister in China, MacMurray, had he not had some one in Washington to advise him and to reinforce his own ideas. MacMurray, interpreting the Washington treaties more in terms of Chinese obligations than in terms of foreign powers' promises, frequently suggested harsh and recriminatory action to deal with

what he considered frustrating situations in China. While holding the Washington treaties in equally great esteem Johnson, on the other hand, viewed them more in terms of United States commitments to China--commitments that would not necessarily lead to any significant compromising of American interests and therefore commitments to be carried out.

III

DISCUSSING EXTRATERRITORIALITY

With the tariff question settled by the treaty of July 1928, future discussion of treaty revision was to center on the problem of extraterritoriality. Johnson, who in August 1927 had been promoted to Assistant Secretary of State, was to play an even greater role in these discussions than he had in those related to tariff autonomy. As the major authority in the Department on China his was one of the determining voices in the conduct of American policy toward relinquishment. As a policy maker possessed of a benevolent attitude toward the Chinese, he continued to believe that the United States should relinquish its extraterritorial rights whenever this was possible. However, since he had no desire to sacrifice American interests unnecessarily, he like Kellogg and later Stimson, adhered to the position that relinquishment should be gradual and should be made contingent on the effecting of certain reforms within China.

Slightly less than a month after the signing of the tariff treaty, Secretary Kellogg and Assistant Secretary Johnson held conversations with the Chinese Minister during which the whole question of the treaties

once again arose. Asked what the American attitude now was, Kellogg stated that he did not want the Chinese to think that the door was closed to further discussion of the matter; that if the Minister would ask his Government for its suggestions on treaty revision, the Secretary had an open mind and would be glad to listen to whatever suggestions they had.[1] Apparently, however, the Chinese were not ready to discuss the question seriously as when Minister Sze heard from his government, he was told that he need not bother with the matter--at least in the immediate future. Given the nature of the Chinese reply, Johnson like Kellogg quite naturally assumed that the Chinese were not too interested in discussing the question at that moment.[2]

Undaunted by the Chinese delay, in late September the American policy makers once again indicated the American readiness to discuss further the question of extraterritoriality. The United States, Kellogg said, was anxious to take up the matter as soon as possible; but the problem was what to do. The Chinese had not made any significant progress toward the enactment of

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[1]Memorandum by Johnson, Aug. 14, 1928, F.R., 1928, II, 195-196. See also Borg, pp. 410-411.

[2]Memorandum by Johnson, Sept. 1, 1928, ibid, 196-198.

law codes called for by the Commission; nor were conditions in China stable enough to allow much concrete to be done about extraterritoriality. However, if some acceptable formula could be arrived at, the United States would be willing to discuss the matter with the Chinese. American willingness was speeded, Kellogg concluded, by the danger of Russian Communist activity in China which could be resisted affectively only if a stable government were built up in China; and the best way to achieve this he thought was, "by going as far as each country could go, considering its own interests, towards solving these questions of the treaties..."[3]

Taking the lead at this point, the Chinese in early October proposed that the United States simply surrender its extraterritorial rights unequivocally and immediately. The United States, the Chinese stated, could demonstrate best its friendship to China by giving up its rights even while other powers held theirs. Once the United States had negotiated the question independently she could then go to the other powers and request them to follow her example. This would be the best

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[3]Memorandum by Johnson, Sept. 29, 1928, ibid., 427-430. See also Borg, pp. 410-411.

and simplest way to solve the problem. American policy makers, needless to say, rejected this proposal out of hand.[4]

While they rejected this Chinese suggestion and disdained the use of American "influence" to induce other powers to cooperate in securing treaty revision, American policy makers were not opposed to a continuation of conversations on the matter. As a result, throughout the fall of 1928 numerous conversations took place between the Chinese Minister and certain members of the State Department in an effort to find a satisfactory formula for settlement. Eschewing haste, Nelson Johnson maintained that the parties to the conversations should find some formula of gradual relinquishment which could eventually be written into a treaty and which would take the recommendations of the extraterritorial Commission as indicating exactly what acts on the part of the Chinese Government should be carried out.[5]

While discussions were being carried on in Washington between the Chinese and members of the State Department, Secretary Kellogg began to sound out the

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[4]Secretary of State to MacMurray, Oct. 29, 1928, ibid., 433.

[5]Johnson to Stanley Hornbeck, Nov.2, 1928, Johnson Papers.

attitudes of the other powers on the question of treaty revision. In an Aide Memoire delivered to each of the treaty powers he stated: "The American Government, while it has felt that conditions in the past have not warranted entering upon negotiation of a new general treaty with China, nevertheless feels that the Nationalist Government gives promise of greater stability and national unity than has prevailed heretofore; it believes that all possible encouragement should be given to the Nationalist Government; it is willing to discuss the subject of revision of the treaties;..."[6] Concluding, Kellogg indicated that the United States thought that the situation in China had changed in recent months and that it would like to be informed of the present views of the powers on the question of revision of the treaties with China.[7]

The replies received by the Secretary of State in answer to his queries generally were unfavorable. Most nations either took the position that they had already gone as far as it was possible for them to go or that it would be extremely dangerous to relinquish

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[6] Aide Memoire by the Secretary of State, F.R., 1928, II, 435.

[7] Ibid.

extraterritoriality at that time. Thus, the French stated that they did not think that it was in the interest either of foreigners or of the Chinese people to do so for "these guarantees allow French nationals to do useful work which has already contributed to bringing closer together Chinese and occidental civilizations."[8] The British replied that they had done all that was practicable in their proposals of January 27, 1927, which proposals they thought were concrete evidence of readiness on the part of Britain to take practical steps toward ending their extraterritorial rights.[9]

The Italian answer was to the effect that the abolition of foreign rights would have to be accompanied by certain guarantees. The Dutch went even further and stated that they did not feel that conditions in China had changed enough to warrant the Powers' relinquishing their position and subjecting their citizens "to the jurisdiction of the kind of courts which the

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[8]French Embassy to the Department of State, ibid., 443-444.

[9]In brief, in these proposals Britain offered to recognize Chinese law courts in certain cases; to recognize the validity of a "reasonable" Chinese nationality law; to apply in British Courts in China the modern Chinese Civil and Commercial Codes; to make British subjects liable to pay "legal" Chinese taxation; to consider the use of the new Chinese Penal Code in British Courts in China; to keep missionaries from purchasing land in the interior etc. etc., Jan.28, 1927, ibid., 440-441.

Chinese had."[10] Upset over the Chinese position that the treaty between Japan and China be repudiated unilaterally, Japan indicated that she wanted to be liberal on the whole matter of treaty revision but felt that China had some obligations as well. The Japanese Ambassador in conversation with Johnson stated that Japan placed great importance on the hope that the nations should lend assistance to China in fulfilling her aspirations but that China should not disregard conditions within her own territory and the commitments which she had previously made.

Indicative of Johnson's attitude toward treaty revision and toward the broader scope of policy toward China as well, was his reply to the Japanese Ambassador. He stated first in regard to China's promises in the past that he was of the opinion that frequently China had made promises under duress or in the hope of obtaining some benefit thereby, promises which neither the Chinese people nor Chinese officials ever hoped to fulfill. As an example of this type of promise he cited the question of likin, indicating that on various occasions China had promised to abolish likin. But, since there was no

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[10]Memorandum by Johnson, Dec. 20, 1928, ibid., 442-443. See Borg, 412-414 for a good discussion of the replies.

general feeling within China opposed to it the Chinese would find it almost impossible to fulfill this promise.

Thus, Johnson indicated that he was opposed to concerted action to coerce China to fulfill her obligations since frequently her obligations had not been entered into seriously, and frequently her obligations were such that they could not be carried out. When the Japanese Ambassador questioned him further on this issue, Johnson said he would qualify a little his opposition to concerted action; that he felt there were certain things upon which the powers could agree to take action alike. "At least", Johnson said," we could take concerted action in constructive measures, or in the line of moderation...".[11]

What Johnson was suggesting was that cooperation was extremely difficult for the United States as long as cooperation was toward repression. However, cooperation would be easy for her if she were acting to assist China. The United States wanted a strong China to insure peace in the East and would only cooperate to this end. Most of the other powers did not. Therefore, consistent concerted action was nearly impossible to achieve.

Although Johnson favored following a moderate line in

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[11]Memorandum by Johnson, Dec. 29, 1928, ibid.,446-449.

discussions with the Chinese on the question of extra-territoriality, there was a point past which he would not go. As conversations on the matter continued through the winter of 1928 and 1929 chiefly between Stanley Hornbeck, Chief of the Far Eastern Division and the Chinese Special Representative C.C. Wu, it became increasingly apparent that the only basis on which China wished to settle the question was that of the immediate unilateral relinquishment of extraterritorial rights by the United States.

In accordance with this position, on January 5, 1929, in a discussion with Johnson and Hornbeck, Wu suggested that the United States conclude with China a treaty in which American nationals and American interests would be divested of their extraterritorial rights regardless of what the other powers did--whether or not extraterritorial rights continued in force with other countries. Neither Johnson nor Hornbeck would sanction this suggestion even as a basis for further discussion; Johnson stating simply that the United States would not contemplate "an agreement which would place American interests and nationals in a position of inferiority to that enjoyed by those of other foreign powers in China." Moreover, he said, "it has always been the policy of

the United States to insist upon most-favored-nation treatment."[12]

The vexing question of extraterritoriality was batted back and forth between C.C. Wu on the one hand and Johnson and Hornbeck on the other through the winter and early spring of 1929, with nothing of much significance accomplished. Not long after the departure of Kellogg and the entrance of Henry Stimson into the Secretaryship of State, however, the Chinese made another move.

In a message to the American Government dated April 27, China indicated that a good deal of progress had been made in judicial reform, that the nationals of those countries not enjoying special privileges suffered no hardship in China and that they wished the United States to abolish extraterritoriality at the earliest possible moment:

> "As the American Government has always maintained a friendly attitude towards China and has always shown its readiness in the adoption of measures for the removal of limitations on China's sovereignty, the Chinese Government is happy to express to the American Government the desire of China to have the restrictions on her jurisdictional sovereignty removed at the earliest possible date and confidently hopes that the American Government will take this desire of China into immediate and sympathetic consideration and favor it with an early reply so that steps may be taken to enable China, now unified and with a strong Central Government, to rightfully assume jurisdiction over all nationals within her domain."13

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[12]Memorandum by Stanley Hornbeck, Jan. 9, 1929, ibid., 547.

[13]The Chinese Minister to the Secretary of State, May 2, 1929, F.R. 1929, II, 561.

An early reply from the American Government was not forthcoming for most American policy makers mirrored the attitude taken by Johnson when he stated: "The Chinese are again knocking at our door, as they doubtless are at Downing Street, asking about extraterritoriality. I think we shall move cautiously in this matter."[14]

However, the difficulty from the Chinese point of view was that some American policy makers were a good deal more cautious than Johnson. Some, like American Minister J.V.A. MacMurray in China felt that the matter should not even be discussed seriously. Commenting to Stimson on the Chinese request, MacMurray said that he felt that China based her request on a series of assumptions contrary to fact, that in truth there was little in the way of unity in China and that, as a matter of fact, China had not made appreciable progress toward judicial reform or administration of law.

If extraterritoriality were relinquished, MacMurray continued, "the result would be once more a progressive intensifying of ill feeling and misunderstanding between foreign nations and China." In conclusion, he stated: "May I state I am personally convinced that this is a matter in which action concerted with the other chiefly

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[14]Johnson to Ray Atherton, May 13, 1929, Johnson Papers.

interested powers can best safeguard important interests and trade in China of American citizens."[15] Meeting with the other interested Ministers, MacMurray helped work out a suggested reply to the Chinese which reflected quite accurately his views on the matter.

Although not assuming as harsh a posture as MacMurray on the question, State Department officials hoped to avoid an early termination of American "rights" in China. They, therefore, set about the difficult task of deciding upon a satisfactory reply to the Chinese consistent with this attitude. When, in late May, MacMurray notified the Department that he had heard from his Japanese and Belgian colleagues that China planned to declare the abolition of all extraterritorial rights on January 1, 1930, the task of the American officials was made that much more difficult. The United States would not be ready to give up its rights by that date. But what would happen if she took a negative position in reply to the Chinese note? Would China abrogate the treaties? Should the American reply be stiff or conciliatory?

Nelson Johnson leaned toward the latter but favored extreme caution. In a memorandum prepared on May 25 for the guidance of Secretary Stimson, Johnson indicated that

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[15]MacMurray to the Secretary of State, May 7, 1929, F.R., 1929, II, 562-563.

he believed the reply should state that it was an obligation of the United States that was to be discussed rather than a privilege enjoyed by American Citizens. Itwould also be wise, he thought, for the United States to say in the note that China was passing through a period of tutelage and that realistically it could not be expected that foreign powers surrender their rights until this time had passed.

However, Johnson continued, the United States should recognize the state of mind in China--her desire for a new deal and should indicate that it was ready to discuss these matters if China were willing to accept the basis upon which discussion should be conducted; namely, the Report of the Extraterritorial Commission and compliance with the conditions thereof. In addition Johnson said, the United States should make it apparent that it was sympathetic with Chinese aspirations and was willing to cooperate with China to attain a satisfactory agreement for the gradual abolition of extraterritoriality.[16]

As evidenced by an earlier memorandum prepared by the Far Eastern Division and signed by Stanley Hornbeck, a general consensus of opinion was achieved on the matter of a reply to China among officials within the Department.[17] As a result of this apparent unanimity among his advisors

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[16]Memorandum by Johnson,May 25,1929, D/S File 711.933/43.

[17]Memorandum by Hornbeck, May 11, 1929, D/S File 711.933/48.

and their influence upon him, when time came to send the note to the Chinese, Secretary Stimson adopted not the position advocated by MacMurray but one reflecting the views of his men in Washington.

Throughout the summer of 1929, MacMurray on his part had advocated a hard line against the Chinese even suggesting in July that the United States take the leadership in organizing an international anti-China bloc to indicate that the United States and the other powers would countenance no further disregard of their rights.[18] Rejecting the harsh policy proposed by MacMurray but by no means surrendering to the demands of the Chinese, Stimson in August sent to China a message closely resembling the memorandum prepared by Johnson in late May.

The note, delivered to the Chinese along with those from the other powers on August 10, began by saying that the United States was prepared to give sympathetic consideration to the desires expressed by the Chinese but that it had certain responsibilities to its nationals living in China and in all candor could not be neglectful of those responsibilities. However, it also stated that the United States had always maintained friendly feelings for the Chinese people and that it observed "with attentive

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[18]MacMurray to the Secretary of State, July 5, 1929, F.R., 1929, II, 578-580.

and sympathetic interest the changes which are taking place in China;" and would "be ready...to participate in negotiations which would have as their object the devising of a method for the gradual relinquishment of extraterritorial rights either as to designated areas or as to particular kinds of jurisdiction...provided that such gradual relinquishment proceeds at the same time as steps are taken and improvements are achieved by the Chinese Government in the enactment and effective enforcement of laws based on modern concepts of jurisprudence."[19] Disappointed with the American reply, the Chinese apparently concluded that they would have to be satisfied with it for in early September they indicated their willingness to continue negotiations.

Johnson who had been intimately involved from the start in the discussions of the extraterritoriality question was given the chief responsibility in the fall of 1929 to discuss the matter further with the Chinese Minister, C.C. Wu. Inclined to view favorably China's desires on the matter, the Assistant Secretary favored the eventual relinquishment of American rights. However, he opposed having the United States, as Wu put it, "break the ice" on the question of extraterritoriality. For

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[19]Secretary of State to MacMurray, Aug. 1, 1929, ibid., 596-599.

"very frequently the man who cracked the ice fell in and got wet, while those who followed him might have a chance to steer away from the hole, or if they did fall in prepare themselves by getting a life preserver."[20] Johnson's role, as he conceived it, was to go as far as seemed practical in meeting the wishes of the Chinese, but to keep the United States from "falling in and getting wet."

Through early November brief exchanges between Johnson and Wu disclosed the fact that the Chinese were reluctant to discuss the issue on the basis of United States proposals, wanting instead some kind of an American commitment on relinquishment. When serious discussions finally began between the two men, Johnson promptly informed the Chinese Minister that the United States would not consider what the Chinese wanted; the immediate abolition of extraterritoriality. Again he said, relinquishment had to be gradual and was to be made on the condition that China did certain things on her part.

But Johnson said he had one thing in mind that Wu might consider; namely the possibility of enforcing Chinese law through the American courts then in operation in China. This would be an effective way to proceed

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[20]Memorandum by Johnson, July2, 1929, D/S File 711.933/74.

toward gradual relinquishment. In line with this, he stated further that the United States would have to know of China's new law codes and new courts and Americans would have to become accustomed to them and for this, a period of transition was necessary. During a transitional period if Chinese law were applied to the adjudication and settlement of controversies among Americans through the existing American courts in China, Americans could become acquainted with the Chinese law codes and could adjust their affairs to the new codes. They would also come to understand the spirit behind the laws. At the same time, the Chinese would become accustomed to their own laws through the operation of their own courts. Many of the Chinese laws were so new that even the Chinese themselves were not acquainted with them; it would be folly to commit Americans to this type of situation.[21]

The Chinese Minister stated at this meeting and confirmed at a later meeting that he could not accept Johnson's proposal--that it would be unworkable chiefly because of the language problem. He countered with a proposal of his own, a proposal to the effect that

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[21]Memorandum by Johnson, Dec. 2, 1929, Johnson Papers.

American citizens come under jurisdiction of Chinese courts after January 1, 1930, and that special Chinese courts with American legal advisors be set up at five different ports. Johnson rejected both parts of the proposal, saying again that the United States would negotiate only on the basis of gradual relinquishment.[22]

After rejecting the Chinese Minister's proposals, Johnson came back with another proposal of his own. This time he suggested the setting up of a Commission to determine if laws were being effectively applied in Chinese courts; the United States was interested more in the application of the laws than in the laws themselves. Wu quickly rejected this proposal saying it took them backwards, and on December 26 countered with a new proposal of his own which Johnson hastily labeled as amounting to nothing more than that Americans should come under the jurisdiction of Chinese laws without any knowledge of what the instrumentality to enforce the laws would be.[23]

The exchange on December 26 ended the Johnson - Wu negotiations-negotiations that ended just about where

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[22]Memorandum by Johnson, Dec. 17, 1929, F.R., 1929, II, 651-652 and Dec. 21,1929, F.R., 1929, II, 655-656.

[23]Memorandum by Johnson, Dec. 26, 1929, ibid., 660.

they started. The Chinese Minister had stated that his Government was interested in the abolition of extra-territoriality but had no real means short of that end to suggest. Johnson on the other hand would not retreat from his stated position that the only conceivable way to relinquish American rights was through a gradual step by step process. During the remaining days of 1929 discussions were carried on in Washington between Stanley Hornbeck and the Chinese Minister. When Johnson again took up the negotiations it was as American Minister in China.

In November 1929, President Herbert Hoover chose Johnson to succeed John MacMurray as Minister to China. MacMurray had lost his effectiveness in China in part because of great hostility between him and the Chinese Minister of Foreign Affairs, C.T. Wang, a feeling of hostility growing out of their contacts at the Special Tariff Conference of 1925 and 1926 where Wang served as a Chinese delegate. He could no longer maintain the contacts necessary to continue United States relations on a profitable basis.[24] Johnson, as his successor, was better

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[24]Memorandum of Conversation between Johnson and Thomas Millard Advisor to the Chinese Government, June 21, 1929, Johnson Papers. Millard told Johnson that he had just been to see President Hoover and had told him that there should be a new Minister sent to China as MacMurray could no longer work effectively with the Chinese. It seems reasonable to the author to interpret MacMurray's "resignation" as occuring largely for this reason.

able to get along with Chinese officials and in his approach to Sino-American problems, like extraterritoriality, was more disposed to view sympathetically the Chinese position.

Johnson arrived in China on January 28, 1930, and began his official duties on February 1. In late March, the new American Minister once again took up the extraterritoriality question. He proposed to the British Minister Sir Miles Lampson that the two men get together to work out concrete proposals which they might give to their respective governments and which could serve as a basis for later negotiations with the Chinese. Lampson agreed and on March 26 the two Ministers submitted to their governments proposals, which in Johnson's case, were redrafted and amended slightly by the Department and sent back to him to be used in future discussions involving efforts with Britain to settle the question.[25]

Discussions between the representatives of Britain and the United States continued through the summer of 1930 but little of any consequence could be accomplished for both the British and American Ministers were mindful of the state of China's domestic political affairs. Appalled by the lack of cohesiveness in Chinese affairs,

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[25]Johnson to the Secretary of State, Mar. 28, 1930, F.R., 1930, II, 418-423 and Secretary of State to Johnson, April 9, 1930, ibid., 426-434.

Johnson said that he thought the civilian leaders were "doctrinaire and inexperienced" and that the military leaders were "selfish, self-seeking, and enamored of their new-found power," that there was no bond between government and military men, "except at such time when for a very short period, the soldier leaders seem to think it necessary or wise to invite civilians to support them with slogans and other political claptrap."[26]

When late in the summer this situation got so bad that civil war broke out and a new government was set up at Peiping, the Department of State cabled Johnson for his advice as to whether formal negotiations with the Chinese might be postponed. In reply, Johnson stated that he was in full sympathy with this proposal and that the United States should tell the Chinese government that in the face of existing conditions it would be extremely difficult to carry on serious discussions. It appeared that the Chinese were either unable or unwilling to protect American citizens as evidenced by the sudden abandonment by government forces of Changsha and failure of government troops to protect Hankow from the threat of "Communist" invasion. Moreover, Johnson said, government forces were withdrawn from Kanchow in Kiangsi

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[26]Memorandum by Johnson, June 10, 1930, Johnson Papers.

Province in the face of the enemy without any attempt on the part of the troops to take Americans with them. It would be better to delay.[27]

Although hoping for delay, when the British Foreign Office indicated to the Department of State that Britain was committed to continue the discussions, the United States also opted for a continuation of negotiations. Thus, the negotiations resumed with the communication of proposals to the Chinese government in late October. Very detailed, these proposals offered as their major concession: that the United States would agree to the transfer to the Chinese of jurisdiction over Americans in civil cases and on petty criminal matters (police offenses, gambling etc.)--a concession that Johnson himself had suggested a year earlier--in return for certain concessions regarding the Chinese court system.[28]

Unacceptable to the Chinese, the American proposals were met by Chinese counterproposals. However, the Chinese reply amounted to little more than a statement to the effect that they hoped to abolish extraterritoriality completely and immediately. But, when they saw they were getting nowhere with the British and American negotiators the Chinese tried another method; they tried

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[27]Johnson to the Secretary of State, Aug. 14, 1930, D/S File 793.003/391.

[28]Draft Agreement, Oct.28, 1930, F.R.,1930,II,472-480.

bludgeoning the powers into surrendering their rights.

In December they issued an ultimatum to Washington and to the other powers stating that negotiations must be concluded by the end of February at which time all foreign rights would be abolished. Neither the British nor the Japanese Ministers viewed the threat seriously. Although not willing to surrender to their demands, Johnson, however, informed the Department of State that he took the Chinese ultimatum seriously and that he thought the United States should do something to forestall unilateral action by the Chinese.[29]

In January, as the crisis in the negotiations continued, he wired the Department again, stating that he thought the present government of China was so intent on staying in power that it would make any sacrifice to that end. The National People's Conference was to be held in May, and unless the government could show great accomplishments it would be seriously attacked there. It must show progress toward unity, establishment of peace and the ending of the unequal treaties. If the Foreign office could get rid of extraterritoriality it would have something concrete to present at the Conference.

"I believe," Johnson said, "that the Government is

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[29]Memorandum by Johnson, Dec. 19, 1930, Johnson Papers.

interested in its own existence to a far greater extent than it is interested in the maintenance of friendly relations abroad." This being the case, Johnson went on, the time was not propitious for the consummation of a reasonable treaty, for the Chinese Foreign Office would not make the necessary concessions. Therefore he concluded, the powers would have to join hands and force the situation by persistent and joint negotiations, never forgetting that they must "agree on a minimum" as they ran the risk of getting nothing.[30]

Johnson's suggestion that the powers "agree on a minimum" once again raised the old policy question as to whether the United States should cooperate with the other powers or pursue an independent policy. In his book, Americans in Eastern Asia, Tyler Dennett states that there are three ways in which the United States could carry out a cooperative policy: concurrent yet separate action, joint action, alliance. During the discussion of the extraterritorial issue with Britain, the United States had pursued the first of these. Now Johnson was suggesting that it pursue the second.

But the United States had also consistently maintained an independent policy. Thus through the course of

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[30]Johnson to the Secretary of State, Jan. 8, 1931, D/S File 793.003/493.

the extraterritoriality negotiations it pursued both lines. It chose to cooperate when such was in the American interest; it chose to follow an independent line when that course seemed best. It often pursued the two lines simultaneously. But this was true to the American heritage, as Johnson conceived it. Thus when he suggested cooperation among the powers to protect their rights against the Chinese he was not proposing a bold new plan; nor was he evidencing any wholehearted commitment to cooperation. He was merely responding to the exigencies of the situation.

Since the British were attempting also to follow a policy of independent cooperation, policy makers in Washington had a difficult time deciding what to do regarding the American Minister's suggestion. Finally, when it was determined that the British could not be expected to cooperate at this particular time, American officials elected to go ahead alone in negotiating with the Chinese.

In early February, Chief of the Far Eastern Division, Hornbeck, and C.C. Wu resumed discussions in Washington, with Hornbeck suggesting that the United States would concede certain issues to effect a compromise between Chinese and American positions as taken in the fall of 1930. When Wu remained intractable and stated that China still insisted on nothing less than

complete abolition, Hornbeck replied that the United States had to take the internal conditions in China into consideration and could not assent to any arrangement failing to protect its nationals.[31] With this exchange, the negotiations once again deadlocked.

However, in March Johnson cabled the Department that he thought that the time was ripe for further discussions as the Chinese Government would be more conciliatory with the elimination of the old conservative Kuomintang member, Hu Han Min, from power. He further suggested that the Department might wish to switch the negotiations to China. Rejecting Johnson's proposal, the Department replied that the time was not propitious for negotiations as Britain was vacillating and the United States did not want to switch negotiations to China and thus make common cause with her until it had a better idea of what she wished to do.[32] Similarly, on March 12, C.T. Wang told Johnson that he thought there was no point in switching the scene of negotiations unless the United States was prepared to concede on three controversial points; the matter of

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[31]Memorandum by Hornbeck, Feb. 7, 1931, F.R., 1931, III, 730-731.

[32]Johnson to the Secretary of State, Mar. 2, 1931 and Secretary of State to Johnson, Mar. 3, 1931, D/S File 793.003/543.

co-judges, (the United States wanted legal advisors to act as judges,) the matter of jurisdiction over both civil and criminal jurisdiction, and the matter of reserved areas.[33]

Although taking a truculent attitude toward the Americans in the negotiations, the Chinese in late March did almost come to a meeting of minds with the British. However, no accord was reached as neither party could agree on the subject of reserved areas, and negotiations continued through the spring and early summer. The United States and Britain, working parallel with one another and consulting on various aspects of their respective drafts, made proposals and counter proposals to the Chinese through May and June, all unacceptable. During this period Chinese politics were in their usual state of disruption, as a split in the Kuomintang resulted in a factional government being set up in Canton and this situation did not facilitate satisfactory negotiations.

In July and August both the British and the Americans discontinued negotiations, but they were resumed in mid-September. Then just as Johnson was preparing to go to Nanking to continue discussion of the

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[33]Memorandum by Johnson, Mar. 12, 1931, F.R., 1931, III, 751-753.

question, the Sino-Japanese clash occurred at Mukden. This incident signalled the end of the extraterritoriality negotiations--negotiations which were not to be resumed for over ten years.

By hedging and holding out for better terms, it appears that the United States and Great Britain thwarted China's attempts to regain her sovereignty and that Nelson Johnson, a friend of China, played a major role in the move. However this may be, Johnson's personal motives were pure. Although he did not necessarily like it, Johnson saw extraterritoriality as a fact of life, as a system under which Americans had lived and done business in China for nearly a century. And, American cultural and business interests in China were many, also a fact of life. While he, as much as anyone, would have liked to see complete abolition; given his regard for American interests, he could not take this position--he could not chiefly because of the chaotic conditions prevailing in China. Thus, from 1925 through 1931, he assumed the attitude that only gradual relinquishment would be satisfactory.

However, Johnson's mind was flexible on this matter. He still favored the surrendering of American extraterritorial rights as soon as conditions in China looked like they would permit such action. Consequently

in the late thirties when China had achieved a more significant measure of political stability he advocated that the United States permit far reaching relinquishment of its rights.

By 1937, he was saying that conditions had reached the point that extraterritorial privileges were more likely to be an embarrassment than an advantage to American life and business in China. Americans as extraterritorial foreigners, he thought, were becoming more and more the objects of suspicion and envy. But, they were also being forced by changing circumstances to comply with requirements of new Chinese legislation previously held incompatible with their status as extraterritorial foreigners. And if the United States did not negotiate the question, such a process would eventually leave the United States nothing to concede in exchange for a new treaty. Moreover, the United States could not much longer demand that Americans living and doing business in China and asking Chinese police protection need not comply with the regulations of a rapidly progressing Chinese government. As further evidence that a new treaty was desirable Johnson cited the number of Germans and other foreigners who had no treaty rights but who lived and conducted their business in China without complaint.

Reflecting on the abuses of the system, Johnson

maintained that extraterritorial privileges had been extended to lengths never dreamed of in the treaty of 1844. American exemptions from Chinese tax laws caused a privileged class to grow; factories employing Chinese labor were not subject to Chinese law; Americans moving about thought they could do what they wished in China and frequently committed serious and inexcusable violations. The United States had witnessed these abuses and had failed to do anything about them. American officials were even forced to fight in behalf of Americans in unworthy work lest the system fall and the worthy fall with the unworthy. However, the time had come, Johnson thought, to let the system fall. China had achieved a significant degree of stability and that was all that was necessary. She could never guarantee"complete protection" of Americans. Extra-territoriality had to be abolished, he said, for "we can no longer travel this road and be true to ourselves and our ideals."[34]

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[34]Johnson to the Secretary of State, April 2, 1937, Johnson Papers.

IV

THE CHINESE EASTERN RAILWAY DISPUTE AND THE KELLOGG PACT

"We here place a higher value upon the Kellogg Pact," Nelson Johnson once wrote, "than is placed upon it by those who gossip and wag their heads over innuendoes concerning political and financial intrigues.... We desire to place ourselves on record as saying... that we all meant what we said when we signed and ratified the Kellogg Pact renouncing war as an instrument of international policy...".[1] On another occasion Johnson said to a friend that he believed wholeheartedly that judicial settlements would solve all international disputes of the future; he believed in them. He said he thought the Kellogg Pact was an excellent document and that its signing was a step forward in the preservation of civilization. As proof of its value he cited the fact that during the dispute between Russia and China over the Chinese Eastern Railway the Pact was invoked, hostilities stopped, and negotiations began![2]

The Chinese Eastern Railway dispute occurred as a

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[1]Johnson to Sydney Strong, Dec.3, 1929, Johnson Papers.

[2]Johnson to Mrs. Ann Archbald, Jan.6, 1932, ibid.

result of a Russian confrontation with Chinese nationalism. Although professing its purity regarding imperialism, and indicating its willingness to relinquish its concessions in China, the Soviet Union considered it too great a sacrifice to put an end to the joint management arrangement under which Tsarist Russia and China had long controlled the Chinese Eastern Railway. Thus, in an agreement concluded in 1924 it opted to continue to maintain its rights to the road. Like the other imperialist powers, the Soviet Union proceeded to establish its own schools, build museums and other establishments along its concession, and even got control over the telephone and telegraph systems in Northern Manchuria. At the same time however, Chinese national consciousness was spreading feverishly and the Chinese were becoming increasingly critical of the presence of foreigners on their soil. As the drive for unity progressed, attacks on foreigners were frequent and occurred throughout China.

In Manchuria, Marshal Chang Tso-lin, the old Manchurian warlord, carried on his own private war against foreigners and from 1924-1928 he proceeded with a continuous harassment of Russian interests. He seized the Russian schools, closed their museums and captured the telephone and telegraph systems. When Chang Tso-lin was assasinated by the Japanese, son

Chang Hsueh-liang continued his work.

In late December 1928, Chang Hsueh-liang made his first move against the Russians; he had the Chinese Nationalist flag hoisted at Harbin along the Chinese Eastern Railway replacing the previous flag of the road which had been a combination of the Chinese and Soviet flags. Indicating his recently adopted nationalist pose, Chang then prohibited the use of the composite flag after December 28. Continuing their anti-Russian activities, in early January the Chinese took over the Soviet controlled telephone system in Harbin. Then in May Chinese police raided the Soviet Consulate at Harbin, arrested forty Communists and rescued numerous incriminating papers, documents and code books from the flames of the kitchen stove; materials that were to be used in the spreading of Communist propaganda in China.

In early July local Chinese authorities took over the Chinese Eastern Railway telegraph system and arrested twelve Communist employees whom they accused of communicating secretly with Moscow. On the same day the Chinese arrested about sixty Soviet employees of the railway and deported them to Siberia. Later, they closed the offices of the Russian Government Trading Trust, the Government Oil Trust, and other Soviet government trading organizations and accused the officials

operating them of deseminating propaganda "dangerous to the Chinese Government." Before the Russian Government could effectively protest these actions, the Chinese discharged the Soviet Manager and Assistant Manager and all Russian heads of the departments and took control of the railway. Further incensed by these actions, the Russians protested vehemently. China rejected these protests and she and Russia broke off diplomatic relations. War seemed imminent.[3]

Although convinced that the United States should not become directly involved in the affair, the situation appeared so serious to the Secretary of State that on July 18 he called in the Chinese Minister C.C. Wu to talk over the matter. Immediately the Secretary informed Wu that all news reports seemed to indicate that an armed clash appeared to be a distinct possibility. However, Stimson told the Chinese Minister that he thought the dispute was of justiciable nature, pecularly fitted for arbitration and that it should be settled in this manner. When Wu indicated that China was completely justified in her actions because of Russian violations of her treaty obligations through her use

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[3]Account based on Robert H. Ferrell, American Policy In the Great Depression, (New Haven, 1957), pp. 45-51. and James W. Christopher, Conflict in The Far East, (Leiden, 1950), pp. 71-85.

of propaganda, Stimson lectured him a little.

He said that this might have been the case but that he thought China had acted too hastily. The Secretary then told the Chinese minister that he thought China should make clear its pacific intentions and disclaim that they were seizing other's property. China should avoid fighting if possible, Stimson believed, and should leave the matter to be settled by arbitration of other nations. Possessed of great faith in the principles of the Kellogg Pact, he called Wu's attention to China's particular responsibility under this agreement and indicated to the Chinese Minister that the representatives of Britain, France, and Japan had all agreed that each had an obligation to see that war was averted.[4]

In his position as Assistant Secretary of State, Nelson Johnson believed with Stimson that the United States and the other powers had an obligation in this matter as signatories of the Kellogg Pact. However, he also believed that this was where American responsibility ended; the United States had no business getting implicated on one side or the other in the dispute. American

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[4]Memorandum by the Secretary of State, July 18, 1929, D/S File 861.77 Chinese Eastern.

interests were not that intimately involved. Besides, Johnson was fairly optimistic regarding the crisis. He doubted that there would be a war. But, even if a war were about to break out, the Kellogg Pact would militate against it.[5]

After observing the date of the official proclaiming of the Pact of Paris on July 24, Stimson the next day called in the British, French, Japanese and Italian diplomatic representatives and talked with them briefly about the crisis. He asked them to implore their governments to support his suggestions that a Commission for Conciliation be organized to pursue a full and impartial investigation of the facts in the case. This proposal, which Johnson had a part in drafting, provided that: the membership of the Commission be agreed upon by both the Russians and the Chinese, the regular operation of the railway would be restored while the Commission did its work.[6] While many of the powers did not wish to stand in opposition to the Secretary's proposal, their reaction was lukewarm at best, and Japan came out forthrightly against it. Japan in particular

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[5]Memorandum by Johnson, July 19, 1929, F.R., 1929 II, 218.

[6]Secretary of State to the French Ambassador, July 25, 1929, ibid., 242-244.

was unhappy about the suggestion because she thought that it might set a precedent--a precedent that would at some future date allow for an investigation of her own interests in Manchuria.

Knowing that Japan wished to remain neutral in the dispute, Russia grew bolder and in August mounted a series of attacks into Chinese territory, at one point even occupying a couple of border towns. Although not particularly serious from a military standpoint these excursions into China boded ill for the future and sent minds scurrying about for a "solution" for the crisis. All sorts of schemes were devised.

In early September, Johnson became acquainted with one such scheme. Shortly after the Russian offensive, Sun Fo, an official of the Chinese Government cabled George Bronson Rea, longtime editor of the Far Eastern Review, a business journal published in China, and asked him if he would approach American bankers to see if China could borrow money to buy back the Chinese Eastern Railway. Liking the idea, Rea then came to Washington and spoke with Johnson about the proposal. He told the Assistant Secretary that he had recently been to New York to talk with Martin Egan of Morgan and Company and that Egan was favorably disposed toward the idea if good enough terms could be arranged and sufficient

security could be acquired. All that would be required would be State Department sanction. To insure the safety of the loan, Egan suggested (with Rea's concurrance) that the Japanese be put in control of the road on behalf of the bondholders! Taken aback momentarily, Johnson said he did not know what to think of the whole business. Then, he stated that he thought the whole thing would come to naught since the Sino-Russian Agreement of 1924 relative to the Chinese Eastern Railway stated that if and when the Road was bought back it was to be bought with Chinese capital. This of course would be United States capital and the Soviet Union would "raise cain."[7]

Undaunted by Johnson's remarks Rea persisted and on September 14 he again came to see the Assistant Secretary, maintaining still that the scheme had merit and that all the American money lenders needed was an "okay" from the State Department to go ahead-that Thomas Lamont and Martin Egan agreed with him. If the Department approved, work then could be begun to help the Chinese persuade the Russians to waive the pertinent clause of the treaty of 1924, and thereby allow China to purchase

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[7]Memorandum of Conversation between Johnson and George Bronson Rea, Sept. 3, 1929, Johnson Papers.

the Russian interest. Johnson once again expressed his doubts about the scheme, but passed the buck by saying that Rea could get the reactions of the Secretary if he wished.[8] Rea never did this and this exchange signalled the unofficial end of the scheme. As events progressed in Manchuria the idea simply withered on the vine.

While this offstage episode was occurring, Germany had offered to mediate in the dispute and through early September negotiations proceeded between Chinese and Russian officials. However, negotiations reached an impasse when China refused to accept a proposal that would allow for the appointment of a new Russian manager and a new Russian assistant manager prior to the actual convening of a conference to settle the matter.

At this point Johnson called the Chinese charge in to see him and told him that he thought the Chinese were being unreasonable in not agreeing to such an arrangement. After all, Russia was not going to appoint the old manager and assistant manager but would appoint new ones. China would thereby gain a diplomatic victory. China had agreed to run the railway jointly and now

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[8]Memorandum of Conversation between Johnson and George Bronson Rea, Sept. 14, 1929, ibid.

having ousted her partner, her former partner could only use force to regain her position. It seemed to Johnson that China should be willing to accept any equitable solution to the question.[9]

Johnson's remarks to the Chinese charge' reflect accurately the two-pronged concern of both himself and other American officials in this dispute. Johnson was now concerned, first, that the dispute might get out of hand and eventually result in a war which could embroil the United States. This was remote, but it was a possibility. Secondly, however, and more importantly, he was concerned about the action taken by the Chinese in stripping the Russians of their rights as guaranteed by treaty. He feared that this action might be indicative of future Chinese action toward American interests. While Johnson was willing to see China re-acquire certain foreign concessions through treaties, he did not want to see her usurp them forcibly. For no matter how much of a friend of China's Johnson was, it must be remembered that he lived in an era prior to the one that was to see the large scale nationalization of oil refineries and sugar mills. Part idealist, like the American people that he represented

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[9]Memorandum by Johnson, Sept. 17, 1929, F.R., 1929, II, 321-322.

his idealism stopped short of the unnecessary sacrificing of American property.

The official Chinese response to Johnson's admonitions to the Chinese Charge' was unfavorable; the Chinese were not prepared to accept the proposals regarding the Manager and Assistant Manager of the railway. As a result of China's rejection of these proposals, the Russians renewed their attacks across the Chinese border.

By November the situation looked particularly serious and the Chinese Government began notifying the powers signatory to the Kellogg Pact of the Russian attacks. Afraid unless something were done that this episode would make the Kellogg Pact nothing but a scrap of paper, Secretary of State Stimson cabled the disputants and once more called their attention to the Pact. When this proved ineffective, later in the month he canvassed the other powers asking them to join the United States in issuing a public statement to be directed to Russia and China and which would invoke the Kellogg Pact. Japan and Germany refused to assent to such a move but Stimson went ahead nonetheless. On November 30 he sent notes to the Soviet Union (through France) and to China which asked them to end their hostilities immediately and to find a peaceful settlement.

On December 2 he made his appeal public.[10]

Previous to Stimson's invoking of the Kellogg Pact, and unknown to him, the Chinese and the Russians had begun to get together to settle peacefully the trouble in Manchuria. As the Chinese National Government was having a great deal of difficulty with dissident Generals within China and since it could not send sufficient troops to Manchuria to meet the Soviet advances, it began to petition the Russians for a settlement. Because of internal difficulties the Russians wanted war just as little as China, so they were duly receptive of the Chinese feelers. Consequently, representatives of the two countries conversed on the matter and on December 3 they agreed to an armistice--an armistice which restored the status quo on the Chinese Eastern Railway.

Since the Russians and the Chinese had already expressed to one another a willingness to settle their conflict prior to the invoking of the Kellogg Pact, it follows that its being invoked had nothing to do with the amicable settlement. But Secretary Stimson did not realize this. Neither did Assistant Secretary, Nelson

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[10]Secretary of State to the Charge d'affaires in France, Nov. 30, 1929, ibid., 367-368.

Johnson. Both thought that because hostilities stopped almost simultaneously with Stimson's public statement, that his statement was responsible for the achieving of peace.[11] This circumstance created the illusion in Johnson's mind that the Pact itself brought peace- an illusion that he harbored for some time chiefly because of his tremendously high regard for the Paris agreement.

It is apparent that the Kellogg Pact acquired additional and undue prestige in the eyes of Johnson because of its seeming success in ending the Chinese Eastern dispute. As a result, he came to place an inordinate amount of faith in it. This distorted view of the Pact's importance proved most unfortunate for after Japan invaded Manchuria, Johnson believed that if the world's attention were turned on Japan's nefarious deeds, and world public opinion made itself felt, Japan would ultimately end her aggression. No force would be necessary to bring peace. Johnson soon rejected this idea but his actions and suggestions in the early 1930's indicate the difficult time he had in doing so.

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[11] See Ferrell, pp. 61-67 for an excellent discussion of the ending of the crisis and of Stimson's views.

V

JAPANESE AGGRESSION IN MANCHURIA 1931-1932

At 2:30 in the morning on September 19, 1931, Nelson Johnson's Chinese houseboy rushed into his bedroom, switched on the light, and began shouting at him in Chinese. Waking from a deep sleep, Johnson heard the boy state that someone wanted to speak with him on the phone--immediately. Still only half awake, the Minister hurried downstairs to take the call. It was W.H. Donald, the Australian advisor to Marshal Chang Hsueh-liang of Manchuria. Donald reported that the Japanese had occupied Mukden at 10:30 that night.[1]

At 4:00 A.M. Johnson wired Washington and the Embassy at Tokyo, telling them of Donald's message.[2] He then began the wait for confirmation of the report. At 2:00 P.M. the same day he again wired the Department, this time saying that the Consul General at Mukden had just telephoned him to state that the Japanese had taken all of Mukden and that they had also occupied

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[1]Johnson to Frank Kellogg, Jan. 12, 1932, Johnson Papers.

[2]Memorandum of conversation between Johnson and W.H. Donald, Sept. 19, 1931, F.R., 1931, III, 10.

Changchow, Antung and Newchwang and were running public services at all of those places.[3] The same afternoon he wired again to say that the Chinese Foreign Minister, Wellington Koo, had just confirmed what he had reported in his previous messages; that Manchuria was completely cut off from China.[4]

Thus Japan began the gradual and deliberate occupation of Manchuria. The immediate reaction in Washington to the Japanese move was that it was an incident perpetrated by the Japenese military against the will of the civilian government and that the United States should act so as to strengthen the hand of Japanese Minister Shidehara. The United States therefore would not express its concern in terms of American interests, and action on her part would not be featured as a manifestation of American Far Eastern policy. Even though the Japanese action was a direct violation of the Kellogg Pact, the United States should not say so. Whether or not the Pact should be invoked should be decided by the world court. The United States would not take the lead.[5]

Never taken in by Japan's protestations to the

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[3]Johnson to the Secretary of State, Sept. 19, 1931, D/S File 793.94/1799.

[4]Johnson to the Secretary of State, Sept. 19, 1931, D/S File 793.94/1804.

[5]Memorandum by the Chief of the Division of Current Information, Sept. 19, 1931, F.R.,1931,III,15-16 and Memorandum by Stanley Hornbeck, Sept. 20, 1931, D/S File 793.94/1889.

contrary, American Minister Johnson's reaction was that the Japanese actions were planned and deliberate. It was absurd, he thought, to believe that the mere destruction of railroad tracks by the Chinese would lead to the occupation of Manchuria or that the chain of events was accidental or spur of the moment. "Occupation of places as far apart as Changchun, Newchang, Antung, Kaopangtzu and Hulutao," Johnson stated to Secretary Stimson "implies a degree of staff work which could not be improvised. Furthermore it is our understanding here that Japanese military headquarters were transferred almost immediately from Port Arthur to Mukden."[6] The occupation of strategic points in Manchuria constituted "an aggressive act by Japan apparently long planned and when decided upon most carefully and systematically put into effect."[7]

Johnson's thinking that Japan's actions were carefully planned were reinforced, he stated, by rumors that he had heard earlier in September about a Sino-Japanese clash. He discounted these as mere speculation at

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[6]Johnson to the Secretary of State, Sept. 21, 1931, D/S File 793.94/ 1815.

[7]Johnson to the Secretary of State, Sept. 22, 1931, D/S File 793.94/1838.

the time but said that now that Japan had acted the rumors gave credence to the theory that her action had been deliberate.

One such "rumor" Johnson should not have treated so lightly. On September 11, Dr. John C. Ferguson, advisor to the Chinese government, told the Minister that he should stay in Peking and not go South as planned to discuss further the question of extraterritoriality because Japan was probably going to occupy Manchuria very shortly. Ferguson told Johnson that he had solid information that she would do this at least within the next three months; that a high Japanese official had recently toured China and had reported to his government that the time was ripe for action. Johnson rejected Ferguson's warnings out of hand. There was no reason for Japan to occupy Manchuria and take on the expense of administration, he believed, when she could exploit the area without doing so. Johnson did not transmit Ferguson's remarks to the State Department until October 26, a month and one-half later.[8]

One must wonder why the Minister did not immediately convey this message to his government. Dr. Ferguson

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[8]Memorandum of Conversation between Johnson and Dr. J.C. Ferguson, Sept. 11, 1931, Johnson Papers.

was a trusted advisor of the Chinese government, an individual of much repute who had access to the inner circle of Chinese officials. Not the type to circulate false rumors, he would only relate to Johnson what he considered to be the unqualified truth. Any information emanating from him should not have been treated lightly, as mere gossip. Moreover, he stated that his source of information was unimpeachable. Was Johnson derelict in his duty then in not relating the conversation to the State Department? Probably so.

Even though he thought the possibility of Japanese occupation of Manchuria utterly fantastic and even though all logic might have seemed to militate against such action, he still should have informed Washington. However, in all fairness to Johnson it is difficult to see what difference it would have made if he had. Policy makers in Washington probably would have done nothing differently. If they were unwilling to do anything to oppose Japan after she acted, it seems doubtful that they would have done anything prior to September 19.

Moreover, Johnson's negligence becomes a little more excusable in the light of a conversation that he had on September 17. On that date Johnson talked with Yano Makoto the Japanese Counselor of Legation and asked

him about an impending attack on Manchuria. The Counselor replied convincingly that this was completely absurd and unthinkable since Japan could exploit the territory as it was. All Sino-Japanese disputes could be settled peaceably.[9] If the American Minister had been inclined to send a record of his conversation with Ferguson to Washington prior to this, he probably would not have been afterward, given the strength of the Counselor's statement.

Since Japan had acted aggressively. and deliberately in occupying strategic points in Manchuria, Johnson believed therefore that she had violated article II of the Kellogg Pact renouncing war as a means for the settling of disputes. Her actions could only be defined as war. "It seems to me," Johnson informed Washington, "that the powers signatory to the Kellogg Treaty owe it to themselves and to the world to pronounce themselves in regard to this Japanese act of agression which I consider to have been deliberately accomplished in utter and cynical disregard of obligations which Japan as a nation shares with the other

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[9]Memorandum of Conversation between Johnson and the Japanese Counselor of Legation, Sept. 17, 1931, ibid.

signatories of the Pact."[10]

Johnson continued to advocate the invoking of the Pact through September and October. He thought that something should be done on the part of someone, either the United States or the League, to restore confidence in the Kellogg Pact. Pressure should be brought to bear on Japan to withdraw and to allow the restoration of Chinese control and administration in Manchuria. This dispute could be settled like the Chinese Eastern Railway dispute was settled.

While China referred Japan's aggression to the League, the United States continued its wait and see attitude--reluctant to take any action lest it offend the civilian wing of Japan's government. On September 30, the League drew up a resolution asking Japan to withdraw from her positions in Manchuria. Defying the world body, Japan continued her aggression and on October 8 bombed Chinchow. Upset by this, Secretary Stimson then indicated that the United States might join the League powers in invoking the Pact. This was ultimately done, although innocuously as the United States still refused to do anything but follow the other

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[10]Johnson to the Secretary of State, Sept. 22, 1931, D/S File 793.94/1838.

powers.

Japan continued her aggression undaunted by the League's action. Still convinced that the treaty structure could solve the crisis, Johnson thought that if Japan ignored her obligations under the Pact of Paris she might still be induced to pull out of Manchuria if she could do so without losing face. Accordingly, in late October he proposed that Japan and China be implored simply to discuss the question under article seven of the Nine Power Treaty regarding principles and policies. This would embarrass neither side. The Department refused to sanction his suggestion, however, saying that it felt the United States should take no action other than it had already taken![11]

Johnson's frequent references to the treaty structure throughout 1931 and 1932 reflect his true concern regarding Japanese aggression. He believed that the fate of Manchuria was of secondary importance as compared with the fate of the League and the other machinery set up by the powers for the purpose of providing for the amicable settlement of international

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[11]Johnson to the Secretary of State, Oct. 20, 1931, and Secretary of State to Johnson, Oct. 22, 1931, D/S File 793.94/3246.

controversies. Japan could control Manchuria and it would make little difference to the United States. However, if the Kellogg Pact and the other peace apparatus were spurned, he maintained, the world was headed for "a new Sarejevo."[12]

After the invoking of the Kellogg Pact in mid October, Secretary Stimson decided that the American obligation to the League had been fulfilled. He thus asked Prentiss Gilbert, the American Consul at Geneva whom he had designated to sit in observation with the League, to withdraw. Upon the urging of the other powers who insisted that Gilbert's withdrawal would seem to be capitulation to Japan, Stimson agreed that he could stay "if he changed his seat." Through the remaining days of October the League attempted to find a way to get Japan to withdraw. At the end of its October session the League adopted a resolution asking Japan to withdraw by November 16, the United States once again vacillating, not wanting to offend Japan by setting a time limit for withdrawal.

Japan's answer to the League resolution was more aggression. On November 5, she launched an attack on the Nonni river and later she captured Tsitsihar. On

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[12]Johnson to Willys Peck, Nov. 3, 1931, Johnson Papers.

November 16, Johnson reported that he found no evidence "of any intention on the part of the Japanese to withdraw from the stand which they have taken in Manchuria...". Reflecting his dismay that nothing had been done to induce Japan to stop, Johnson concluded, "I assume that there is no way of bringing home to the Japanese Government a sense of their responsibility for such a situation so frought with danger to the interests of everyone."[13] Not advocating force, or a policy radically different from the one Stimson was pursuing, Johnson was merely saying what he had been saying, that a strong appeal to Japan as a participant in the treaty structure was desirable.

Although he condemned Japanese action in Manchuria and believed that the powers should put "pressure" on Japan to withdraw, Johnson was by no means convinced that Japan did not have serious grievances against China. He believed that judicial machinery was set up for the benefit of weaker countries like China and that settlements of dispute should be made on the basis of equity. However, China had provoked the stronger nations by renouncing their privileges. She had only appealed

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[13]Johnson to the Secretary of State, Nov. 16, 1931, F.R., 1931, III, 451-452.

to the peace machinery after the stronger powers had taken some retaliatory action--after they had done something to recover their rights. In Japan's case, she had told China that she would not agree to negotiate her rights in Manchuria. But China had proceeded to do the same things there against her that she had done elsewhere in China. Japan therefore was justified in taking action--if it had been the right kind.[14]

"There are proprieties in these matters," Johnson stated, "which it behooves the countries to observe, and I feel that what might have been a very fine case for Japan was grossly ruined in its initial handling."[15] Japan was not in such bad straits in Manchuria that she could not have gone to the International Court at the Hague for a settlement. She probably could have gotten a fairly satisfactory agreement with China by so doing since she would have had the support of world opinion. However, her use of force turned this opinion away from her--turned it away because the western powers feared that Japan's action would harm their interests and because Japan had shown contemptuous

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[14]Johnson to Ellery Sedgwick, Jan. 28, 1932, Johnson Papers.

[15]Johnson to Joseph Grew, June 13, 1932, ibid.

disregard for the peace machinery.[16]

Japan could not have shown greater contempt for the peace machinery than she showed in late November. While the League debated, she acted. By the end of the month, Japanese troops had moved southward from Mukden and were threatening a large scale attack on Chinchow. They had also provoked fighting at Tientsin.

"It would seem," Johnson wrote to Stimson, "that actually Japan has timed its every advance in a way so as to indicate to China and the world the low esteem in which it holds the League of Nations and world opinion.... I feel that the powers owe it to themselves to take measures in all seriousness to prevent not only the complete destruction of confidence in the intentions and support behind the League Covenant, the Washington Treaties and the Anti-War Pact but also the complete destruction of the Chinese Government."[17] In Geneva the League powers discussed ways to meet Japan's new moves.

In early December, the possibility of using economic boycott or economic sanctions was mentioned

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[16]Johnson to Mrs. Ann Archbald, Jan. 6, 1932, ibid.

[17]Johnson to the Secretary of State, Nov. 25, 1931, F.R., 1931, III, 562-563.

seriously as a means of stopping Japan. However, the proposal never got too far because of various opposing pressures within each of the western nations. This was a period of depression, and importers, exporters, manufacturers, and financeers in all countries proclaimed loudly the disastrous effect sanctions would have on economic recovery. In the United States there were a few like Roy Howard of Scripps-Howard newspapers who would have liked to see this course pursued, but for everyone like him there were ten against. Even State Department Far Eastern experts, Hornbeck and Castle, opposed sanctions, as did Stimson himself at this point. And, President Hoover had opposed their use from the start.[18]

Throughout 1931 and 1932 Nelson Johnson consistently opposed the use of sanctions even after Stimson and others believed they should be used. There were two reasons for his stand. First, he believed that Congress and the American people would never support such a move because it would wreak such a hardship on the American economy; particularly since the United States traded in such volume with Japan. Moreover,

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[18]Armin Rappaport, Henry L. Stimson and Japan 1931-1933 (Chicago, 1963), pp. 88-91.

boycotts were force and any country advocating them must be ready to back them with force. This the United States was not prepared to do. However, secondly and more importantly he opposed their use because he thought such action would completely wreck Japan's economy. And, the United States, he said, could not afford to let Japan "go to pot." Japan had already extended herself into China to such an extent that she was placing a great strain on her economy. Any further stress would cause it to snap--would bankrupt Japan. The United States, Johnson believed, had a vested interest in keeping this from happening for bankruptcy would ruin American trade and would throw Japan into revolution.[19]

Since there were so many factors militating against their use, it is impossible to determine how important the fear of "wrecking" Japan was in the American refusal to employ economic sanctions. The frequency of his statements to this effect indicate that it was of prime importance to Johnson. Stanley Hornbeck also voiced the same view on at least one occasion.[20] Whether or not President Hoover as the major foe of

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[19]Johnson to Stanley Hornbeck, Sept. 13, 1932, Johnson Papers, and Memorandum of Conversation between Johnson and Wellington Koo, Feb. 24, 1932, Johnson Papers.

[20]Undated note by Hornbeck attached to H.R. Robbins to Stanley Hornbeck, D/S File 793.94/2304.

sanctions gave the theory much credence, however, and whether it gained prominence in his mind is another matter.

Before the use of economic sanctions got much beyond the discussion stage in early December 1931, Japan slowed her action and the tension in the Far East eased a bit. It began to appear to the League that a diplomatic settlement might be achieved. Accordingly, on December 10 the League Council adopted a resolution creating a neutral Commission of inquiry to be headed by Lord Lytton of England which was to go to the Far East, discern the "facts" and report back to the League. Secretary Stimson approved of this action and consented to the appointment of an American, General Frank McCoy to the Commission.

Only hours after the official adoption of the resolution, the Japanese government fell--the government whose hand the United States had worked so diligently to strengthen throughout the fall. This meant, of course, that the more liberal and conciliatory Foreign Secretary, Baron Shidehara, would no longer be able to exercise a tempering effect on the Kwantung army. Stimson, who had consistently followed a policy of restraint and who had frequently urged the League to avoid pressuring Japan too strongly lest it upset this

moderating influence, viewed the fall of the Cabinet as a terrible blow.

The new Japanese government, under the leadership of Inukai Tsuyoshi, quickly adopted a large new military budget and reinforced its army in Manchuria. In mid-December, the Kwantung army began an advance on Chinchow and on December 19 the Japanese War Office issued an ultimatum to the Chinese to withdraw from the city. When on December 23 no Chinese reply was given, the Japanese began their attack. Meeting little in the way of effective Chinese resistance, the Japanese quickly overran the city and by January 3 had it in their firm control; they had thus completed their occupation of Manchuria.

With their occupation of Chinchow, the Japanese had removed the last vestiges of organized Chinese resistance from Manchuria and could now exploit the area as they saw fit, repressing all Chinese and western economic and cultural activities.[21] They had also placed themselves in a good strategic position vis-a-vis the Soviet Union.

From his position in China, Nelson Johnson saw this new Japanese move as the last in a series of acts aimed at Russia. "More and more", he stated to a friend,

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[21]Account based on Rappaport, pp. 81-85 and Dorothy Borg, The United States and The Far Eastern Crisis of 1933-1938, (Cambridge, 1964), pp. 6-8.

"am I convinced that Japan's moves in Manchuria are to be interpreted in the light of Japan's position vis-a-vis Russia."[22] Japan, Johnson thought, had been thinking primarily about Russia since the time of the Sino-Japanese war when Russia entered the picture and deprived her of the fruits of victory. Thus she prepared militarily and fought the Russians in 1904, and defeated them. In so doing, she was enabled to push her strategic border as far west as Mukden and Changchun in Manchuria, circumstances only preventing her from going further. This was the last direct push she was able to make. But Japanese military maps drawn up shortly thereafter indicated that her military leaders believed that Japan must push farther and meet Russia at a line passing through the Hingan mountains lying one-half way between Tsitsihar and Manchouli station (the western terminus of the Chinese Eastern railway.)

After the war of 1904 and 1905 and while Japan marked time, Russia moved. In 1912, she succeeded in drawing the Mongols into an agreement that recognized Russian hegemony. In the 1920's Outer Mongolia was Sovietized and became independent of China, Russia thus

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[22]Johnson to Edward Carter, Jan. 12, 1932, Johnson Papers.

strengthening her position in the area. Then it was Japan's move once again. Immediately after the Sino-Russian railway dispute of 1929, Japan made a study of the chaotic conditions within China and concluded that China could not resist a Japanese drive into Manchuria. Knowing that the western powers, too, would be restrained by the world economic situation and that Russia had great domestic troubles and would not resist, Japan decided that she could push her boundaries to the point determined in the early twentieth century.

Russia's interest in Manchuria was strategic, Johnson said further, as she needed access to the Pacific, while Japan's was both strategic and economic. A stronger Russia could be a threat to Japan, therefore Japan had to keep Manchuria out of her hands. Moreover, Japan needed Manchuria for the raw materials and markets that it provided and for a place to send her surplus population. Since China was too weak to control the area and since Japan had such strategic and economic interests there, Johnson concluded, he and other world statesmen should have known that Japan would move in and take control.[23]

Japan's capture of Chinchow stirred and angered

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[23]Johnson to Frank Kellogg, Jan. 12, 1932, ibid.

Secretary Stimson and sent him and other American policy makers looking for a new policy--a "tougher" policy. What the Secretary finally decided upon was a course similar to that followed by William Jennings Bryan in 1915 after Japan had issued the twenty-one demands, a policy of refusing to recognize any agreements infringing upon American rights. Appropriately termed "non-recognition", this idea had been resurrected in November 1931, by President Hoover and Stanley Hornbeck and mentioned as a possible course to follow in lieu of the use of force and economic sanctions. Stimson took up the idea in December and by early January had several draft notes prepared. The note eventually sent to Japan and China on January 7 stated in brief:

> "the American Government deems it to be its duty to notify both the Government of the Chinese Republic and the Imperial Japanese Government that it cannot admit the legality of any situation de facto nor does it intend to recognize any treaty or agreement entered into between those Governments, or agents thereof, which may impair the treaty rights of the United States or its Citizens in China...and that it does not intend to recogize any situation, treaty or agreement which may be brought about by means contrary to the covenants and obligations of the Pact of Paris...".24

An attempt to put "teeth in the Kellogg Pact," the

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[24]Secretary of State to the Ambassador in Japan, Jan. 7, 1931, F.R. Japan 1931-1941, I, 76.

new policy, known as the Stimson Doctrine, was a weak expedient at best. Even when Stimson broadened it by basing it on both the Pact of Paris and the Nine Power Pact, which he did in his famous letter to Senator Borah of February 23, 1932,[25] nonrecognition did nothing to deter Japan. It did nothing to protect American interests, nor was it of much significance as far as future events were concerned.

However, Nelson Johnson did not see it that way. Always in agreement with Stimson's Far Eastern policy, Johnson was particularly sympathetic to his employment of the nonrecognition doctrine. He maintained that there was nothing else Stimson could have done in 1932 except possibly to have remained quiet in the face of Japanese aggression. And, that would have been cowardice. Obviously, the United States was not prepared to implement economic sanctions against Japan, nor was she going to use force to drive Japan out of China to enforce the Kellogg Pact and the Nine Power treaty. But, with her obligations under these treaties the United States had to do something. That "something was the Stimson Doctrine. What Stimson did in January 1932 was the "manly, straightforward, honest thing to

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[25] New York Times, Feb. 25, 1932.

do."[26]

Moreover, the United States, Johnson said, had to keep its record clear

> "against the day when this whole situation and the status of the 1922 treaties must be worked out; that it is not a question of meddling so far as we are concerned; nor is it a question of attempting to dictate the moral attitude or conduct of the various powers; but purely a question of the legal record against the time when we must sit down with the Japanese and others and determine once more whether we are going to live in a world of regulated armaments or not."[27]

Because the United States was not prepared at the moment to do anything about Japan's aggression, did not mean that she never would; nonrecognition would tide her over until that day.

The "success" of Stimson's nonrecognition policy is attested to by events subsequent to January 7. On January 28, the Japanese performed their most sinister action yet in their aggression against China; they attacked Shanghai. Not unprovoked, the Japanese had become very upset by the anti-Japanese activities of Chinese living in Shanghai. Anti-Japanese demonstrations were frequent, and numerous clashes had occurred between Japanese and Chinese in which both sides saw some killed and many wounded. On one occasion during the winter. a group of Chinese had carried out an attack

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[26]Johnson to Tyler Dennett, June8, 1934, Johnson Papers.

[27]Johnson to Stanley Hornbeck,July 25,1934, ibid.

on some Japanese Buddhist priests killing one of them.

More importantly, however, the Chinese had for some time been sustaining a boycott against Japanese products and this hurt Japan tremendously since next to the United States China was her largest customer. On January 23, the Japanese Consul General issued demands to the Chinese Mayor of Shanghai requesting suppression of anti-Japanese propaganda and apologies for previous attacks. On the same day the Japanese admiral of the Yangtze Patrol Shiozawa told the Chinese that if they did not concede, he reserved the right to take whatever action was required by the circumstances. Then on the 27th day of January the Consul General notified the Mayor that unless a Chinese reply came within twenty-two hours, the Japanese would attack. The Chinese Mayor acceded in time but the Japanese navy, apparently not wishing to be outdone by the Kwangtung army and its success in Manchuria, attacked anyway. They began the aerial bombardment of the Chinese area of Chapei.[28]

Minister Johnson had warned Secretary Stimson as early as October 1931 that he thought Japan would

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[28]See James W. Christopher, Conflict in the Far East (Leiden, 1950), pp. 281-284, and Rappaport, pp. 107-115.

eventually attack Shanghai but Stimson was unprepared for this new Japanese action.[29] Incensed, he immediately began clearing the way for the sending of an American naval force to Shanghai and sending a sharp protest to the Japanese indicating American concern for its property in Shanghai. However, before the American policy could be effectively implemented, the Japanese, on February 1, requested the good offices of the United States and the other powers to settle the affair. Unexpected by the Japanese, the Chinese had fought back and had proved that Japan had embarked on what Nelson Johnson termed a "hideous blunder."

Secretary Stimson then proposed settling the affair along the lines of a five point program: that hostilities be stopped at once; that no further mobilization be carried out; that all combatants be withdrawn from points of mutual contact; that the International Settlement be protected by the creation of neutral zones policed by neutrals; that advances be made in negotiations to settle all controversies between the two nations in the spirit of the Pact of Paris and the Resolution of the League of December 9.[30]

The Japanese reply amounted to the acceptance of all

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[29]Henry L. Stimson, The Far Eastern Crisis (New York, 1936), pp. 133-135.

[30]Ibid., 147.

but the last of Stimson's points, Japan stating that Manchuria was "special" and would have to be excluded from the discussions.[31] Stimson remained adamant, refusing to concede to the elimination of the fifth point and the negotiations appeared to be over. However, Japan was biding time in order to bring in reinforcements against the Chinese and wanted to continue discussions. Consequently, on February 9 she proposed the establishment of demilitarized zones of between fifteen to twenty miles width around the trading ports Shanghai, Hankow, Tientsen, Canton and Tsingtau. Admitting that the proposal violated the Nine Power Treaty, she termed it a "moral rather than a political program."[32]

Hearing of the Japanese proposals before they were made public and seeing them for what they were, Nelson Johnson stated that he thought the powers should "consider very carefully" the effect the Japanese program would have on the Chinese before they thought seriously about it. The scheme could create an extremely dangerous situation for Americans in China if

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[31]Memorandum of trans Atlantic telephone conversation between Stimson and Sir John Simon, Feb. 2, 1932, F.R. 1932, III, 179.

[32]Johnson to the Secretary of State, Feb. 9, 1932, ibid., 256-257.

the United States agreed to it.

> "I feel certain," Johnson said, "that the time is ripe for another disaster similar to the Boxer Uprising unless we walk carefully with these sorely exasperated people. And I therefore hope that the United States Government will meet this sinister attempt to involve us all in the debacle which the Japanese have created for themselves with a statement in favor of upholding the principles and policies of the Nine-Power Treaty."[33]

This note made a great impression on Secretary Stimson, who had previously been thinking of broadening the nonrecognition doctrine to include the Nine Power Treaty. It is unquestionable that Johnson's remarks reinforced his determination to go ahead with his plan and were responsible in large part for his sending the letter to Senator Borah on February 24--the letter in which the Secretary stated that the United States had traditionally been friendly to the Chinese and had always based its policy on the Open Door for commercial opportunity; that the Nine Power Treaty was a part of the larger treaty structure created at Washington; and that American naval limitation was based upon its being observed.[34]

Johnson believed that Japan would make an effort

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[33] Ibid.

[34] Secretary of State to Senator Borah, Feb. 24, 1932, D/S File 793.94/4291. See also Memorandum by the Secretary of State, Feb. 25, 1932, F.R., 1932, III, 440-441.

to regain the position she had held prior to being met by Chinese resistance and would not lay down her arms until she had done so. He therefore suggested that the Chinese might withdraw "victoriously" from the congested area of Chapei and give Japan no excuse for further attack there. He thought Japan had gotten herself into an embarrassing situation and would move out if she could do so without losing face.[35]

On February 13, he reported that both sides hoped to lay down their arms and that China was willing to withdraw if Japan refrained from entering the territory which she vacated. Japan was willing to withdraw to the point they held as of December 31, 1931, if the Chinese too would withdraw. Johnson and the British Minister discussed the matter daily in an effort to find some way to bring the two sides together.[36]

On February 13, Johnson talked with Wellington Koo about the matter and Koo said that if Japan was sincere about withdrawing, China would agree, the only difficulty being the distance of withdrawal. Johnson then went to Japanese Minister Mamoru Shigemitsu and

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[35]Memorandum by Johnson, Feb. 12, 1932, ibid., 309-310.

[36]Johnson to the Secretary of State, Feb. 13, 1932, ibid., 323-324.

told him of Koo's views, but Shigemitsu's response was not favorable.[37] On February 17, Japan landed more troops in the International Settlement Area, but on that same day through the efforts of Johnson and the British Minister, representatives of Japan and China agreed to get together to discuss the matter. This conference broke down completely as Japanese demands were unacceptable to the Chinese. Johnson notified the State Department that Japan's terms were such that they showed that she did not expect China to yield and that they were following a line similar to their proposal for the demilitarization of Chinese ports. In view of this fact, Johnson said he believed that the United States should avoid being forced into conflict with China in support of such a policy.[38] This note, like the one on February 9, undoubtedly strengthened Stimson's determination to broaden nonrecognition.

The situation at Shanghai looked most serious on February 21 and 22 as Japan once again began advancing and China announced her determination to resist with all her strength. But at the same time Yosuke Matsuoka

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[37]Memorandum by Johnson, Feb. 13, 1932, ibid., 327.

[38]Johnson to the Secretary of State, Feb. 18, 1932, ibid., 381-382.

was telling Johnson that he considered the whole affair a "mess" and that it was Japan's desire to get out--if she could get out with honor.[39] When Shigemitsu reiterated this desire on February 23, Johnson then asked the Department whether he should continue to try and get the two sides together.[40] The Department replied that it would be desirable if the American Minister would take a position similar to that taken by the "neutral" advisors of the United States at the time of the settlement of the Shantung question during the Washington Conference; in other words, to take no direct part in discussions but to keep the disputants working for a settlement.[41] Johnson thus continued his efforts in concert with the British, French and Italian Ministers.

Fearing loss of face, Japan continued her thrusts into Shanghai and on March 2 captured the Woosung forts. She felt she could then negotiate. The next day, heeding a League request, she ceased hostilities.

To go back briefly, at the beginning of the affair

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[39]Johnson to the Secretary of State, Feb. 21, 1932, ibid., 412.

[40]Johnson to the Secretary of State, Feb. 23, 1932, ibid., 417-418.

[41]Secretary of State to Johnson, Feb. 23, 1932, D/S File 793.94/4360.

the Chinese had appealed their case to the League which through its Council made efforts at Geneva and at Shanghai to find a settlement. When the efforts of the Council proved fruitless through February, the Chinese referred the matter to the League Assembly. Before the League Assembly met, however, the Council proposed a truce and a round table conference to be held at Shanghai. On March 3, Japan and China accepted, and subsequent negotiations toward final settlement were carried on in the presence of Johnson and his British, French, and Italian colleagues.

Japan, said Yosuke Matsuoka, was now ready to say "sayonara" and get out of the Shanghai "mess". Accordingly, he suggested that Johnson and the four Ministers mediate the trouble and make it possible for Japan to leave honorably. On March 14, 1932, the four Ministers got together and worked out an agenda for negotiations. Through the next month the discussions were exceedingly complex as the two sides bickered over proper wording.

By mid-April, it seemed that an impasse had been reached as China wanted a time limit for the withdrawal of Japanese troops and Japan refused. Johnson, although generally attempting to avoid interfering in Chinese affairs, suggested to the Chinese that they should not press the matter of a time limit as

their intransigence was directing the world's attention away from Manchuria--that China should hasten to sign the agreement without reservation.[42]

Finally, on May 5, the long and difficult negotiations came to an end as Japan and China agreed upon terms. In brief, the settlement reached was not radically different from the plan first advanced by the Ministers on March 14, providing that both sides withdraw to their respective positions prior to the incident of January 28 and that a joing commission of neutral powers certify the mutual withdrawal.[43]

Except for the Japanese establishment of the puppet state Manchukuo, the summer following the settlement of the Shanghai dispute was not too eventful. The powers were all anxiously awaiting the report of the Lytton Commission which had begun its work earlier in the year.

Named for its head, Lord Lytton of England, the Lytton Commission had been designated by a League resolution of December 10, 1931, to go to the Far

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[42]Memorandum of Conversation between Johnson and Chiang Kai-shek, April 20, 1932, Johnson Papers.

[43]Johnson to the Secretary of State, Mar. 14, 1932, F.R. 1932, III, 583, and the same May 5, 1932, 753.

East and ascertain the true facts in the Sino-Japanese dispute. It was made up of five members: Alexander George Robert Bulwer Lytton, General Henri Edouard Claudel of France, Dr. Heinrich Schnee of Germany, Count Luigi Aldravandi of Italy and General Frank McCoy of the United States.

Leaving Europe in early February, the group arrived in Japan on the last day of the month. It spent a little more than a week there, then went on to China spending the months of March and April in Nanking, Peking, and Shanghai. In late April they went to Manchuria, returned in a month to Peking, went to Tokyo and on July 20 returned to Peking. During this whole period the group found its investigative activities extremely difficult to carry out because of the uncooperative attitude adopted by the Japanese.

Ostensibly on a fact finding mission, in early June the Commission began leaning toward the possibility of exceeding the letter of its duties and toward making recommendations for the settlement of the dispute. Because he believed that there were certain fundamentals connected with questions of sovereignty and control in Manchuria not subject to settlement by legal or judicial means, American Minister Johnson urged the Commission not to do this. Manchuria, he maintained,

was like a long thumb between a door which was Japan and a jamb which was Russia. If China as the owner of the thumb could substitute an iron bar for that thumb in the shape of a strong national sovereignty, the door and the jamb would be prevented from coming together. But there was no evidence that China would do this. "The jamb (Russia)", Johnson said, "is stationary; the door (Japan) is moving. Forces are at work moving Japan, which I do not believe can be stopped by outside influences unless these influences are prepared to apply force equal to that moving Japan."[44] The Manchurian problem was already settled Johnson thought; Japan would not withdraw.

Since the Commission could not accomplish the removal of Japan from Manchuria by whatever recommendations it offered, it should limit itself to pointing out the manner in which Japan had violated all international agreements since 1919 and should let the world draw its own conclusions. The peoples of the world were interested in knowing how Japan had violated the Kellogg Pact, the Washington Treaties, and the League Covenant, but these issues would be forgotten "in the controversy which will arise over any suggestion

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[44]Johnson to Robert E. Olds, June 11, 1932, Johnson Papers.

which the Commission may make for a settlement."[45]

Undeterred by the Minister's comments, the Commission went ahead toward preparing a report which included an acceptable solution to the controversy. Before its work was concluded, a dispute arose between two of its members. Lord Lytton and General Claudel differed as to the position that should be taken toward Japan, Lytton believing that Japan's actions should be condemned; Claudel believing that the Commission's report should recognize the reality of the situation--that Japan was in Manchuria to stay and that "Manchukuo" was not in existence. Claudel maintained that what the West had to deal with was an illegitimate child and the problem was how to legitimize it.[46]

Johnson took issue with Claudel, saying that he thought "it was getting somewhat dangerous when a frenchman began to be concerned about an illegitimate child."[47] However, since Johnson himself took the position that the fate of Manchuria was already settled and the League could do nothing about it, he and Claudel were actually in agreement! Both took what could be

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[45]Johnson to the Secretary of State, June 22, 1932, D/S File 793.94 Commission/271.

[46]Memorandum of Conversation between Johnson and George Blakeslee, June 13, 1932, Johnson Papers.

[47]Ibid.

termed a "realistic" position. But, Johnson's "realism" differed with the Frenchman's on one basic point. He believed that while the illegitimate child would continue to exist it should not necessarily be baptized. Consistent with his belief in the Stimson doctrine, he maintained that Japan's action should not be condoned by official recognition.[48] A strange sort of realist, Johnson was still enough the idealist that his "realism" was tempered by a desire to preserve the legal record.

By August 30, a report was finally agreed upon but not before the Commission had experienced extreme difficulty. In mid-August Johnson reported that Lord Lytton was a sick man, with prostate trouble, and that he had become irritable and pathological on all matters. And, he refused to let anyone else help in writing the final draft. Moreover, Johnson said, "he is using too many "I's" and "We's" in the report." In addition, the group was experiencing a good deal of sickness as Lord Lytton's secretary sustained a leg infection, assistant to the German delegate Hans Von Kotze got cholera and an American assistant got typhoid fever.[49] However, the work was finally completed

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[48]Johnson to Stanley Hornbeck, Aug.30, 1932, ibid.

[49]Johnson to Hornbeck, Aug. 16, 1932, ibid.

and signed by the members on September 4 and was made ready to go to Geneva.

The Commission report complete with a resume of the facts in the case and including its recommended solution to the controversy was released by the League on October 2. The solution called for an autonomous demilitarized regime in Manchuria, a guarantee of Japanese rights there, and for an advisory conference to help determine the government of the area. Still maintaining that the League should not have offered a solution, Johnson nevertheless hailed the report as a classic since it pointed out to the world the situation in Manchuria.[50]

Japan delayed and then refused to accept the proposals, thus defying the League. She maintained that she alone should determine whether or not her action was justified and would make her own decisions regarding the future of Manchuria. The remainder of the year saw the League, with Sir John Simon of Great Britain as the leader, refusing to uphold its Commission and attempting to shift responsibility to the United States; trying thereby to get the United

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[50]Johnson to Joseph Grew, Oct. 21, 1932 and Johnson to George Blakeslee, April 7, 1933, Johnson Papers.

States to take the lead in opposing Japan.

Stimson adroitly evaded the League's attempt to "pass the buck" maintaining that it was not the primary responsibility of the United States to lead the world against an iniquitous Japan. The problem was essentially between the League and one of its members. Johnson, once again in agreement with his chief, also maintained that the matter was the peculiar responsibility of the League and that Geneva should not look to Washington for guidance. The United States should not go out on a limb and oppose Japan. Stimson had already adopted a firm, consistent position that should not be changed.

Instead of placing herself in the path of Japan in Asia in the fall of 1932, Johnson believed that the United States should first try smothering her with kindness. In a letter to Stanley Hornbeck, he lamented the fact that Japan was turning away from the West and seeking her destiny solely in Asia. Because it had Hawaii and the Philippines, because it had such a long coastline on the Pacific, and because it needed the trade and commerce of the East, the United States had to do something to prevent this or "one day we will have a fight in Asia."[51] One way to avoid this

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[51]Johnson to Hornbeck, Sept. 13, 1932, ibid.

struggle would be for the United States to encourage Japan to overextend herself in China and thereby destroy herself. But, the United States did not want this because a prostrate Japan would be no good to her. What then could she do?

Johnson proposed the holding of a large international conference at Tokyo (which would flatter the Japanese) to deal with the broad spectrum of Asian problems. Economic and armament problems related to Japan's action in Manchuria would be discussed there; and the conference could also be used to work out a new codification of international law. Since the Kellogg Pact had outlawed war, Johnson maintained that it was essential that the powers draft a new code to settle problems--for indeed Japan had grievances against China.[52] His theory was that the powers should make a statement of international law resembling the rules of equity: that equity will not suffer a wrong to be without a remedy, that equity aids the vigilant, not those who slumber on their rights, that one who seeks equity must do equity, that he who comes into equity must come with clean hands.[53]

In this way the United States could offer Japan

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[52] Ibid.

[53] Ibid.

the hand of friendship. If the hand were pushed aside and all conciliatory tactics were rejected by the Japanese then the United States would know exactly how to conduct itself. If the United States found it impossible to come to some settlement of these difficulties at the conference table, then she must withdraw from that conference table ready to consider what preparation she would make for the future; a future frought with difficulties and dangers. And, Johnson said, "In the presence of a nation like Japan that is ready and willing to shoot, we must be prepared to shoot or yield the street."[54]

Although still reluctant to countenance the thought that force would have to be used to settle future international disputes, Johnson's statements in the fall and winter of 1932-'33 indicate that he was beginning to believe that indeed it alone could stop an aggressive, belligerent nation like Japan who disregarded all international agreements. Thus, in October he stated to Joseph Grew, American Ambassador to Japan, that for ten years the United States had based its policies on the new ideas which had originated

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[54] Ibid.

after the world war. But since Japan had cast down these ideas, the United States must prepare to fight--she must be ready.[55] In November, he lamented to a friend that Japan was asking the world to accept the view that black was white; her actions were turning the clock back twenty years. The United States therefore would have to consider increasing its arms. She should also think twice about granting the Philippines their independence.[56] On a later occasion he stated that while peaceful solutions were the ideal, there were times when one must use force--when one must fight. In fact, peace itself could be an issue or reason for men to give up their lives.[57]

In January 1933, when Japan was threatening Jehol, Johnson repeated his views in a letter to his former chief, Frank Kellogg. After indicating first that he was very discouraged about the future in regard to the Kellogg Pact, the Washington Treaties, and the League

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[55]Johnson to Joseph Grew, Oct. 21, 1932, ibid.

[56]Johnson to Lt. Col. K.F. Baldwin, Nov. 6, 1932, ibid.

[57]Johnson to Reginald Sweetland, Dec. 31, 1932, ibid.

Covenant, he concluded:

> "It seems to me that it is all very well to talk about public opinion and its effect; but when I was a boy in Oklahoma the only influence that had any effect on the gentlemen who used to come to town on Saturday, get drunk, and then take command of the streets with their guns, was a public opinion that was willing to step out in the street equally armed with a gun and do some shooting."[58]

Thus by the time of Japan's occupation of Jehol and subsequent withdrawal from the League, Johnson seemed to be leaning toward a more forceable policy--a policy of strength. However, this could be overplayed for as evidenced by a letter he wrote to Stanley Hornbeck in late December he was still very ambivalent. "Whatever else we may use," he stated, "we are not going to use force. Force breeds force, and whoever forces Japan out of Manchuria will probably have to remain in Manchuria for the purpose of stabilizing the place in the interest of the Chinese and everyone else."[59]

Johnson was not convinced that the United States had sufficient interests at stake in Manchuria to warrant a confrontation with Japan. Nor did he see how the United States could commit itself to such a policy in view of the lack of political cohesion and

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[58]Johnson to Frank Kellogg, Jan. 23, 1933, ibid.

[59]Johnson to Hornbeck, Dec. 20, 1932, ibid.

willingness to resist Japan within China itself. Moreover, while he considered Japan's wrecking of the treaty system to be the major issue, he certainly did not believe that the United States had any obligation to fight to preserve this structure. Although he recognized that Japan had changed the rules, not until later was he convinced that the United States should play the international game the way Japan played it. He talked about force but essentially he continued to believe that the United States could protect what concrete interests it had with a policy based on abstractions.

VI

JOHNSON AND A STRONGER POLICY TOWARD JAPAN

Chinese philosopher Lao-tze once said: "Do nothing and there is nothing that shall not be done." Had he lived in the 1930's he might have said: "Do nothing and there is nothing that shall not be done to you." When Japan invaded Manchuria, China did nothing; when she invaded Jehol Province, China did nothing; when Japan moved south of the Great Wall, China still offered no effective resistance.

Because of Chinese quiescence, Nelson Johnson questioned whether a stronger policy by the United States was possible. Thus when Japan invaded Manchuria and then occupied Jehol, he rationalized and concluded that Japan's actions would not be detrimental to American interests; that her aggression would not remove a dollar from the American purse; that the United States should remain passive. But, after Japan's invasion of North China it seems doubtful that he believed this reasoning, for he then began talking about a black future, about how Japan was going to eliminate American influence from Asia, that eventually the United States would have to fight to preserve its

position.

It will be remembered that after the publication of the Lytton Commission report in October 1932, the Japanese delayed and then defiantly rejected its proposals while the League powers sat paralyzed in Geneva. Knowing that opinion at Geneva was by no means unanimous regarding ways to punish her aggression, Japan prepared for a new series of thrusts into Chinese territory. Consequently, on January 3 her troops entered Shanhaikuan in Southern Jehol Province, captured the city in a matter of days, and began a march toward Jehol city.

On January 10, Nelson Johnson notified Washington that he felt certain that Japan planned to take the provincial capital and that if China made any attempt to resist, Japan would say that she took the initiative. If possible, Japan would call the move a "punitive" measure. Upset over this projected action, Johnson said to Hornbeck that he was "fed up" with the Japanese and their hypocrisy regarding the League, the Washington Treaties and Kellogg Pact. "They have used every bit of the machinery that implied a certain standard of international sportsmanship," he stated, "until the whole business is a stench in the nostrils."[1]

The League, on January 24, responded to Japan's

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[1]Johnson to Stanley Hornbeck, Jan.10, 1933, Johnson Papers.

activity in Jehol province by officially adopting the Lytton report, issuing a statement of nonrecognition regarding the puppet "Manchukuo," and condemning the course Japan had pursued since September 19, 1931. Angered by the League action, the Japanese delegation stormed out of the session never to return. Meanwhile Japanese troops stepped up their drive toward Jehol. Johnson reported from China that there was speculation that when Japan had captured this city she would then push south of the Great Wall.[2]

In early March, Japanese troops poured into Jehol, thus completing their offensive. Although outnumbering their foe three or four to one, the Chinese armies collapsed almost without a fight and retreated southward. Thoroughly disgusted with Japan's action, American Minister Johnson was almost as upset by the Chinese failure to resist. Reporting the "battle" to the State Department, he stated that he considered the inability of the Chinese to understand or exhibit anything resembling occidental patriotism, their inability to understand the spirit that made man give his life for a cause and their inability to cooperate where personal interests were involved, to be the

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[2]Johnson to Frank Kellogg, Jan. 23, 1933, ibid.

chief reasons for the debacle. The disloyalty of Commanders and the impossibility of achieving coordination between ignorant officers also contributed to the farce. However, the "farce" made little difference to the rest of China for each province had its own problems and its own rulers all ready to proclaim their patriotism to the heavens, but as Johnson put it, each trying only "to maintain his own satrapy."[3]

Johnson's comments regarding the Chinese "resistance" at Jehol are indicative of his estimate of the domestic situation in China throughout the first five years of Japan's aggression. Reporting his views in a dispatch to the Department in February 1933, he stated that he considered the Chinese Government to be factional rather than national; that he thought it had "allowed affairs to drift aimlessly." Moreover, the prestige of the Kuomintang party was at a low ebb and people generally had lost faith in it. The Central Government did not have control over an army, in fact there was no national army in a western sense and even though there were two million Chinese in uniform, China could not resist an outside force. Although she had

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[3]Johnson to the Secretary of State, Mar. 29, 1933, D/S File 893.00 P.R./65.

made some progress in "certain directions", Johnson concluded, China was in a state of serious turmoil as mercenaries, bandits, and "so called" Communists roamed the countryside."[4]

In September 1932, Johnson had written that China's main difficulty was that she could not present a united front, that she could not manage to push her petty quarrels and political differences into the background. "The spectacle China presents abroad today," he stated, "is pathetic and humiliating, and should explain to the Chinese why foreigners often speak scornfully of Chinese patriotism and intelligence."[5] In November, he wrote:

> "So long as the so-called Central Government has no effective authority and is obliged to spend most of its time, money, and energies in trying to find futile formulas to bridge the deep-seated rivalries between semi-independent regional chieftains, not much progress can be expected. The military will continue to be a law unto themselves, and their private armies-instead of being used to resist foreign invasion will be engaged upon the sordid business of satisfying the thirst for territory and revenues of their commanders in China proper."[6]

During the months subsequent to the Jehol defeat,

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[4]Johnson to the Secretary of State, Feb. 13, 1933, F.R., 1933, III, 171-174.

[5]Johnson to the Secretary of State, Sept. 19, 1932, D/S File 893.00/12183.

[6]Johnson to the Secretary of State, Nov. 15, 1932, D/S File 893.00/12232.

chaos reigned supreme in China. The Chinese armies had been defeated and forced to retire, there was no government that could exercise control over any significant portion of Chinese soil and there was extreme political disunion in both the North and South. What is more, there seemed to be no possibility of any agreement between Chinese leaders to end their discord.

Although occasionally showing slight signs of improvement, China's domestic conditions continued to be exceedingly confused throughout the next year. No one seemed to be ready, willing, or able to lead her out of the political and economic morass. In January 1934, Johnson informed the State Department that the Kuomintang had become increasingly impotent with its leadership divided and weak. He likened the Party to a rice bowl that was badly cracked. In addition, numerous provinces in the Northwest were practically independent of Nanking with the militarists in each treating the Central Government with the utmost cynicism. The great mass of the people was completely uninterested in government.[7]

Following a trip to Nanking in early 1934 Johnson

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[7]Johnson to the Secretary of State, Jan. 5, 1934, F.R., 1934, III, 491-493.

became extremely discouraged about the fate of China. Chinese leaders were quarreling over things that seemed to him to be of little or no importance; the people who had been interested were losing respect for their leaders and for their plans and purposes. He had a feeling, he stated to a friend , that the country was "never in greater danger of conquest from without than at the present time."[8] What China needed the American Minister always maintained was a leadership with qualifications other than those possessed by "the average bandit leader." She did not need western advice or even western money; but a competent leadership capable of putting affairs in order.

From time to time Johnson commented on the leading Chinese officials indicating his opinion of their abilities. Chang Hsueh-liang, former Manchurian warlord and member of the military council, he said possessed only mediocre ability. Moreover, his drug addiction made him a most difficult person to respect. General Chang Ch un, another member of the military council, Johnson thought to be an interesting man but most "foul mouthed". H.H. Kung, onetime Minister of Finance, was fairly capable but there was considerable laxity

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[8]Johnson to Owen Lattimore, Jan. 6, 1934, Johnson Papers.

of discipline under him and a significant "letdown in ethical principles in finance." T.V. Soong, onetime Minister of Finance, was one of the most able of all Chinese possessing excellent ability. Chiang Kai-shek was patriotic, extremely modest; lived a very simple life, ate plain food, and wore unadorned clothing. But he was also exceedingly ambitious:

> "he would be dictator of China; he is in fact at the present time a dictator for there is no one in the government at Nanking apparently willing to take the responsibility for anything without consulting Chiang."[9]

Given the lackluster quality of her headership and the extremely fluid situation within China, it is little wonder that the Japanese could advance almost undeterred. Apparently learning nothing from the Jehol debacle, the Chinese were unprepared for Japan's next move. When Japan pushed south of the Great Wall, China's armies collapsed almost as readily as before.

After making a few short halfhearted thrusts across the Wall in April, Japan determined in May that she should invade North China in earnest. By mid-month she began sending flights over Peking dropping propaganda leaflets which indicated her far reaching plans. Only days later she unleashed a force that quickly

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[9]Johnson to Stanley Hornbeck, May 31, 1934, ibid.

crumbled all Chinese resistance before it, pushed across the Chinese plains, and moved on toward Peking. Like the Mongols of old, a new horde poured down from the North through the gates of the Great Wall, a horde, which came not from the dry steppes of Mongolia, but from the over-populated islands of Japan.

On May 22, the American Minister wired the State Department that the Chinese were retreating and that it only seemed a matter of time until Japan would have either occupied or encircled Peiping. But this did not necessarily imply danger for Americans since the Chinese retirement was orderly and if this continued there should be no fighting.[10] Before the Japanese got to Peiping, Johnson again cabled Washington, this time to say that the Chinese Foreign Minister had stated that because of lack of money and because the best Chinese troops in the North had already been destroyed, China could no longer resist. The same day he reported that it appeared that a preliminary arrangement had been arrived at for the cessation of hostilities.[11]

Because they feared the hostility they would

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[10]Johnson to the Secretary of State, May 22, 1933, F.R., 1933, III, 340.

[11]Johnson to the Secretary of State, May 24, 1933, ibid., 344.

engender with their own people, the Chinese who were concerned with the arrangements for the truce operated with extreme caution. Moreover, because the Japanese had stated that they would brook no mediation from a third party, the Chinese did not officially notify the Legations, lest in so doing they jeopardize the arrangements. Thus, Johnson reported that there seemed to be no doubt that a truce had been effected but it had all come about in strictest secrecy and no one really knew the facts.[12] On May 31, about a week after the discussions began, the terms of the agreement signed at Tangku were made public. Known as the Tangku Truce, this agreement provided that China immediately withdraw all her troops to districts south and west of a line connecting Yenching, Changping, and Kaoliying and not advance beyond this line; that the Japanese in order to ensure that China did not violate the agreement could fly over the area to make spot checks; and that the Japanese, when they had decided that China had carried out the first provision, would withdraw to the Great Wall.[13] Clearly a dictated

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[12]Johnson to the Secretary of State, May 26, 1933, ibid., 347.

[13]Consul General at Tientsin to the Secretary of State, May 31, 1933, ibid., 349-350.

truce, the arrangement gave the Japanese additional rights in Hopei province and enabled them to carry out further aggression against China at a later date. It proved but a temporary expedient for the Chinese.

Once Japanese troops had invaded North China there is little doubt that Nelson Johnson believed that the United States should adopt a stronger policy against Japan. As long as her activity had been limited to Manchuria, he was not ready to risk the danger of such a course, particularly in view of the reluctance of the Chinese themselves to do anything to stop Japan. He was not certain that her aggression was much more than a striving for the economic resources which Manchuria had to offer and he convinced himself that Japan would not appreciably harm American interests in that area. Moreover, as a "realist" he was willing to admit that Japan and also Russia had special rights in Manchuria; that propinquity and tradition were most important and that there could be no final settlement of the Manchurian question that did not consider Japan's position.

North China was a different matter. Japan's activity there indicated something decidedly greater to him than mere economic aggrandizement or the establishment of a stable area for her surplus population. Japan had gone well beyond her special "preserve"

and all signs seemed to show that she would go still farther. Johnson now believed that American interests eventually would be severely impinged as Japan would have sufficient strength along the Chinese coast to restrict the free movement of American ships and to limit her trade. It is true that political conditions within China were still as chaotic as ever. But whereas during the Manchurian aggression Johnson viewed this as a possible deterrent to American action against Japan, at this juncture he did not. The United States should adopt a stronger policy independent of the Chinese. He did not want to intervene in China's behalf to pull her chestnuts out of the fire, to protect her territorial or administrative integrity; he merely wanted the United States to arm, to reconsider its attitude toward Philippine independence, and to assert itself determinedly toward the Japanese.

Because he knew that the temper of the country opposed such a policy and because he knew that the administration in Washington also opposed it, the American Minister did not often reveal these thoughts in official dispatches to the State Department but rather in long philosophical letters to his many personal friends. Thus when Japan made her beginning forays south of the Wall, he revealed his first impressions to Stanley Hornbeck. "Apparently", he said,

"there is little the world can do about it," but "it is...discouraging to sit here helplessly and watch it all happen without being able to do anything about it." Two days later his ideas were better formulated; this time he stated that Japan could not continue her activity for long until American interests would be affected, that the United States had a direct interest in the Pacific and in its future.[14] Once Japan's march toward Peking was under way he said that the Japanese force was "one that sooner or later we will have to reckon with, for I have no doubt that as a nation we will aspire to play a part commensurate with our needs in the Pacific."[15]

Reflecting on the situation in the East after the signing of the Tangku Truce, Johnson said to Hornbeck that Japan had now violated the administrative and territorial integrity of China, set up a puppet government in Manchuria and Jehol, and threatened Chahar and Suiyuan. But these things did not effect the United States directly. What was of prime importance to her was the possible

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[14]Johnson to Stanley Hornbeck, May 15, 1933 and May 17, 1933, Johnson Papers.

[15]Johnson to William Hard, May 18, 1933, ibid.

> "extension of Japanese influence through China and along the coast of China so as to set up a barrier past which we and our ships must go if we seek intercourse with Chinese ports or people. That is the situation closely related to our future attitude in regard to the Philippine Islands. Sooner or later the increased prestige of Japan in China...must give us cause to wonder just what our position in the Pacific is to be."16

The period of relative calm following the cease fire of May 1933, gave Johnson an opportunity to consider further exactly what American interests in the Pacific were and what American policy should be. By August, he was reiterating that Sino-Japanese relations were only academic to the United States, that if the Japanese were concerned merely with the settlement of outstanding questions between themselves and China "that was one thing;" but if they

> "threaten America's right to sail her ships freely and without handicap in the Pacific, and the right of American citizens to trade freely...in Asia, or threaten policies which we have undertaken in good faith to fulfill in regard to the future of the Philippines, then American interests are vitally concerned, and we must be as ready to defend our interests as the other man is to attack them. We should be as brutally frank about our intentions as the other fellow is; it is suicide to leave him in any doubt."17

Throughout the next year he frequently expounded

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[16]Johnson to Hornbeck, June 1, 1933, ibid.

[17]Johnson to Hornbeck, Aug. 16, 1933, ibid.

this theme and variations thereof. In a letter to Roy Howard, he stated that he was a little miffed at Americans who always discussed any Sino-Japanese controversy by taking either a pro-Chinese or pro-Japanese position. Actually, Johnson maintained, there was a distinctly American interest at stake which was neither pro-Chinese nor pro-Japanese and which had to be considered with one eye cocked on future developments in the East. American interest in the Pacific area was fundamental for the United States had a long coastline on the Pacific, and she did a tremendous portion of her trading in Asia and on the Pacific. In addition, the United States had taken the Philippines and had guided them along toward independence. They were an "American enterprise", a product of American "idealism", and simply because the United States granted them independence, she could not abandon them; this would be a violation of her ideals. She would have to fight if necessary to protect them.[18]

It was on the question of independence for the Philippines that Johnson revealed his true thinking in official terms to the State Department. In dispatches

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[18]Johnson to Roy Howard, Aug. 29, 1933, ibid.

to Washington, he indicated that he did not believe the Japanese could satisfy their needs either economic or for relief from population pressure in Northern Asia and therefore they would eventually move southward. The departure of the United States from the Philippines would be the signal for the beginning of this move. And once the Japanese got there they would shape their policy so as to exclude American interests. Any attempt to neutralize the Islands such as was proposed under the Hare-Hawes Cutting bill would be futile in view of Japan's disregard of all international agreements. Violation of any neutralization scheme would be inevitable.[19]

Johnson believed that the Japanese would hesitate a long time before they would try to drive the United States out of the Philippines. He thought, therefore, that if the United States stayed she would act as a brake on Japan. Even though the expense of staying might not be justified by future trade, it was better not to run in the face of Japan's aggression.

By early 1934, Johnson was suggesting that the United States should build up its military might. The United States had entered into the Nine Power Treaty and

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[19]Johnson to the Secretary of State, June 12, 1933, F.R., 1933, III, 360-362.

had reduced its arms because Japan and others had promised to respect the integrity of China. But Japan had violated this agreement. Viewing the treaties as a composite, Johnson believed that when Japan violated one part of the treaties all parts were violated. Consequently, Japan's action had released the United States from its agreement and it now had the right to build up its fleet, and its army and to establish the naval bases necessary for defense. "If force is the only language that the Orient understands", he said to Hornbeck, "then we must be prepared to encase our swords in steel."[20]

Here Johnson touched upon what he considered to be the basic difference between East and West. While the West based its international relations on idealism and advocated the settling of disputes by Conference, the East believed that right was to be claimed by the strong. Western idealism was being challenged by the realism of the Orient. In a lengthy dispatch to the Department in late 1933, the American Minister discussed the varying attitudes of the peoples involved in the Far Eastern crisis by analyzing the "Chinese mind," the "Japanese mind", and the "Western and American mind."

The "Occidental mind", Johnson maintained was

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[20]Johnson to Hornbeck, April 12, 1934, Johnson Papers.

extremely complex because it had its religious source in Palestine; its artistic and legal sources in the Mediterranean Sea area, and its collection of heroes of Judaic, Persian, Greek, Latin, Frank, German, Saxon, Celtic and Spanish origin. This diverse background naturally made the western mind complex. In contrast to this was the Chinese mind. It was actually very simple! The Chinese were not influenced by the collection of ideas of the west. Moreover, Confucious separated the ceremony of life in this world from the ceremony of preparation for life in the next. Thus no Chinese suffered from religious scruples in conducting business or in relations with others. It has been the complex western mind that has read complexity into the simple Chinese mind.

The "Japanese mind" was still different. If a Chinese and a Japanese were working together on a lawn and Elijah in his flaming chariot were to appear, the Chinese, Johnson said, would look up and say "oh he has come down from heaven" and go on about his work, slowly, methodically. But the Japanese, if he failed in interviewing Elijah, "would soon be bobbing about the chariot burning his fingers, and if Elijah was absent long enough would be trying to see where the flames came from." The Japanese mind was curious, very intense about its convictions, bloodthirsty, and always

active. Characterized by Samurai and Ronin attitudes, the Japanese mind naturally loved brutality; it honored the sword. The Ronin could reap vengeance for his former clan leader and the clan leader, although disassociated himself, would derive the benefits therefrom. The Japanese army in China Johnson likened to the Ronin of old, only this "new Ronin" worked for different masters, the politicians in Japan.

The "American mind" was the mind of a people who though occupying a continent were too young to have a continental mind like China and too mature to be brutal like the Japanese. It was the mind of the pioneer and its characteristics were helpfulness, compassion, resourcefulness, individualism and caution towards involvement. As far as its foreign policy was concerned, the United States, contrary to Japan, wanted only to sell its goods in China, it had no political interests.[21]

Whether or not she was motivated by peculiarities of her "mind", Japan was determined to "protect" China from the imperialism of the western powers and to build her own influence there. Thus through the remainder of 1933 and early 1934, she maneuvered in

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[21]Johnson to the Secretary of State, Oct. 21, 1933, D/S File 793.94/6513.

North China, applying pressure first here and then there in an attempt to strengthen her position. By April of 1934, Japan was moved to define her policy to the world in terms of a "Monroe Doctrine" for Eastern Asia.

On the seventeenth of that month Eiji Amau, a spokesman for the Japanese Foreign Office, issued a statement to a group of foreign correspondents in which he declared that it was Japan's particular responsibility to maintain peace in Eastern Asia. As far as China was concerned, Amau stated, her unification and the restoration of order within her borders were ardently desired by the Japanese. But history proved that this could be achieved only through the awakening of spirit within and by voluntary efforts on the part of China herself. Therefore, Japan opposed any attempt on the part of China

> "to avail herself of the influence of any other country in order to resist Japan; we also oppose any action taken by China calculated to play one power against another. Any joint operations undertaken by foreign powers even in the name of technical or financial assistance at this particular moment...are bound to acquire political significance. Undertakings of such nature...must give rise to complications that might eventually necessitate discussion of problems like division of China and at the same time would have most serious repercussions upon Japan and East Asia."22

Appropriately termed the Amau Doctrine, this

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[22]British Royal Institute of International Affairs, Documents on International Affairs, 1933-1936, 1934, 472-473.

declaration was prompted by two major developments. First, the Japanese were annoyed by attempts of the League of Nations to effect the economic rehabilitation of China. Through the first three years of the thirties, the League and China had worked closely toward this end and significant progress had been made in many areas. In 1933, the Chinese decided to ask for technical assistance and the League responded by establishing a special committee to implement technical cooperation. Headed by Dr. Ludwig Rajchman, the Technical Agent of the Council, whom the Japanese considered to be antagonistic to them, the committee proceeded in 1933 and 1934 to help China solve some of her problems in the area of road construction, health, and water conservation. Although not much was accomplished, the League action had great potential significance.

Second, the Chinese had begun to secure economic aid from the United States and other powers. Through the facility of the Reconstruction Finance Corporation, in 1933. the Chinese had borrowed fifty million dollars from the United States to be used by her to purchase American wheat and cotton. In addition, the powers had begun assisting China in the building of an air force and in the development of her commercial airlines. The United States sold China some fighting

planes, Italy sent her an air mission, and Germany poured money into her civil air lines and sent General Von Seeckt, former head of the Reichswehr, as military advisor to Nanking. Japan feared that increased non-Japanese "interference" in China and foreign aid, which was being used for military purposes, would seriously undermine her preemtory position and therefore reacted with the statement of April 17.[23]

"This statement", Nelson Johnson informed Washington "should not be permitted to pass unchallenged as it runs directly counter to the spirit and letter of the Nine-Power Treaty... which is part of a series of treaties which must be considered as a whole." The Minister said further that in his opinion although Japan had not given notice that she considered the Treaty no longer binding, the powers should inform her that abrogation of one of the treaties abrogated all of them. If the policy covered by the statement was pursued by Japan, it would severly limit America's national and commercial dealings with an independent country with which it had long had dealings. Consistent with his current thoughts on American Far Eastern policy, he maintained that it was not China's

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[23]Account based largely on Dorothy Borg, The United States and The Far Eastern Crisis of 1933-1938, (Cambridge, 1964) pp.55-80, and Harold Vinacke, A History of the Far East in Modern Times, (New York,1959) pp. 547-549.

independence that concerned the United States at this point, but rather America's independence of action in the Pacific "both now and in the future."[24]

Discarding Johnson's advice, Secretary of State Hull eventually delivered an aide memoire to the Japanese that proved fairly innocuous. Deliberately drafted to avoid offending the Japanese, the message made no mention of Japan's violation of the Nine Power Treaty; nor did it say anything specific about the Japanese declaration; it simply stated America's general position under international law and reaffirmed the fact that by virtue of treaties and in simple justice the United States had certain rights and obligations in China. The American government sought to be considerate of the rights and obligations of other countries, the note continued, and it expected other countries to show due consideration for the interests of the United States. Concluding, the message stated:

> "In the opinion of the American people and the American Government, no nation can, without the assent of the other nations concerned, rightfully endeavor to make conclusive its will in situations where there are involved the rights, the obligations and the legitimate interests of other sovereign states."[25]

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[24]Counselor of Legation to the Secretary of State, April 27, 1934, F.R., 1934, III, 143-144.

[25]Aide Memoire by the Secretary of State, April 28, 1934, F.R., Japan 1931-1941, I, 231.

Although he was prepared to make statements such as this one reaffirming America's rights in the Far East, Secretary Hull was no more anxious than his predescessor to take a forceful stand to protect these rights. Whereas Stimson with his nonrecognition doctrine had "stuck America's neck out" knowing that he could not back his action with force, Hull hoped to avoid any kind of a lead. In fact, over his first years in office he made every attempt to avoid friction with Japan. The policy of the Roosevelt administration was essentially one of noninvolvement. Domestic problems came first, and the great depression had created a wealth of problems.

Not long after issuing his aide memoire Hull began seeking ways to change American policy toward China in order to effect better relations with the Japanese. Consequently he asked the Far Eastern Division to determine what if anything could be done toward this end. The Division responded by stating that since China had not proved to be a good debtor and since the R.F.C. wheat and cotton loan had not worked out satisfactorily, the United States should avoid any further economic assistance for her. Hull, at least temporarily, put this recommendation into effect. In addition, the Secretary asked the press to

make no inflamatory statements that would damage Japanese-American relations. He also refrained from taking a position in any Japanese disputes with the League over technical assistance to China.[26]

Throughout the remainder of 1934, the Roosevelt Administration attempted to clarify its Far Eastern policy and at the same time solve the many problems at home. It was hoping to achieve better relations with Japan and to let nature take its course in China. Except for Japan's maneuvering in North China and rumors of an impending conflict between Russia and Japan, relative quiet prevailed in the Far East during this period.[27] In September, Nelson Johnson prepared to take his family home on a vacation.

Johnson had not been back to the United States since going to China as Minister in early 1930 and he was anxious to visit his many friends there. He therefore wrote to the State Department asking for leave and for expense money for himself and his family. Because of the economic hardship created by the depression, the Department replied that it could not

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[26]See Borg, pp. 81-87.

[27]Ibid., 92-99.

pay his way home for a leave nor could it justify calling him to Washington for consultation; he would have to pay his own way. Fortunately, however, the Department was willing to grant him a sixty day leave, the time that he needed to make the trip.

Traveling was not now as simple or as cheap for the American Minister as it had been when he first went to China. He went there as a bachelor; when he returned to the United States in 1934, he had a wife and a young son. He had married the former Jane Beck on October 10, 1931, during the most difficult period of the Manchurian crisis. Miss Beck was the daughter of George Beck of Cody, Wyoming, former state senator and candidate for governor in that state, and the grandaughter of United States Senator James Burnie Beck of Kentucky. A graduate of the University of Wyoming and a teacher in California, she had met Johnson in Washington while he was detailed to the Department in the late twenties. Their respective families had been friends for some time but they had never met prior to this date. Miss Beck went to China in 1931 and their marriage took place in Tientsen at the home of Frank Lockhart, the American Consul

General. The first of the Minister's "dividends",[28] Nelson Beck, was born on April 8, 1933.

Johnson and his family sailed from Shanghai for the United States on October 9, 1934. They arrived in Washington on November 1, spent a little more than a month there, and then went to Cody, Wyoming for another month. The Minister then secured an extension of his leave until January 25, on which date the family left San Francisco for the return trip to China. They arrived back in China on February 12, 1935.

When Johnson returned to his duties he found Sino-Japanese relations entering upon a new phase, for Japan was shifting the emphasis of her policies from North China to Nanking. In North China the Japanese military had tried to work out Japan's destiny; now at Nanking diplomatic moves were being made to effect economic cooperation and collaboration with China. In the latter part of March, the Minister reported to Washington his ideas as to the reasons for this change. He said that he thought that the Japanese army had accomplished what it had intended

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[28]Because he married later in life Johnson always thought of his children as an added blessing; he called them his "dividends".

in North China and now coveted China proper, not so much for political as for economic conquest. Secondly, the Japanese military had possibly lost some prestige at home to business and civilian leaders who were apprehensive about Japan's economic position and who desired new markets. Therefore, the military was temporarily giving business leaders and the Foreign Office a chance to take the lead in winning concessions from China. Third, the Japanese military may have figured that since Japan's withdrawal from the League and her denunciation of the Washington Treaties would become effective in 1935, they should "clean up" the outstanding questions between Japan and China by the end of the year, thus enabling them to face the tasks of 1936 with a peaceful China behind them.[29]

Whatever the reason, it was a fact that Japan was now seeking economic advantage by negotiation rather than by force. The American Minister reported that he expected the results of this diplomatic activity eventually to be reciprocal credit and tariff advantages, a financial assistance arrangement whereby

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[29]Johnson to the Secretary of State, Mar. 21, 1935, F.R., 1935, III, 81-86.

Japanese cotton growing experts would help China improve her cotton yield, authority by Japan to build a railroad and get coal out of Shansi, and an effort by the Chinese to halt the boycott against Japanese goods. Johnson thought that generally relations between the two nations would improve. China could do nothing but go along with Japan's desires.[30]

But, the improvement in Sino-Japanese relations would not help the West. Japan was turning to China to solve her two major problems; her population problem and her need for markets for her industrial products. Johnson doubted if she would succeed in either area since relative to the first; Japanese and Chinese never intermarried and had different cultures and, on the second; Japan would try to "run the show" like she did in Formosa and Korea and Manchuria, and thus ruin any chance of developing a satisfactory Chinese Market. However, in attempting to achieve her goals, Japan would wipe out every vestige of western competition.[31]

Japan's more friendly policy toward China continued up through the first week of May 1935. On

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[30] Ibid.

[31] Johnson to the Secretary of State, Mar. 29, 1935, ibid., 97-100 and the same May 1, 1935, ibid.,134-144.

May 9, Japan proposed the raising of her Legation in China to an Embassy. The other powers fearing a loss of good will with the Chinese quickly followed suit and on June 18, Johnson was promoted from Minister to Ambassador.[32] Because of this gesture on the part of Japan, it was expected by Johnson and other officials that she would continue her conciliatory policy.

No sooner had the Foreign Office announced this new step, however, than the Japanese army again began to act. Apparently miffed that they were not consulted prior to the move and upset that the conciliatory policy was going too far, they chased a group of Chinese bandits into Hopei Province and anniliated them; they ordered the military personnel of the Central Government to be pulled out of Hopei and the Kuomintang organization there to be dissolved; they ordered the dismissal of General Yu Hsueh, Governor of Hopei and stated that thereafter only officials acceptable to the Japanese should be assigned to the area. Again helpless before Japan, China gave in to her every request. "The government at Peking," Johnson stated

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[32]Johnson did not present his credentials as Ambassador until September when the Senate had confirmed his appointment.

to Hornbeck, "has been reduced to a jelly like consistency."[33]

Although on previous occasions of Japanese aggression Johnson had consistently advocated calling Japan's attention to the Nine Power Treaty, during the Hopei crisis he did not. He advised the Department that it would be of little value to say anything to the Japanese Foreign Office since in his opinion the course of action had been determined upon by the Kwantung army without the approval of the civilian wing of Japan's government; that the army was voicing its disapproval of the conciliatory policy and any adverse comment by the United States would simply infuriate the army leaders and incite them to further action.[34] Johnson still believed that the United States should conduct its own affairs in the area of armament as though the treaties had been contravened; he simply did not think that on this occasion saying anything to Japan would do any good.

During the summer of the Hopei crisis the Japanese also used an incident in Chahar as an excuse to

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[33]Johnson to Stanley Hornbeck, July 31, 1935, Johnson Papers.

[34]Johnson to the Secretary of State, June 17, 1935, F.R., 1935, III, 257-258.

present the Chinese with another set of demands. Unable to resist, the Chinese once again gave in and agreed to suppress all anti-Japanese activities, disband all anti-Japanese organizations, and disband Kuomintang headquarters in Chahar. Shortly thereafter, Johnson reported to the State Department that he thought the matter of Hopei and also Chahar had been settled but that the Chinese lived in great fear as at any moment the visiting card of a previously unheard of Japanese Major or Colonel might be presented and his slightest whim could become the active policy of the Japanese military.[35] The Minister said that he was still very pessimistic about the future; activity in China had evil forebodings for the western powers. Japanese activities, political and economic, would increase in China from then on, he thought.[36] But,

> "General Chiang Kai-shek continues his campaign against the Communists nevertheless. Chinese leaders in Nanking are discouraged. There is little, apparently, that they can do.... It would be funny if it were not so tragic."37

By the fall of 1935, Japan's activities in China

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[35]Johnson to Secretary of State, July 10, 1935, ibid., 303-306.

[36]Ibid.

[37]Johnson to Roy Howard, June 20, 1935, Johnson Papers.

were indeed increasing. In late October, Japanese Foreign Minister Hirota outlined a three point program that was to govern Japan's relations with China in the immediate future. Termed by Johnson a plan to place China directly under Japan's control, Hirota's program "requested" China to ally with Japan or collaborate to eliminate communism, stop playing foreign nations against one another, and to effect economic cooperation between Japan, China, and Manchuria.[38] At the same time that discussion of Hirota's points was going on, Japanese General Doihara and his military colleagues attempted to induce the Chinese in North China to establish an autonomous state in that region, stating that if this were not done by November 20, Japanese forces would attack and set up the state themselves. The Chinese apparently determining that appeasement had not worked thus far decided to call the "bluff" of the Japanese military. General Doihara remained silent. However, in the ensuing negotiations both at Nanking regarding Hirota's three points and in the North regarding the establishment of an autonomous region, Japan made significant gains for she got certain

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[38]Johnson to the Secretary of State, Nov. 11, 1935, F.R., 1935, III, 404-405.

privileges and brought about the establishment of a Hopei-Chahar Political Council which was to enjoy a good deal of autonomy in governing these two provinces. Near the end of the year, Johnson wrote to Hornbeck saying that he thought these events indicated that Japan planned to control and supervise China and would continue her work until she had completed her task.[39]

During the crisis in North China, Britain thinking that some action should be taken in China's behalf, made inquiry as to Japan's intentions as they related to the Nine-Power Treaty. United States policy makers then had to decide whether to follow suit or to pursue some other line. Because he believed that as far as protecting the sovereignty of China was concerned the Nine-Power Treaty was now useless, Ambassador Johnson advised the State Department against such a move. He believed that making representations to Tokyo would only give the Japanese militarists a pretext for further aggression and would get the West or China nowhere. However, consistent with his belief in a stronger policy toward Japan, he did feel that the

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[39]Johnson to Hornbeck, Dec. 3, 1935, Johnson Papers.

United States should keep reminding the Japanese privately of their violation of the whole Washington treaty structure; informing them that their violations justified the United States strengthening itself.[40] In other words, the United States should not say or do anything which could be construed as being on China's behalf; it should simply warn Japan that it was preparing itself for any eventuality.

The statement that Hull eventually made, like the statement following the Amau Doctrine, made no mention of the Nine-Power Treaty and was notable for its unprovocative tone toward the Japanese.[41] Thus, at the end of 1935 as at the beginning of 1933, the Roosevelt Administration was following a passive Far Eastern policy. Although Nelson Johnson had not placed himself in opposition to this policy, one must certainly conclude that he was not altogether happy with it. Indicative of his attitude was a conversation that he had in the fall of 1935 with Dr. Arthur Young, Advisor to the Chinese government. Young, fearing the future, asked Johnson if he thought there would be

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[40] Ibid.

[41] Secretary of State to the Chargé in Japan, Dec. 5, 1935, F.R., 1935, III, 473.

any change in American policy to meet the ever expanding Japanese. Johnson replied that he did not know. But he said, grimly, that anyone interested could probably surmise what it would be by looking at the act creating the Commonwealth government in the Philippines preparatory to granting them independence, and the recent neutrality legislation--actions that he strongly opposed.[42]

In 1936, as Japan stepped up her activity in China, Johnson became even more firmly convinced that the United States should adopt a policy of strength. At the beginning of the year, he was saying that while the United States would not engage in a war with Japan over the Open Door, there were certain elements connected with her expansion with which the United States might become involved.[43] Later, he said to a friend that he did not believe that the United States necessarily had to have a physical conflict with Japan but "if we are going to get along with the Japanese in this world of economic conflict we have to walk and talk

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[42]Memorandum of Conversation between Johnson and Arthur Young, Spt. 25, 1935, Johnson Papers.

[43]Johnson to D.C. Poole, Jan. 10, 1936, Johnson Papers and Johnson to the Secretary of State, Jan. 15, 1936, F.R., 1936, III, 11-14.

like a Samurai warrior...".[44] At the end of January, he stated that Japan could not be expected to respect America's interests and views unless "we have ready the force commensurate with our interests and our resources to enable us to make our views and interests worth respecting."[45] Armament limitation was all right in a world of negotiations and arbitration but in a world where the man with whom one has to deal has a gun "the only safe thing for you to do is to carry a gun also and be ready to use it, and use it quickly."[46]

In May, Johnson said he saw no reason why the United States should keep quiet concerning action by an aggressive power in an area where the United States had interests.[47] Shortly thereafter, he stated that he thought the United States should and would build a navy strong enough to support American interests in the Far East. The United States had built a great empire and this was not accomplished by pacifism. "Cruel force entered into the accomplishment." And,

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[44]Johnson to Hugh Gibson, Jan. 31, 1936, Johnson Papers.

[45]Ibid.

[46]Ibid.

[47]Johnson to I.V. Gillis, May 5, 1936, Johnson Papers.

no one should forget this.[48] In July, he told Frank Kellogg that people had to be willing to fight in the interests of their ideals or they would soon be subjected to the ideals of someone else.

> "Perhaps this is heresy," he said, "but I am convinced that the idealism that inspired the Kellogg Pact cannot prevail unless those who hold those ideals are prepared to go and shoot it out with the drunk who now confuses our thoughts."[49]

As her military got increased political power in the spring of 1936, Japan continued her aggression in China. During the first part of the year, one of the most vital aspects of her policy was her increased smuggling activity in North China. By pushing goods free of duty, Japan apparently hoped to destroy China's revenue administration and eventually weaken the government to such an extent that it would be amenable to an agreement along the lines of Hirota's three points. Predicting the results if Japan succeeded at this, Johnson stated to the Consul General at Shanghai:

> "we will wake up some day to find that Japan has forced China into a kind of alliance with Japan which will be not only a defensive and offensive alliance,

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[48]Johnson to I.V. Gillis, May 19, 1936, ibid.

[49]Johnson to Frank Kellogg, July 16, 1936, ibid.

> but also an alliance in the nature of a customs union, with special privileges enjoyed by Japanese goods and discriminating tariffs on goods from Europe and America."[50]

At the same time Japan was carrying on her smuggling activities, the Japanese military was stepping up its attempts to detach the northern provinces. In September, after a series of incidents in which some Japanese were killed, the new Japanese Ambassador, cooperating with the military, presented orally a set of demands to the Chinese Minister of Foreign Affairs. Among other things, these demands stated that China should grant more freedom of action to local authorities in North China and that Japan and China work together to suppress Chinese Communism. Contrary to their action on previous occasions, the Chinese replied with a set of demands of their own; demanding the abandonment of the East Hopei autonomous area, treatment of China as a sovereign equal nation, and the end of smuggling. Lengthy discussions ensued, but China stood her ground. Japan talked of war but no war occurred. When in November the Chinese defeated a Japanese force comprised of Mongols and "Manchukuo"

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[50]Johnson to Consul General at Shanghai, June 12, 1936, ibid.

bandits at Suiyan, creating thereby an unexpected wave of nationalist anti-Japanese spirit throughout China, the Chinese negotiators became even more intractable. By the time of the Sian kidnapping episode in mid-December, a settlement had still not been reached.

On December 17, Nelson Johnson wrote to a friend in the United States saying that China was in the midst of another crisis--an astonishing crisis: "The young Marshal Chang Hsueh-liang has seized the person of Generalissimo Chiang Kai-shek and his entourage who ventured into Chang's bailiwick...".[51] Chiang Kai-shek had gone to Sian, thecapital of Shensi province, in early December to quiet the demands for war with Japan on the part of the young Marshal and the group of officers surrounding him. Chang had been sent to Shensi province by Chiang to wipe out the Communists as a part of the Generalissimo's plan to unify the country. Apparently dissatisfied with their conditions and with Chiang's reluctance to turn his efforts away from fighting the Communists and toward a concerted effort against the Japanese, Chang and his group on

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[51]Johnson to Dr. William Hocking, Dec. 17, 1936, ibid.

December 12 seized the Generalissimo--kidnapped him, as Johnson put it, like "Chicago gangsters." The group then issued a list of eight demands to the nationalist government which included that Nanking begin a stronger effort toward resisting the Japanese, that greater democracy be attained, reversing the trend toward military dictatorship, and that the Communists be brought into a united front arrangement.

The Nanking government rejected the rebel demands and threatened the use of force to smash the group and if possible to secure the release of Chiang. They then ordered the Nationalist armies to move northward. Chiang, however, apparently through a fellow prisoner, managed to make contact with the government and called for the suspension of any hostile action for about a week until the matter could be negotiated. According to official reports Chiang adamantly refused to accede to the young Marshal's wishes during the whole period of his detention. The Nationalist government refused to send an official negotiator to Sian to discuss the kidnapping, but did allow T.V. Soong, Chiang's brother-in-law to go. Soong went to Sian on the 20th, returned quickly to Nanking, went back on the 22nd this time accompanied

by Madame Chiang Kai-shek, and finally on December 25 secured the Generalissimo's release. Reportedly, Chang Hsueh-liang had seen the error of his ways; he returned to Nanking himself in the custody of the man he had kidnapped.[52]

Although varying interpretations were offered as to the results of the affair and much speculation occurred as to the young Marshal's motives for the kidnapping, Nelson Johnson's views appear to be as accurate as any. First, interpreting the matter in psychological terms, he maintained that Chang's army was particularly susceptible to irresponsible action. It had just been driven out of Manchuria by Japan and then forced upon the National government by economic necessity; it was the butt of jokes; it was the army that would not fight. Its morale was low and when it was shunted off to North China to fight the remnants of the Communists, morale did not improve. Japan had exacerbated this feeling by being especially harsh to the families of Chang's soldiers who lived in the areas they controlled; many of whom fled to join Chang's army in Shensi. Bickering was rife in the young Marshal's army, many families were there, Shensi

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[52]Summary of episode based partially on Borg, pp. 218-223.

was not hospitable to them, and the Communists used propaganda against them. "It was easy," Johnson said, "to appeal to these homesick men under a weak leader who had been a narcotic addict, who was the son of a bandit, with results which burst upon us on the morning of December 13th."[53]

A couple of weeks later the American Ambassador wrote to Stanley Hornbeck indicating that he had altered his interpretation slightly. He now thought that the attitudes of Chang's army were less responsible for the affair than Chang himself.

> "Personally," he wrote, "I am inclined to believe that it was nothing more than a kidnapping indulged in by Chang Hsueh-liang and his friend Yang Hu-cheng, for the purpose of compelling Chiang Kai-shek to give complete recognition to their talents. Just a kidnapping. As you know, I have always felt that the confusion and complications which we ascribe to the Chinese mind are very much the product of our much more complicated brain. I believe that Chang Hsueh-liang had persuaded himself that his suddenly-devised kidnapping would be welcomed by a large portion of the leaders of the country..."[54]

In regards to the results of the Sian episode,

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[53]Johnson to William Castle, Jan. 26, 1937, Johnson Papers.

[54]Johnson to Hornbeck, Feb. 6, 1937, ibid. Dorothy Borg in her The U.S. and the Far Eastern Crisis, pp.225, 226 emphasizes that Americans officials considered the episode as occurring as a result of superficial factors and that they therefore missed the role of the Communists.

Johnson believed first that it was a blow to China's self confidence and more importantly that it had dampened the spirits of those who wished to attack Japan. However, he believed it had other results which were less easily evaluated. Prior to Sian, he said, Chiang Kai-Shek had stood alone in his efforts to bring unity to China for Chiang was a cold, lonely individual who did not attract people's confidence and who was hated by many who thought him ambitious to become a dictator. But when Chang Hsueh-liang seized him, he suddenly became a symbol of unity, the thing that the Chinese wanted most. The Chinese were ashamed of their failure to stop the Japanese, a people that they despised, but they knew that Japan's success was attributable to her ability to act as a unit, to direct her entire force at one point. Knowing this all along, they simply needed an event such as this to shake them out of their lethargy. Johnson believed, therefore, that since the central government had not found it necessary to compromise, it had emerged from the ordeal stronger than it had ever been.[55]

The Sian affair, when combined with the stand which the Chinese had taken in the negotiations with Japan during the fall, and their defeat of a Japanese led

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[55]Johnson to Thomas Lamont, May 11, 1937, ibid.

army at Suiyan, indicated to Johnson that unity was being achieved in China. It appeared that she was developing a patriotic spirit, that she would resist the aggressor. He was heartened by this for although he did not believe that the United States had a special responsibility for the preservation of China, or should necessarily do anything to this end, he hoped that China could retain her sovereignty and independence. He also saw that if China could fight her own battles in Asia, Japan might eventually reconsider her aggression because of its cost and the United States would not herself have to become involved.

VII

NELSON JOHNSON AND UNITED STATES SILVER POLICY

"The chief cause for the abnormal and sudden decrease in our commerce with China during the latter part of 1929 and 1930," wrote Senator Key Pittman of Nevada in November 1930, "was the sudden great and unprecedented fall in the price of silver."[1] Concerned more with silver than with commerce, Pittman spent the next ten years trying to increase the price of the white metal. From early 1930 on, his and the other silver senators' maneuverings were a constant headache to State Department officials as they added silt to the already muddied waters of Sino-American relations.

As head of the silver bloc in Congress, Senator Pittman had spent much time and effort during the twenties lining the pockets of his silver mining constituents. He had committed the federal government to a couple of silver purchasing programs designed to keep the domestic price of the metal high.[2] However, by 1929,

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[1] Congressional Record, 71, Cong. 3 Secs. Vol. 74 pt. 5, (Feb. 12, 1931), p. 4701.

[2] See Fred L. Israel, Nevada's Key Pittman, (Lincoln, 1963), pp. 75-95.

both the domestic and world prices had slipped to an all time low and the effect on Nevada and the other silver states was disastrous; mines shut down; men were thrown out of work. Something had to be done. The silver senators tried first to push a tariff bill through Congress to insulate the United States from the world price. Failing at this, in 1930 they launched a plan devised to raise the world and domestic prices of silver and at the same time increase American commerce--a scheme designed to please everyone. Nelson Johnson's first contact with what later came to be known as "American silver policy" occurred during this year.

On April 29, 1930, Pittman introduced a resolution in the Senate which authorized the Senate Foreign Relations Committee to investigate the treaties and other commercial arrangements of the United States with China with a view to the possible denouncement, amendment, or modification of existing treaties or the execution and ratification of additional treaties. Ostensibly nothing more than an attempt to review American trade with China, the resolution was actually much more than that. Pittman and his fellows hoped generally to disclose that the low

price of silver was the major cause of world economic ills and specifically that its deflated price was harming American trade with China since cheapened silver made higher commodity prices. When questioned by Stanley Hornbeck in May, Pittman admitted that the purpose of the resolution was to make an investigation into the subject of the price of silver and little else.[3]

As a part of their plan, the silver senators had in mind the floating of a large loan to China. This would allow China to purchase American products and at the same time decrease the volume of silver held in the United States. In the fall of 1930, a representative of the silver group went to China to secure Chinese approval of the scheme. Nelson Johnson revealed in a letter to Hornbeck in early December that a certain Isaac Ezra, a member of the American silver commission was plaging him and the Chinese government, trying to get the Chinese to agree to a loan. Specifically, the idea put forth was that the Chinese government should agree to borrow 500,000,000 ounces of American silver at a rate of 2%, the loan to be repaid in fifty years. Then the United States would buy up silver equal to this amount with dollars from American producers. The only

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[3]Memorandum by Stanley Hornbeck, May 16, 1930, D/S File 893.41-Silver/1.

problem with the scheme was, as Johnson said, that the world price of silver was extremely low and going lower and the loan would be of little value. However, the group was ready to meet this problem; it proposed the holding of an international conference to regulate the price and to keep India, which had a large amount of silver in its possession, from dumping it on the world market. Johnson told Hornbeck that he hoped the State Department would help China "fend off" the "likes" of Ezra and his group.[4]

Through the remainder of 1930 and into 1931, the silver group plumped for world wide regulation of silver prices as well as for the consummation of the loan deal with China. Senator Pittman attached recommendations to this effect to the report submitted by the Committee commissioned by his original resolution of April 1930. In the spring of 1931, he was sent to China by the subcommittee studying the matter to determine the "facts" and the feasibility of a loan. He returned more convinced than ever that his ideas were correct. He then began to push harder for an international conference.

He finally got what he wanted. When the London

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[4]Johnson to Hornbeck, Dec. 5, 1930, Johnson Papers.

Economic Conference convened, Pittman was made one of the American delegates. By persistence and dogged determination, he utilized his position as chairman of a conference subcommittee studying the necessity of stabilizing and regulating silver prices to effect an agreement--an agreement which provided that countries utilize silver instead of paper in low value currency, that countries avoid legislation that would devalue silver, that certain countries like India agree to limit the amount they would sell in the world market, and that the United States and other producers of silver would commit themselves to purchase large amounts of the metal for a period of four years. In December 1933, President Roosevelt implemented the agreement by proclamation and directed the Secretary of the Treasury to begin buying silver at 64½ cents an ounce at a time when the world market price was only about 43 cents an ounce.[5]

Still not satisfied, the silver bloc increased its activity and introduced a bill in Congress that would have required the Treasury to purchase 50,000,000 ounces of silver a month. Although the bill was defeated, the

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[5]See Israel, pp. 88-95 and John Morton Blum, From The Morgenthau Diaries (Boston, 1959), pp. 183-190.

group continued its efforts and in June with little opposition from the President it pushed through a bill known as the Silver Purchase Act. This act authorized the Secretary of the Treasury to purchase silver until it constituted one-fourth of the entire monetary stock of the United States or until the price reached $1.29 per ounce, the coinage price. Quickly put into effect, the new silver act provided that the United States buy the metal domestically at 64½ cents, the price agreed upon in December 1933, and at the world market price. Once the United States began purchasing in volume, the world price quickly soared and soon outdistanced the domestic price, with the result that the silver senators sought and secured an increase in the pegged domestic price. As the buying continued, the price of the metal spiraled.[6]

The effect of the American silver buying program on China was immediate. The higher world price caused silver to leave that country as fast as it could be loaded on boats. Even before the implementation of the act of June 1934, China was beginning to be concerned about the external flow of the metal; began in fact to wonder what to do to combat what she considered to

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[6] Ibid.

be the undermining of her currency. Viewing China's dilemma, Johnson believed that she had three alternatives and none of them was possible of attainment: she could embargo the export of silver, she could put an export tax on silver or she could reduce the silver content in the dollar. The first two courses of action she could not implement because of foreign attitudes and because of the extraterritorial privileges enjoyed by foreigners. The third was impossible because it was complicated and her government was not stable enough or strong enough to carry it out.[7]

But Johnson was not yet convinced that China had anything to be alarmed about. At this point he did not think that higher prices for silver in the world market would have a baneful effect on China. Having made a study of the problem, he found that in 1920 when silver was at its highest value exports and imports of gold and silver respectively reached their highest peaks. He believed that it followed then that a higher price for the white metal would eventually increase the supply of silver in China rather then decrease it. In other words, Johnson believed, as did Senator Pittman,

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[7]Johnson to Frank Lockhart, Mar. 21, 1934, Johnson Papers.

that China considered silver and also gold to be commodities to be bought and sold; that she bought gold when gold was cheap in terms of silver looking for a rise in the price and when gold was expensive in terms of silver, she bought silver for the same reason. In addition, Johnson thought that higher silver could benefit China since higher silver would mean that she would have to pay fewer dollars for what she imported.[8] By the end of March, Johnson was saying that he thought silver prices could be increased at least 25% without really harming anyone.[9]

As time went by, Johnson began to change his view. In the months subsequent to the passage of the Silver Purchase Act, the export of silver from China increased tremendously until by October the Chinese were exceedingly anxious that the United States do something to relieve the situation. On October 5, Chinese Minister of Finance, H.H. Kung, prepared a memorandum which he sent to Washington stating China's case. Kung stated that when silver became more valuable abroad than at Shanghai, as much as ten per cent more valuable, Chinese banks naturally shipped the metal abroad as it let them

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[8]Johnson to Frank Lockhart, Mar. 25, 1934 and Mar. 21, 1934, ibid.

[9]Johnson to Julian Arnold, Commercial attache', Mar. 30, 1934, ibid.

replenish foreign balances. Previously, of course, China had exported goods or merchandise to maintain balances but with the world wide depression there were no markets as there was no buying power anywhere. The difficulty with this situation, Kung went on, was that the continued export of silver would drain China of the precious metal base for her currency and lead to higher interest rates, deflation and, a good deal of hardship and suffering.[10] In December, Kung again explained the gravity of the Chinese position, this time appealing for the United States either to agree to reduce the purchase price of silver or help to reorganize China's currency.[11]

At about this same time, Johnson in a letter to Stanley Hornbeck stated that Bois Hart, of the National City Bank, had just called upon him and told him that the Chinese were becoming extremely upset about American silver policy and that anti-Americanism was spreading rapidly. Johnson said he could well understand the Chinese feeling, but that it would do them little good

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[10]Memorandum by the Chinese Minister of Finance, Oct. 5, 1934, D/S File 893.515/353.

[11]Chinese Minister of Finance to the Chinese Minister, Dec. 9, 1934, F.R., 1934, III, 455.

to protest because the Administration was required by an act of Congress to continue its purchase of silver. However, Johnson thought there was one thing that the United States could do to relieve the situation. It could buy up silver at Shanghai and hold it there, perhaps in this way re-establishing Shanghai as a silver market and discouraging shipment away from China.[12]

Not long thereafter, Johnson, in Washington on leave, and Herbert Feis, State Department Economic Advisor, prepared a memorandum suggesting a possible course to follow in response to Kung's appeal. Reflecting accurately Johnson's new views, the memorandum stated first that bankers and business groups in China were being affected by the American silver policy and this was crucial to Sino-American relations. Moreover, there were widespread disturbances in China caused by United States purchases of silver and regardless of who was actually responsible for the act's passage, the Chinese considered the President not Congress or the Treasury as responsible. The Chinese had appealed to the United States to do something but nothing had been done, thereby indicating an inconsistency between friendly professions and actual practice. China, the memorandum continued,

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[12]Johnson to Hornbeck, Dec. 3, 1934, Johnson Papers.

was imploring the United States to agree not to pay over forty-five cents per ounce for the metal if it wanted to make good its professions and avoid hurting her economy. However, Johnson and Feis concluded, the best course for the United States to follow was to suspend its silver purchasing entirely! If this could not be done, then she might agree to the forty-five cent limit or perhaps, as Johnson had suggested earlier, she could leave in China what silver was purchased there, or she could give China a silver credit to use in international exchange payments. The United States should not itself get involved in an attempt to reorganize China's finances or currency; any attempt along these lines should be an international project.[13]

One day after Johnson and Feis submitted their efforts, Stanley Hornbeck also prepared a memorandum on the subject. Like Johnson and Feis, he believed that the American purchasing program was doing great economic harm to China and possibly irreparable harm to Sino-American relations. He stated that the United States should end its buying of silver; this would remove the roots of China's problem. But, with Johnson, he believed that if this could not be done, and because of the stand

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[13]Memorandum submitted to the Treasury by Johnson and Herbert Feis, Dec. 15, 1934, ibid.

of the Treasury Department and the President it appeared that it could not, then the United States should leave in China what it purchased there.[14]

Throughout December of 1934 and January of 1935, the Treasury Department maintained its position that the United States should continue its buying program. President Roosevelt, prodded on by Pittman and the other "silver senators" gave no signs of changing his attitude on the question, supported the Treasury Department, and therefore paid little attention to the warnings of the State Department. Less interested in the welfare of China than in the domestic political situation, he feared rocking the boat.

The economic situation in China appeared to worsen almost daily. In early March, Johnson reported to Washington that the financial situation at Shanghai was extremely acute because of the scarcity of monetary silver. The situation had been exacerbated because cheap silver, which having gone to Shanghai for investment in Chinese government securities, had suddenly left, thus wiping out an important factor in the government's financial policy. The American Minister stated further that he thought the collapse of the financial

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[14]Memorandum by Hornbeck, Dec. 16, 1934, D/S File 893.515/372.

structure at Shanghai could occur at any time and that bankers and government officials all over China blamed American silver policy for their difficulties. Again he said that the United States should end its buying policy or in lieu of this leave silver in Shanghai, at least until the crisis passed. If nothing more, this would indicate the American desire to assist.[15]

In the meantime, China had offered a suggestion to the United States to help her out of her economic plight. She asked for a loan of 100 million dollars and for a credit of 100 million dollars against future delivery of silver to be drawn upon if and when required. Because it was at this time trying to avoid friction with Japan, the State Department indicated that such a loan should be made only in cooperation with the other powers who had in the past been interested in Chinese financial projects--the United States would grant the loan only through the International Consortium.[16] The State Department was caught on the horns of a familiar dilemma; if it agreed to help China, it would offend Japan, if it refused to help China, it would incur the

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[15]Johnson to the Secretary of State, Mar. 4, 1935, D/S File 893.515/439.

[16]Memorandum by the Far Eastern Division, Feb. 7, 1935, D/S File 893.515/402.

wrath of the Chinese.

Over the first three months of 1935, China became increasingly hostile toward the American silver policy. At one point it appeared that she might even turn to the Japanese in an effort to relieve her economic situation. In a letter to Roy Howard in April, Johnson said that when he returned from a leave in the United States in late February, he found China buzzing about a possible change in Sino-Japanese relations--a change directly attributable to American silver policy. He said that interest rates were so high and the situation was so disastrous for China that Japan was almost successful in effecting economic collaboration with her.[17]

By May, the situation looked so serious to China that she acted on her own to ameliorate the effects of the higher silver prices. She took over three semi-government banks in Shanghai and reorganized or merged them under the supervision of the central bank, thus coming in possession of large amounts of silver. This put the Chinese government for the first time in a position of power in the silver market. Johnson now felt optimistic about the future--if China could only manage to effect certain currency reforms. In fact, the

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[17]Johnson to Roy Howard, April 18, 1935, Johnson Papers.

American Minister urged the Chinese on numerous occasions to adopt a currency policy of her own and not wait for help from the outside. China could borrow money domestically for administrative and military purposes. Why could she not borrow domestically the money she needed to operate an effective currency policy?[18] Johnson believed that China should make still greater efforts to help herself.

The increased Chinese hostility toward the United States during the summer months led American officials to fear the possibility of boycotts against American products. However, in late June Johnson reported to the State Department that as far as he could tell there was no tendency toward such action. It was extremely unlikely that it would occur, he thought, because of the general crisis situation in the Far East. There was a good deal of resentment in official circles, but no retributive action would be taken. Johnson said further that he now believed the United States silver policy was simply a "scapegoat" for those wishing to fix

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[18]Memorandum of Conversation between Johnson and J. Lossing Buck, American Treas. Representative in China, May 13, 1935, F.R., 1935 III, 580-581, and Memorandum of Conversation, Johnson and H.H. Kung, May 15, 1935, Johnson Papers.

the blame somewhere else for the economic and financial depression in China.[19] The American Minister was beginning to change his mind again regarding American silver policy.

By the end of July, Johnson was firmly convinced that China had been helped rather than harmed by this policy. In a letter to Stanley Hornbeck on July 31, he emphasized his new theory. After reviewing the background to the silver problem and the activity in China to that date, Johnson discussed the situation at Shanghai and the "real" reasons that silver left that city. He said that formerly silver collected at Shanghai because the interior was unsafe and in addition most wealthy Chinese went there to live. This brought a boom in Shanghai real estate. Moreover, foreign firms kept their silver in Shanghai and reinvested it because it was worth a profit there and was cheap in terms of gold at home. However, when the various countries went off the gold standard, the gold price of silver rose and there was no reason not to take silver out of Shanghai. Also, with Chiang Kai-shek's successes in the Yangtze Valley there was opened up another region

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[19]Johnson to the Secretary of State, July 19, 1935, D/S File 893.515/615.

for investment and silver could go into that area. These were the two main reasons silver left Shanghai; the American silver purchasing program was not to blame.[20]

Johnson admitted, however, that much silver was shipped abroad for profit. But, he thought a good part of it, if not most of it, was used to fulfill Chinese gold obligations which eventually would have had to be fulfilled! Therefore, China probably benefited in the end by the American program. Her silver had been used for the best possible purpose. Those who believed that the United States policy was responsible for China's financial straits or that this policy had weakened her efforts to resist Japan were not aware of the true facts.[21]

Regardless who was "to blame", China's conditions did not improve over the summer of 1935. By autumn, Great Britain became so concerned about the situation and the possible repercussions on her interests in the Far East that she sent Sir Frederick Leith-Ross, financial expert, to China as technical official attaché to the British Embassy. She then proposed that the other concerned powers send similar representatives and

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[20]Johnson to Stanley Hornbeck, July 31, 1935, Johnson Papers.

[21]Ibid.

that they all cooperate with Leith-Ross possibly to agree to float a loan to China and to stabilize her currency. Once in China, the British financial expert suggested to the Chinese themselves that they bring about certain currency and banking reforms and then appeal to the powers for a small loan.[22]

Nelson Johnson viewed very skeptically the Leith-Ross mission and the British proposals for cooperation to aid the Chinese. He believed thatthis move by Great Britain was designed primarily to insure the prosperity of Hong Kong in the face of the American silver policy. Since the welfare of that colony was linked so closely with China, she had a great interest in the financial betterment of China and was proposing a cooperative plan only for that purpose. Moreover, Britain knowing that it must eventually cut back on its interests in China because of Japanese aggression, wanted international cooperation or discussion of China's finances and a possible international loan to help her prepare her retreat. In other words, to forestall independent action by Japan. As far as financial reform within China was concerned, force alone could do the job, Johnson thought,

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[22]Memorandum by Johnson, Oct. 9, 1935, Johnson Papers, See also Borg, pp. 128-132.

and only Japan was prepared to use force.[23]

On November 2, Johnson wired Washington to say that Dr. Arthur Young, advisor to the Chinese Minister of Finance, had just informed him that the Chinese government was about to take over all silver reserves held in Chinese banks and such foreign banks as would cooperate.[24] The next day China issued a decree nationalizing silver. Britain, who had long favored such a move issued an Order in Council advising British nationals to comply with the Chinese decree.[25] American nationals also were ready to comply as the Manager of the National City Bank in Shanghai told Johnson that they had no objections to the decree and would hold their silver only until they were certain they had been protected against suits.[26] Japan, on the other hand, was greatly angered by the Chinese move as she thought that China would not have taken the step had she not been promised a loan by the United States or Great Britain. She therefore stepped

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[23] Ibid., also Borg, pp. 133.

[24] Johnson to the Secretary of State, Nov. 2, 1935, D/S File 893.515/813.

[25] Johnson to the Secretary of State Nov. 4, 1935, D/S File 893.515/815.

[26] Johnson to the Secretary of State, Nov. 5, 1935, D/S File 893.515/823.

up her activity in an attempt to create a semi-autonomous region in North China.[27]

Immediately after she nationalized silver, near panic conditions reigned in Chinese money markets and China appealed to the United States for help. She was reorganizing her currency and she needed American financial assistance. But, she was not prepared to link the Yuan to the American dollar or to say to what foreign exchange she would link it, and American officials remained dubious about helping her. Finally, American Treasury and State Department representatives decided that the best course to follow would be for the United States to purchase 50,000,000 ounces of silver from China on the condition that they keep the money in the United States and that they use it for stabilization purposes. On November 13, the United States and China made an agreement along the proposed lines.[28]

During the ensuing months, Secretary of the Treasury Henry Morgenthau and President Roosevelt became disenchanted with the American silver purchasing policy and wanted to drop the whole business. When the silver

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[27]Memorandum of Conversation between Johnson and Leith-Ross, Nov. 20, 1935, Johnson Papers.

[28]Secretary of State to Johnson, Nov. 13, 1935, F.R., 1935, III, 641.

bloc senators, who said they cared only about domestic prices and not world prices offered no resistance, Morgenthau set about eliminating the artificial support price of the white metal. By early 1936, the American government had pushed the world price down as low as forty-five cents per ounce.[29]

The dropping of the American purchasing program did not help the Chinese for now that they had control of large amounts of silver they wanted to sell it. In the spring of 1936, they sent K.P. Chen, a Shanghai banker, to the United States to work out another arrangement with the United States similar to those made in late 1935. On May 18, 1936, the United States agreed to make purchases of substantial amounts of silver from the Central Bank of China and to make available to the Central Bank dollar exchange for currency stabilization purposes.[30]

Slightly more than a year later, the United States and China announced another economic arrangement; an arrangement under which the United States agreed to purchase 62,000,000 ounces of silver held by the

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[29]Blum, 197-198.

[30]Secretary of State to Johnson, May 19, 1936, F.R., 1936, IV, 482-483.

Chinese government and to pay for the silver in gold at $35.00 per ounce to be held in the Federal Reserve Bank in New York to be used only for stabilizing the Yuan. The American Government was to make short term advances to China up to $50 million dollars and to stabilize the Yuan at ½% above the rediscount rate of the Federal Reserve Bank of New York.[31] The United States had thus entered into a kind of silver partnership with the Chinese. Nelson Johnson believed that this was the "gentlemanly" thing to do, for by starting out to control the price of silver, the United States had, although unconsciously and unwillingly, assumed control of the Chinese currency.[32]

The American Ambassador believed that the United States silver policy proved to be most beneficial to China. By the end of the decade, he indicated that he thought history would treat the silver purchase act kindly for its enactment gave the United States control of China's currency and provided the American support throughout all of China's later trouble. China could

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[31]State Department Press Release, July 9, 1937, D/S File 893.515/1235.

[32]Johnson to George Tinkham, July 7, 1936, Johnson Papers.

not have held out against Japan as long as she did had it not been for large scale American purchases of her silver. Although for a time he believed that the deterioration in domestic economic conditions was directly attributable to this policy and although for a time he advocated its repeal, he did not long remain committed to this idea. He soon decided that there were so many factors involved in China's domestic situation that it was not correct to lay the blame on higher silver.

As far as the end result of the American policy was concerned, Johnson was probably right. It probably did help China to resist Japan, but only after China had nationalized silver. Before that it seems unquestionable that it did, as the Chinese said, lead to higher interest rates, higher prices for Chinese peasants, and a good deal of suffering and hardship.

VIII

FROM THE OUTBREAK OF THE UNDECLARED WAR TO MAY 1941

In the months immediately following the settlement of the Sian episode Nelson Johnson became increasingly optimistic about China's position. China was stiffening in her opposition to the Japanese; she had achieved greater unity than at any time since he had gone there in 1930; Chiang Kai-shek's prestige was at its highest.

When a period of quiet developed in Sino-Japanese relations during the winter and spring of 1937 the American Ambassador naturally concluded that it was directly attributable to China's calling of Japan's bluff in previous months and to her increased national consciousness. Japan, he thought, had recognized the new Chinese spirit and had become more restrained lest she induce a recrudescence of anti-Japanese sentiment throughout China and thereby jeopardize her property and the lives of her nationals. Although Johnson recognized that China's unity had not led Japan to embark on a revolutionary change in her policy toward her neighbor, he did believe that future relations between

the two countries would be marked by less military activity. He changed his view radically in July 1937.

One of the first concrete manifestations of China's unification came in February 1937. During that month the Chinese Communists submitted to the Central Executive Committee of the Kuomintang a set of proposals indicating that they were willing to put their troops under the command of the Central government if the Central government worked toward combating Japan and agreed to abandon its drive against them. The Kuomintang then drew up a group of resolutions of its own which demanded certain changes in policy by the Communists but which essentially left the door open for possible reconciliation. Lengthy negotiations then ensued and the two sides eventually agreed to end the civil war.

Subsequent to the start of the Kuomintang-Communist discussions Ambassador Johnson sent numerous dispatches to Washington indicating his views of China's growing solidarity. In late March he told the State Department that in his opinion China had developed a sense of security and self reliance as a result of her determined stand in the face of Japan's demands of the previous fall and her defeat of the Japanese directed "irregulars" and bandits at Suiyuan during the same period. The Chinese people could be expected to rally behind their leadership to repulse the Japanese aggressor

in any future military encounter.[1]

Two months later he said that he thought Japan's diplomatic pressure to partition China by separating five northern provinces had further impelled the Chinese toward unity. The Chinese had then come to realize that unity was essential for the survival of China as a nation and in recent months with Chiang Kai-shek as their symbol they had achieved a great measure of unification. The people of China, Johnson reported, now had great determination to survive collectively and were quickly changing their defeatist attitudes to a will to win. Solidarity was growing so strong that even the elimination of Chiang Kai-shek through illness or death would not necessarily cause a disintegration of the National Government and its authority. "The majority of Chinese leaders," Johnson concluded, "have come to realize that China must become unified and show a united front against the common enemy."[2]

In June, the American Ambassador reported that he thought unification of China no longer depended entirely upon what military force the Government, or the

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[1]Johnson to the Secretary of State, Mar. 22, 1937, F.R., 1937, III, 53-55.

[2]Johnson to the Secretary of State, May 11, 1937, ibid., 87-91.

principal leader of the Government, could command. The ideal of unity was rapidly becoming a part of China's national consciousness. As an example of the growth of this feeling he cited the peaceful liquidation of the southwestern revolt of June 1936, the peaceful liquidation of the Sian revolt of December 1936, and negotiations that occurred between the Communists and the National Government. Progress was being made Johnson concluded, as the Chinese, "heterogeneous as they are in spoken language, physique, temperment and political beliefs, have come to realize the necessity, for their own salvation, of joining together in forming a real nation under effective government."[3]

Given the more stable conditions within China and the fall of the Hirota government which in early 1937 brought the more moderate Hayashi Cabinet to power in Japan, Johnson believed that the Sino-Japanese situation was less dangerous than it had been for a couple of years. He likened the relations of the two countries during this period to that of a master-slave relationship in which when the slave becomes increasingly conscious of his power, the master becomes

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[3]Johnson to the Secretary of State, June 10, 1937, ibid., 111-112.

increasingly conscious of his possible inability to cope with the slave in numbers. Because of the blurred political picture and poor economic conditions within Japan, the accretion of self-confidence on the part of the Chinese reacted upon the Japanese in destroying their confidence in their ability to push the Chinese about indefinitely.[4]

The period of quiet did not long prevail. Japan, Johnson said, always walked on two feet (one diplomatic and one military) in climbing the steps to political hegemony. She had temporarily put forth her diplomatic foot. In July, she once again put her military foot forward.

On the night of July 7, an "incident" occurred between Japanese forces and the Chinese twenty-ninth army at the Lukouchiao or Marco Polo bridge located about ten miles west of Peiping. The Japanese, who had been maneuvering in the area under a loose interpretation of rights granted to them in the Boxer protocal, ventured near a Chinese military garrison, aroused the already tense feeling of the Chinese, and numerous shots were fired, the Japanese claiming that the Chinese began the firing; the Chinese claiming that the Japanese had

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[4]Johnson to Joseph Grew, June 4, 1937, Johnson Papers.

only heard shots and upon finding one of their men missing had opened fire, which the Chinese were forced to return in self defense. The clash was to mark the beginning of the long and bloody Sino-Japanese war.

Ambassador Johnson's reaction to the "incident" was that it had not been planned or engineered by either the Japanese Government or the Japanese army. What had happened, he believed, was that the Japanese had prepared for some time to hold military maneuvers at the Marco Polo bridge but that they had called them off because of the tense feeling on both sides. However, the general in charge of the Japanese troops grew ill and became so incapacitated during the first week in July that he no longer exercised any control over his men. A foolish and belligerent young officer then decided to go ahead with the night maneuver without the consent of his superiors. Shooting began; he lost a good many men, and the Japanese army's prestige became so inextricably involved that they could do nothing but continue to fight.[5]

On July 10, Johnson informed the State Department that the Japanese were moving troops through a pass in the Great Wall. He said further that the French

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[5]Johnson to the Secretary of State, July 14, 1937, F.R., 1937, III, 170-171 and Johnson to Adm. Harry Yarnell, Aug. 12, 1937, Yarnell Papers.

Ambassador expressed deep pessimism regarding the future; that whether or not Japan had actually planned the Marco Polo bridge incident, she seemed to have decided that she could not now retreat. She would undoubtedly use the incident as an excuse for further military moves into China. The extreme seriousness of the situation led the French Ambassador to suggest that he and Johnson recommend to their governments that they urge moderation upon Tokyo and Nanking. Johnson said the move would probably do no harm but that he thought it would be basically useless.[6]

As the days passed the situation grew increasingly tense. In mid-July the Japanese presented a group of demands to the Chinese, demands which if accepted would have meant the virtual surrendering of North China to Japan. Since China was now committed to a policy of resistance and could not turn back, she moved troops to the north to meet the Japanese threat. Japan also began moving troops into North China. War seemed a distinct possibility.

Although attempts at negotiating a settlement continued through July no formula was found that would allow either side to withdraw with honor. Chiang Kai-shek was insisting that China would sanction no further agreements

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[6]Johnson to the Secretary of State, July 10, 1937, D/S File 793.94/8695.

limiting sovereignty and she would allow no change to be made by an outside power in North China without her consent. Consequently, negotiations broke down and on July 26 another "incident" occurred at Lanfang; an incident followed immediately by a Japanese ultimatum requiring the withdrawal of Chinese troops from North China. When the Chinese quickly rejected the ultimatum, the Japanese mounted an offensive which drove the Chinese forces from the entire Peiping-Tientsin area.

During the period of negotiations prior to the Japanese offensive the United States remained aloof, refusing to be a part of any mediation attempt or any cooperative effort to settle the dispute. Washington policy makers were still attempting to steer a middle course, professing friendship for both sides; they still hoped to avoid offending the Japanese. Even the assertions of Chiang Kai-shek, who on July 25 told Ambassador Johnson that the only way war could be averted was by vigorous cooperative action by the United States and Britain, did not lead them to change their thinking.[7]

However, after the outbreak of hostilities in the Peiping-Tientsin area the United States did become involved in diplomatic efforts to reach a settlement. The

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[7]Johnson to the Secretary of State, July 25, 1937, F.R., 1937, III, 256-257, See also Borg, 286-293.

British asked the United States to join them in offering good offices to Japan and China. American officials agreed and asked Ambassador Joseph Grew to discuss the question with the Japanese Foreign Minister. The Foreign Minister informed Grew that discussions were already under way between Japan and China and that Japan would not withdraw until China agreed to end anti-Japanese activity in North China; the United States if it wished to be of assistance could urge China to accept this condition.[8]

Upon learning of the Foreign Minister's remarks, Johnson notified the State Department that he hoped they realized the difficulty he would have if he had to urge China to give a favorable reply to a proposal suggesting the ending of anti-Japanese activity in North China.[9] As he indicated in a later dispatch, Johnson was in fact opposed to the offering of any advice to China that would imply that she yield to Japan in any way.

> "It is my opinion", he stated, "that nothing can save China from the necessity of deciding sooner or later whether to oppose Japanese aggression with force or sink to the condition of a vassal state. If these are in fact the only alternatives open to China, there is a probability any appearance of urging China to purchase peace with the loss of sovereign

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[8]Grew to the Secretary of State, Aug. 10, 1937, ibid., 368-369.

[9]Johnson to the Secretary of State, Aug. 11, 1937, ibid., 374.

> rights would appear to be encouragement to a predatory national policy on Japan's part."[10]

Actually, the American Ambassador opposed any compromise solution even if one had been brought forward that China would accept without urging, for as he put it, "a compromise truce at this juncture would merely postpone the inevitable decision whether China shall be dominated by Japan without resistance."[11]

While American officials were still discussing a possible course of action, new hostilities broke out at Shanghai. Exceedingly bloody and cruel, the battle there was marked by insidious bombings of the innocent civilian population by both sides. By gaining command of the air, Japan soon had the upper hand as she proceeded to wipe out Chinese railway terminals, air bases and lines of communication in the area and strike terror in the hearts of the Chinese. The struggle raged on nevertheless and not until early November was Japan able to claim victory.

During the course of the battle the question arose as to whether or not the United States should invoke its neutrality law. Accordingly, on August 16, Secretary

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[10]Johnson to the Secretary of State, Aug. 12, 1937, ibid., 385-386.

[11]Ibid.

Hull wired Johnson asking his opinion. Opposed to its invocation, Johnson replied that he thought the Chinese would express keen regret if the United States was the first country to interdict all acts of concrete assistance to China and if the act operated to the disadvantage of China, she would be inclined to emphasize this and offer it as an excuse for her failures. The Chinese clung tenaciously to the belief that the powers party to the Nine Power Treaty and the Kellogg Pact should do something to restrain Japan; they believed that actually they were fighting the battles of Great Britain and the United States. Consequently, Johnson continued, the Chinese government still hoped for external material assistance. They feared the effect of the act on their ability to resist.[12] As is well known, President Roosevelt refrained from applying the neutrality laws throughout the Sino-Japanese struggle. Johnson's advice was undoubtedly a factor in his thinking; whether or not it was the major factor, however, one can only speculate.

Before achieving final victory at Shanghai, the Japanese had extended their bombing activity up the Yangtze river and by late September directly threatened

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[12]Johnson to the Secretary of State, Aug. 18, 1937, ibid., 437-438.

the capital at Nanking. On September 19, Johnson received a message from the commanding officer of the Japanese Third Fleet advising the American Embassy and other diplomatic missions to leave Nanking as on September 21 the city would be bombed. Fearing that there was not sufficient time to permit measures ensuring the safety of Americans, and acting under a directive from Washington giving him broad discretionary license in case of an emergency, on the 20th he took his staff and boarded the gunboat Luzon anchored on the Yangtze river. He stayed on the ship waiting "for hell to descend." When by nightfall nothing had happened, the Ambassador decided that he would go ashore the next day since conditions on the Luzon were not conducive to the proper functioning of an embassy. On the morning of the 22nd as he made preparations to return to the embassy the sirens blew, Japanese planes came, and he and his staff delayed their departure and watched the bombings from the ship. When the all clear was sounded Johnson returned to the embassy.[13]

The Ambassador's short "excursion" evoked a storm of criticism from the Chinese and the open disapproval of numerous Americans in China. Johnson's actions were

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[13]Johnson to Stanley Hornbeck, Sept. 27, 1937, D/S File 124.93/366½.

termed "spineless" and contrary to the dictates of "true Americanism" and certain American missionaries advocated his resignation.[14] The Chinese were extremely resentful as they thought his "running away" in the face of the Japanese threat to be indicative of a continuing American Far Eastern policy--a policy that completely ignored Chinese rights and interests and feared offending the Japanese. American newspaper men Hallet Abend and Tillman Durdin of the New York Times likewise expressed their displeasure.[15] Reginald Wheeler of the University of Nanking wrote to President Roosevelt vehemently decrying Johnson's action as tacit assent to the Japanese bombardment of the city. Even the State Department was upset as it feared that the move would be interpreted as being directed by Washington and indicative of an American desire to "scuttle" out of China.[16]

In truth, Johnson's action was neither tacit assent to the Japanese action nor "running away" in the face of her aggression. As he understood it, United States policy had two major objectives in the Far East; one,

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[14]New York Times, Sept. 26, 1937.

[15]Ibid., Sept. 21, 1937, See Borg, p. 331.

[16]Ibid., Sept. 26, 1937 and Borg, p. 331.

to insure the safety of American citizens, two, to avoid any situation that might involve the United States unnecessarily in the conflict. Given these considerations and his broad standing instructions, he simply decided, upon the receipt of the Japanese warning, to take his staff and board the Luzon. He knew the decision would cause resentment by the Chinese and disapproval of many Americans and he made it reluctantly, but he determined that it was the only course he could follow. The decision was entirely his.

Much of the difficulty was caused by the newspaper reporting of the episode. As the Ambassador left the embassy, he confided to a newspaper man that he did so extremely reluctantly. The newsman interpreted this as meaning that he was doing so against his will upon instructions from the Department and reported it that way. This caused agitation in Washington. Then, as he was boarding the ship, he said that if he were forced to leave the river in front of the city he would go to Wuhu where telephone communication to Nanking was possible. The press then spoke as though he had already gone to Wuhu. This was largely responsible for creating the notion that he was running away.[17]

Actually, the idea of "running away" from Japanese

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[17]Johnson to Hornbeck, Sept. 27, 1927, D/S File 124.93/366½.

aggression in China was abhorrent to Johnson. Even before the bombing of Nanking he was becoming increasingly anxious that the western powers do something to aid China, for he thought that China was carrying on a valiant resistance; that she was in fact fighting the west's battles. After the Luzon incident, he stated to Stanley Hornbeck that he did not blame the Chinese for "whistling for the police" of the League, the Nine Power Treaty, and the Kellogg Pact. "They are putting up a good fight," he said, "and in my humble and one sided opinion they deserve help in their struggle with a mad man that knows no pity."[18] The one good thing that came from the incident, as Johnson saw it, was that it may have awakened the "peace at any price boys" in the United States.[19]

Through the fall of 1937, the Japanese military continued its advance up the Yangtze valley, eventually chasing the Chinese government 500 miles up the river to Hankow. The situation appeared so serious that in October the League of Nations assembly adopted a report favorable to China made by its advisory committee and recommended holding an international conference to find a way to end the Sino-Japanese hostilities. Paralleling

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[18] Ibid.

[19] Ibid.

this activity was the action of President Roosevelt, who on October 5 made his famous "quarantine" speech in which he stated that the epidemic of world lawlessness was spreading and that the community of nations would have to take action to prevent the spreading of the disease.

Equally upset by the Japanese advances, Nelson Johnson warmly approved of the President's speech.. He said in a letter to Roy Howard on October 11 that he thought the war in China was not necessarily America's war and that she should probably avoid getting "mixed up in it." "But," he said further, "the world cannot afford, and we cannot afford to let this kind of thing go on without taking a stand in condemnation."[20] Continuing, the American Ambassador stated that he used to smile at the efforts of the French and the other European nations for building dugouts and other defense edifices but he added, "I do not smile anymore. After what I have seen here I think that every American town should have its bombproofs...and the people should be trained in their construction and use."[21]

In mid-November Johnson further expressed his views to Joseph Grew in response to a letter of Grew's,

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[20]Johnson to Roy Howard, Oct.11, 1937, Johnson Papers.

[21]Ibid.

a copy of which the Department had sent to him in Nanking. In his letter, Grew had stated that the United States should maintain friendship with both sides in the Far Eastern crisis but should "look out" primarily for American interests and essentially remain aloof. In reply Johnson said he agreed with Grew basically but that Japanese planes were droning over Nanking and dropping their bombs with impunity; that Japan was making a mockery out of the International Settlement; and that she was pushing American interests completely out of China. "It is hard to contemplate these events," Johnson said, "and be friendly. It is difficult to think about these things and be happy."[22] Moreover, Johnson said, Japan was wiping out China's independence, and much as he tried to make himself believe that this was not our concern and as much as he opposed fighting for China's preservation, he "was not happy about it."[23]

Although he was not saying so directly here, Johnson seemed again to be indicating that he would like to see increased support for the Chinese government. It

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[22]Johnson to Joseph Grew, Nov. 10, 1937, ibid.

[23]Ibid.

seems apparent that the constant and pitiless bombing by Japan of innocent civilians and China's continuing dogged resistance was instilling in him greater sympathy for China's cause--sympathy that he hoped would be backed by material assistance.

Not long after the Advisory Committee of the League presented its report and called for an international conference to deal with the war in the East, Great Britain began discussions with the United States in preparation for such a meeting. Since the conference was to be attended by signatories of the Nine-Power Treaty as well as the League powers, the United States agreed to take part and on November 3 the conference convened at Brussels. Almost as soon as the meetings began it became apparent that nothing could be accomplished for Japan refused to be a party to the discussions and neither the United States nor Great Britain was prepared to use force or sanctions to stop the spread of aggression. After nearly three weeks of talks the conference ended; and the war in the Far East continued.

From his position in China Ambassador Johnson saw little possibility that the Brussels Conference would bring about an end of hostilities. The Japanese were far from their goal which was the establishment of hegemony over Asia and before they would agree to accept

mediation they would have to be convinced that the goal was unattainable. Moreover, the Chinese were united on a program of resistance to aggression and would brook no attempts to keep them from recovering all that they had lost at the hands of Japan. Thus, the conflict was nearly impossible to settle peaceably.[24] However, Johnson thought that the conference had to be held if for no other reason than to demonstrate to the people of the United States and to the rest of the world exactly where Japan stood. In early December, he wrote to Stanley Hornbeck complimenting him for the gallant effort he and Norman Davis made at Brussels.[25]

As Johnson saw it in the fall of 1937, China's only hope was not mediation but that Japan would get involved so deeply in China that she would exhaust herself. Through the month of November Japan did push farther inland attempting to subdue the Chinese but hopes of her exhaustion seemed feeble indeed. By the end of the month, as Johnson joined the Chinese government in its new capital at Hankow, Japan's military activity increased in intensity.

In early December, Japan's sinister attempts to

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[24]Johnson to Yarnell, Nov. 2, 1937, Yarnell Papers.

[25]Johnson to Hornbeck, Dec. 6, 1937, in Hornbeck's personal possession in Washington, D.C.

bring China to her knees brought her in direct conflict with the United States. When the American Ambassador left Nanking to follow the Chinese to Hankow he left two foreign service officers and the gunboat Panay at Nanking, the purpose of the gunboat being eventually to evacuate embassy personnel. On Sunday, December 12, as the Ambassador was visiting a friend in the hospital at Hankow he was told that radio communication with the ship had ceased. Alarmed, he asked the British Ambassador to ask the British ship the Bee to check to see if anything had happened to the Panay. By nightfall, when he learned that the Bee had been fired upon by the Japanese, he became increasingly concerned. He immediately informed Washington that he could no longer contact the Panay and that in view of recent attacks on British shipping he was extremely worried. He said further that he hoped the Department would communicate his concern to Tokyo in an attempt to find out what happened, thinking that by so doing the United States could immediately put the burden of responsibility on Japan's shoulders. On Monday the thirteenth, as he contemplated what to do further, he was informed that the ship had been bombed and sunk by the Japanese and that there were a number of Americans killed and wounded. He then cabled the

information to the State Department.

Upon receiving the news Secretary of State Hull sent a strong statement of protest to the Japanese, expressing shock and concern over Japan's indiscriminate bombing and demanded expression of regret, complete and comprehensive indemnification and assurance that "definite and specific steps" be taken to ensure the safety of American nationals and their property in China in the future.[26]

Johnson's reaction to the affair from the start was that although it may not have been a deliberate attack on an American ship, it was a deliberate attack on all shipping on the Yangtze without regard to nationality. Therefore, he thought that the United States should stand firm in getting a proper settlement of the matter or more trouble would occur in the future.[27] Unfortunately, however, this was not the general mood in the United States. The episode raised little excitement there beyond the cries of a few who demanded to know what business the American ship had being in China in the first place. Such cries angered Johnson

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[26]Secretary of State to Grew, Dec. 13, 1937, F.R. Japan, 1931-1941, I, 523.

[27]Johnson to Hornbeck, Dec. 22, 1937, in Hornbeck's personal possession in Washington, D.C.

for he believed that the ship and the people on board certainly did have a right to be there and that the United States should fight if necessary to maintain this right.

> "I commend our Americans here in China... to you," he wrote to Stanley Hornbeck, "as more nearly representing the Americans that built America than those who cry out for their evacuation when their presence here is needed more than it ever was. I yield to no one in my horror of war; I have seen as much of it as I want to see; but we must be prepared to fight if we want to be respected."28

The debate that raged in the United States over the merits of remaining neutral at all costs upset the American Ambassador. He believed that it was "just as impossible" for a state to remain neutral in world affairs as it was impossible for a man or a woman to be neutral in his reactions toward the group within which he lived. People at home were foolishly hoping to make a recluse of the United States in the modern world in which it was destined to play a part. Attempts by legislators to make the United States permanently neutral by statute discouraged him for he thought that no man could determine how the United States should conduct itself with other peoples six months ahead. Besides, he believed that the United States was unlikely

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[28] Ibid.

to stay out of war by attempting to be neutral anyway.[29]

Following the settlement of the Panay incident the Japanese continued their aggression, advancing still further into the interior of China, while at the same time they stepped up their diplomatic activity in an effort to get China to accept dictated terms. As negotiations were conducted toward this end, Ambassador Johnson in early January advised the State Department that it should again inform Japan that the United States would refuse to enter into any arrangement violating the provisions of the Nine-Power Treaty, thus "establishing a basis for concerted action if that were later considered necessary."[30] However, no such representations proved to be necessary as China's determination to resist now precluded a peaceful settlement on Japan's terms and by the end of January discussions were broken off.

China's determined resistance during the late winter and early spring of 1938 in the face of a merciless onslaught by the Japanese led Johnson to conclude

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[29]Johnson to William Crozier, Aug. 27, 1935; Johnson to Roger Greene, Mar. 21, 1936 and Johnson to E.M. Borchard, Johnson Papers.

[30]Johnson to the Secretary of State, Jan. 11, 1938, F.R., 1938, III, 12-13.

that she would fight on indefinitely. He thought that Japan had actually lost the war when she captured Nanking and had failed to get the Chinese to agree to terms. When this occurred, Japan had two alternatives: she could keep what she had and consolidate her gains or she could attempt to conquer the whole of China. She chose the latter and this was her downfall. But, while Japan could probably never defeat China and had thus in a sense "lost" the war, she would create unprecedented disaster and chaos in China. Such a situation held little comfort for the west for even if the war ended in a stalemate western interests would be completely wiped out.[31]

As the war dragged on Johnson became more pessimistic about the future. By March, when the situation looked particularly dark to him he again attempted rationalizing, saying that the United States had no part in the war and that it should have followed no other policy over the previous three or four years other than that it had followed. Developments in the East were of primary concern to Russia and to England. Their losses would be the greatest. America's only

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[31]Johnson to the Secretary of State, Feb. 17, 1938, Cordell Hull Papers, Library of Congress.

losses would be the middleman trade and the elimination of cultural activity. But, the middleman's days were numbered anyway and cultural efforts had already been subordinated to Chinese nationalism.[32] Observation of incessant Japanese bombing at Hankow and the bleak news from Europe undoubtedly created an aura of gloom in his mind and momentarily led him to think that the United States could hide itself from the evil of the world.

However, the progression of events in Europe quickly eliminated Johnson's temporary isolationist impulse. Hitler's annexation of Austria and his continuing efforts to detach the Sudetenland from Czechoslavakia combined with activity of the other predatory power, Italy, appear to have convinced the American Ambassador that aggression was becoming a world problem and would soon have to be checked. Once he linked Japan's action in China to this broader question he again advocated more belligerent action by the United States to stop the conflagration in the East.

The world was entering a period of lawlessness, Johnson thought, which could only be checked by force. Commenting on the problem in June he stated to Stanley

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[32]Johnson to Hornbeck, Mar. 2, 1938, in Hornbeck's personal possession in Washington D.C.

Hornbeck:

> "I recall that it was the vigilantes that brought law and order to California and that it was an armed citizenry ready and willing to shoot that eliminated the bad men from the communities in which I lived as a boy in Oklahoma. And then there was the police strike in Boston....It was the use of force that restored the rule of law to the excellent city of Boston....We will never realize America's heritage as the hope of a warweary world unless we are prepared to stand at Armageddon with the powers of righteousness and the rule of law against the gangsterdom that is raising the banner of might, force and international bad faith. The Democracies of the world are crying out for a leader that can think and speak clearly the language of leadership in the course of law and order. Let him stand forth in America if he is to be found there. He will find plenty of support when he cuts away the confused thinking that is bemusing the minds of people today."[33]

During the summer of 1938, Johnson began to fear that one of the "lawbreakers", Japan, would soon turn to the United States for aid in financing the conquest of China for he thought she could not continue her work without it. However, he thought this would give the United States an opportunity to assume moral leadership as she could promptly rebuff the Japanese request. Johnson informed Roy Howard of his ideas on this matter, Howard replying that he would see to it that the

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[33]Johnson to Hornbeck, June 9, 1938, ibid.

American people were properly alerted so they could head off any such attempt by Japan.[34]

In September, the Ambassador was suggesting a more concrete step to halt the Japanese "gangsters". Early in that month China had appealed to the League to apply sanctions under article sixteen of the Covenant and had requested the United States if possible to support whatever action the world body decided to take. Johnson wrote to Maxwell Hamilton, Assistant Chief of the Division of Far Eastern Affairs, suggesting that the United States comply with the Chinese request as this would be an excellent way to support the cause of righteousness in international affairs.[35]

With the consummation of the Munich agreement, Johnson once more grew disillusioned and disgusted, and concluded that perhaps the Versailles Treaty was iniquitous and that Germany was justified in her action. Similarly, China had failed to give equity to Japan in the twenties and could hardly expect equity herself now. He again concluded that the United States should

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[34]Johnson to Roy Howard, July 11, 1938 and Howard to Johnson Aug. 4, 1938, in Mrs. Nelson Johnson's personal possession in Washington D.C.

[35]Johnson to Maxwell Hamilton, Sept. 22, 1938, ibid.

be "satisfied with its lot" and stand apart from it all. This time a letter from Stanley Hornbeck put him "back on the track." Hornbeck told him that not "for long" could the United States stand apart from it all. Moreover, he said he was not one of those who saw the Versailles Treaty as wicked or evil, nor did he believe that China's acts had caused Japan's invasion; world aggression was perpetrated by the predatory facist powers and could not be justified by such liberal interpretations.[36]

By the end of the summer Japanese aircraft hammered Hankow so pitilessly that the Chinese government moved again; this time to Chungking six-hundred miles still further up the Yangtze. In August the American Ambassador and his staff followed and quickly set up an "embassy" in the upstairs of the former Standard Oil headquarters in the city. In October Hankow fell to the Japanese and a little later Canton capitulated. At about the same time Japan announced its "New Order of East Asia" through which it hoped to combine Manchukuo, Japan and occupied China into an

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[36]Johnson to Hornbeck, Sept. 28, 1938, and Oct. 4, 1938; and Hornbeck to Johnson, Oct. 28, 1938, in Hornbeck's personal possession in Washington, D.C.

economic bloc for the betterment of the motherland. It was becoming abundantly clear that Japan hoped to dominate the East and would sanction no western interference.

Throughout 1938 the United States responded to Japan's action with frequent protests and moral remonstrances. In the winter and early spring it expressed concern over attempts by the Japanese to establish hegemony over large areas of China by dictating a peace to the Chinese. By June President Roosevelt had become sufficiently concerned about the situation in China that he asked American manufacturers and exporters of aircraft, bombs, torpedoes and other military equipment to refuse to ship their goods to an area where they would be used on civilian populations, thereby securing a moral embargo on war items. On October 6, the United States sent a note to Japan protesting Japan's constant violations of the Open Door--violations carried out in spite of her repeated promises to respect it. When Japan replied by saying that in its interpretation the situation in China had changed the traditional Open Door concept, the United States in late December shot another and stronger protest to her, this time indicating that Japan had no right to impair unilaterally American treaty rights in China; that she could not change the Open Door by interpreting

it differently.[37] Thus by the end of 1938 the United States was still talking and not yet applying force or sanctions to stop Japan. Signs were, however, that she was moving in that direction. Ambassador Johnson was not displeased.

At the end of November he sent to Washington a memorandum prepared by Assistant Naval Attache, James M. McHugh, in which McHugh analyzed the situation in the Far East and indicated what American policy should be during the growing crisis. Johnson said he agreed fully with McHugh's conclusions which were that the United States was the only power to which China could now turn; that China was carrying on a determined resistance; that the United States instead of giving only moral support should give her material assistance; that the United States do something besides talking in defense of its principles; that it begin a program in which pressure was applied on Japan step by step with the will to fight if necessary as the last move. The memorandum concluded by stating that it was no longer a question of "pulling British chestnuts out of the fire," but rather of pulling our own out. But, if those of the British were saved in the process, that

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[37] New York Times, Jan. 1, 1939.

would not hurt the United States either![38]

Early in 1939 Johnson, home on leave, wrote a letter to President Roosevelt in which he expressed similar thoughts. He told the President that if civilization were not to be lost, the United States would have to play a greater role in its preservation than it was playing. Dictatorships like Japan understood only force and would yield only to superior power. The United States did not necessarily have to go to war but it should be ready to fight for its ideals. If the dictatorships understood this they would be more careful with the United States and the rest of the world. America would have to learn that one could not send a policeman "armed with a truncheon" to deal with a gangster with a "Machine gun."

> "Unless we begin to show our teeth now and indicate to the world and specifically to Japan that we mean business we may forever find ourselves estopped from taking action. We may perhaps find ourselves with a Japan taking everything west of the 180th meridian as the Japanese sphere of influence and interest within which we may neither improve or fortify our own interests nor enter without Japanese permission. Time is with China in its conflict with Japan but time is with the totalitarian states in their relations with the democracies. We should do what we can to assist and encourage

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[38]J.M. McHugh to Johnson, Nov. 24, 1938, in Hornbeck's personal possession in Washington, D.C.

the Chinese in their fight for an independent national existence."[39]

Johnson's comments were particularly opportune for Japan in early 1939 embarked upon a still more adventuresome policy. She began negotiations with Germany and Italy in the hopes of securing a military alliance. In February she moved southward and occupied Hainan Island. Shortly thereafter she occupied the Spratly Islands and then the Hinnan Islands. Again, the chief response from the United States was protest and refusal to recognize Japan's ascendency over her newly acquired "possessions".[40]

However, in July the United States drastically altered its course. In a bold step it notified the Japanese that at the end of six months it was abrogating their 1911 treaty of commerce and navigation. Hurt but still undeterred, Japan continued its aggression in China and stepped up its drive to establish its "New Order in Asia". Consequently, in January 1940 the United States announced that the treaty of 1911 was no longer in effect and broadened the "moral embargo",

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[39]Johnson to the President, Feb. 27, 1939, F.R., 1939, 512-514, italics mine.

[40]Herbert Feis, The Road To Pearl Harbor (Princeton, 1950), 18-20 and Meribeth Cameron, Thomas Mahoney, and George McReynolds, China, Japan and The Powers (New York, 1960), 480-485.

operative since June 1938, by adding new items to the list.[41]

After the war began in Europe Japan again looked southward with covetous eyes. With the fall of the Netherlands and France in 1940 she demanded and received greater economic advantages in the Dutch East Indies and shortly thereafter forced France to sign an agreement closing the Haiphong-Kuming railroad and prohibiting the shipment of supplies from Indochina into China. She also forced the British temporarily to close the Burma road. In September she secured the right to establish air bases in and to send troops in Indochina. Also, in September she signed a tripartite agreement with Germany and Italy in which each agreed to cooperate if any one party was attacked by a power not in the war.[42]

In the meantime, the United States stepped up its pressure. On July 26, it banned the export of aviation gasoline, scrap metals, and certain lubricants to Japan. In September it embargoed scrap iron and steel. After the signing of the tripartite pact it persuaded the British to reopen the Burma road and

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[41]Feis, 21n.

[42]Ibid., 66-75.

later began giving large amounts of aid to the Chinese. By the end of 1940, it had given China over $100 million, sent quantities of planes, and had granted permission to American aviators and aviation instructors to go to that country.[43]

Throughout 1939 and 1940 Johnson had believed that aid to China was necessary and desirable and had therefore expressed his hope that the United States would fulfill China's frequent requests. In May, 1940, when she asked for help in stabilizing her currency he suggested to the State Department that "an obvious method of giving protection to American investments and interests in China...would be to find some way whereby support could be given the Chinese in stabilizing their currency and thus helping them to help themselves."[44] Two days later he told Secretary Hull that China deserved "assistance."[45] In July he informed Washington that China expected aid from the democracies since she was helping fight the battles of the democracies.[46]

In October Johnson sent a lengthy dispatch to the

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[43] Ibid., 101-149.

[44] Johnson to the Secretary of State, May 13, 1940, F.R. 1940, IV, 654-655.

[45] Johnson to the Secretary of State, May 15, 1940, ibid., 655-656.

[46] Johnson to the Secretary of State, July 12, 1940, D/S File 793.94/16091.

Department further expressing his views. He stated that for three years a badly armed and equipped China had fought extremely valiantly against Japan thinking that its cause was America's cause. The Chinese knew they had the moral support and sympathy of the United States. But they now wanted material assistance in the form of planes and military materials. They now wanted something beyond moral support and unless such assistance came they would lose confidence in America's willingness or ability to help. Therefore, Johnson continued, the United States should grant China the equipment she needed. "The time for positive action is here and I devoutly hope that the United States is prepared and ready to take it and that soon." If American aid were not forthcoming China would likely turn to Russia.[47]

Johnson suggested on a number of occasions through the summer and fall of 1940 that if the United States and the democracies did not agree to help the Chinese government the result would be closer ties between China and the Soviet Union and ultimately an enhanced position for the Chinese Communists. Russia would

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[47]Johnson to the Secretary of State, Oct. 20, 1940, F.R., 1940, IV, 674-676.

undoubtedly use closer relations with China to intensify its efforts on behalf of the Communists in China.[48] It is not possible to determine the Ambassador's exact thinking in this regard but since he elaborated on this theme often, one must conclude that he was using a projected Sino-Russian rapprochement and future strengthening of the Communists as a lever to impel the United States to agree to China's aid requests. Although it is doubtful whether it was a factor in the administration's decision to grant assistance, it seems unquestionable that this was his motive.

The American Ambassador continued to advocate assistance to China through the remainder of 1940 and until he left there in May 1941--assistance to Chiang Kai-shek's government regardless of its political leanings. He believed that the United States should ask no questions and make no attempts to give China lessons in democracy; it should simply support the government in power in its fight against Japan. China would solve her own domestic problems and would develop a system of her own in time. It might not be democratic but it

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[48] Ibid., Johnson to the Secretary of State, July, 24, 1940, ibid., 406-408; and Johnson to the Secretary of State, Oct. 24, 1940, ibid., 313.

would be suited to China's needs. His attitude toward the Kuomintang-Communist struggle reflects accurately his belief in non-interference in Chinese domestic affairs.

When proposals for American aid to China were under discussion in 1940 and 1941 the question arose as to whether or not the United States should encourage China to end its civil strife; in other words to encourage the Communists and the Nationalists to end their conflict. Johnson on his part steadfastly maintained that this should not be done, first, because the problem was a domestic one and one in which the United States because of its traditional principles should not interfere. Second, he thought that as long as both groups were devoted to the expulsion of Japan they would bury many of their differences and achieve a semblance of cooperation without external prodding.[49]

This, of course, did not mean that Johnson thought of the Communists as simply another political party or as a force that would not eventually have to be dealt with. He thought that by cooperating to defeat

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[49]Johnson to Hornbeck, Jan. 16, 1941, in Hornbeck's personal possession in Washington, D.C. and Johnson to the Secretary of State, Oct. 1940, F.R., 1940, IV, 429-430.

Japan the Communists would consolidate their position and would be better able to combat the Kuomintang later. They were in fact using the struggle against Japan to further their long term goals. And, he was certain that once the threat of Japan had been removed the battle between the two groups would rage on. Their aims were diametrically opposed and in his view they would eventually have to "fight it out" for supremacy. Not long after the war was over, one or the other would be left in power. Johnson hoped it would be the Kuomintang.[50]

There seems to be no question that by 1940 and 1941 Johnson saw the Communists clearly for what they were. Liberal or leftist writers like Edgar Snow and Agnes Smedley who pictured the Communists as agrarian democrats gave them far more credit than was their due, he thought. Moreover, those in the United States who were "so concerned" about the fate of the Chinese Communists he considered badly ill-informed. He could not understand why they saw in the Communists qualities of democracy that they denied to the constituted government of China. "Chinese Communism," he remarked to Francis B. Sayre, "...is no more democratic than

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[50]Johnson to the Secretary of State, Nov. 29, 1940, IV, 450-452.

Trotsky or Stalin Communism."[51] Similarly, he could never understand those who condemned the Kuomintang for trying to eliminate the Communists. Americans locked up Earl Browder[52] and tried to convict Harry Bridges[53] but the press of the United States seemed inclined to condemn a Chinese government for taking drastic action against a Communist force within its own area that had not only been a political threat but which had recruited an army of its own.[54]

However, during his last years in China Johnson saw Communism a little differently than he saw it earlier. In the mid-thirties he always referred to members of that party as "so-called Communists" and did in fact think that many of them were agrarian

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[51]Johnson to F.B. Sayre, Mar. 11, 1941, in Mrs. Nelson Johnson's personal possession in Washington, D.C.

[52]Earl Browder, American Communist Party leader who in 1940 was sentenced by a Federal Court to serve four years in prison and pay a $2000 fine ostensibly for misuse of a passport.

[53]Harry Bridges, labor leader and agitator who the United States arrested and tried to deport in 1939 and 1940. In May, 1940 the House of Representatives even passed a special bill (mentioning no crime) under which he was to be put out of the country.

[54]Johnson to Sayre, Mar. 11, 1941, in Mrs. Nelson Johnson's personal possession in Washington, D.C.

reformers. He also thought, except for bandits among them, they possessed leaders of "considerable character". He thought that they were doing some excellent work in the countryside and that they were the major force of resistance to Japan. Even as late as 1938 he was saying that where the business leaders had failed the peasant, the Communist was helping him; was often in fact actually thinking of the peasant's welfare.[55]

Although it is difficult to determine what made the Ambassador change his thinking, it seems probable that his association with the Chinese government at Chungking in the terrible days after 1938; his respect for its resistance; and his friendship for Chiang Kai-shek were largely responsible. Moreover, it seems likely that once he had committed himself to the advocacy of American resistance to the Japanese through the vehicle of the Chinese government, he looked with less favor on the force that threatened to overthrow that government.

If in truth common adversity could have drawn Johnson closer to the Chinese government, there was

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[55]Johnson to Thomas Lamont, Aug. 18, 1938; Johnson to Roy Howard, Sept. 6, 1938 ibid., and Johnson to Carl Bishop, April 8, 1936, Johnson Papers.

certainly ample reason for their affinity after the move to Chungking. The life of misery that Johnson led there was probably not exceeded in the annals of American diplomacy.

He had arrived in Chungking on the morning of August 9, 1938, and had set up the Embassy offices on the second floor of the former Standard Oil Company building there. An old four storied structure, the first floor of the building was used by the officers and men of the ship Tutuila which was anchored on the river and the third floor was used as offices by the military attaché. There was a portable radio set installed in the attic. Bordering the one side of the "embassy" was a factory and on the other a coal mine. Johnson's ambassadorial residence was the first floor of a bungalow, partially furnished with material scraped up at the embassy "office", located on a hill some four hundred feet above the level of the Yangtze river.

Because of the extremely dangerous conditions in China he was unable to have his wife and children with him. He had little intellectual companionship, no theaters, few newspapers and led an extremely lonely, isolated existence. His recreation was confined largely to playing cards or dominoes, reading, and writing to his friends, his wife, and his "dividends". In the

summertime when the temperature frequently soared to 100° he performed his duties while sweltering in the inferno that was his office. In addition, he was subjected to pitiless and incessant bombing by the Japanese. He estimated that from May to July 1939 alone about twelve hundred and ninety Japanese bombers flew over Chungking, each dropping about ten tons of bombs. Later, there were daily visits of at least one-hundred or more Japanese planes. With his staff he spent large amounts of time in a bombshelter located under the Embassy.[56]

After the start of the war, his only trip out of China came in late 1938 when he was granted a leave to travel to the United States.[57] This afforded him an opportunity to spend time with his wife and beloved "dividends" whom he had not seen in over a year and who were staying at Mrs. Johnson's family home in Cody, Wyoming. When he returned to China in May of 1939 he took his family back with him as far as Peking hoping to be able to see them more frequently. However, as

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[56]Johnson to Hornbeck, June 18, 1940, in Hornbeck's personal possession in Washington, D.C.

[57]When he came out of China, he came out over the Burma Road to look it over and to help determine its feasibility as a possible supply route to China.

conditions grew more dangerous in the East they returned to the United States and he was again widely separated from them. They did not live together as a family from 1937 until he left China in 1941.

As the war droned on and the bombs kept falling, life in Chungking became increasingly miserable for Johnson. And, there seemed to be no change; no sign of change. "Relieve me and let me go in peace," he finally said to Stanley Hornbeck in 1940.[58] Actually he had begun indicating that he would like a transfer shortly after his return to China in 1939. In letter after letter to his friend Hornbeck he mentioned that he longed to have his family about him, that he was "sick and tired" of the life at Chungking, that his efficiency was "slipping" and that he was nearing the end of "his nervous rope."[59] Hornbeck responded to his justifiable complaints with a moving memorandum to the Secretary of State in December 1939 reviewing Johnson's superb service to the government and suggesting his transfer to some other mission where he could have his family with him.[60] Then, in mid-1940 Johnson himself

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[58]Johnson to Hornbeck, Oct. 21, 1940, in Hornbeck's personal possession in Washington, D.C.

[59]Johnson to Hornbeck, Nov. 17, 1939, Aug. 21, 1939, and June 18, 1940, ibid.

[60]Memorandum by Hornbeck, Dec. 13, 1939, ibid.

indicated to Assistant Secretary of State, Breckinridge Long, that he hoped he would soon have a change. Finally, early in 1941 Secretary Hull informed him that he was being appointed Minister to Australia and that he and Clarence Gauss would exchange positions.[61]

"I feel confident," Johnson had written upon learning of his appointment as Minister to China in 1929, "that when my tour of duty is ended I shall leave my successor as many problems as I shall find when I reach my desk in Peiping."[62] He left China on May 20, 1941.

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[61]Johnson to Breckinridge Long, July 8, 1940, D/S File 123 J 634/684; Secretary of State to Johnson, Jan, 6, 1941, D/S File 123 J 634/692; and Secretary of State to the American Legation, Canberra, Feb. 3, 1941, D/S File 123 J 634/700.

[62]Johnson to Nicholas Roosevelt, Nov. 15, 1929, Johnson Papers.

IX

IN RETROSPECT

Nelson Johnson was a friend of the Chinese but an American nationalist first and foremost. He demonstrated both sympathy and understanding of China, but his friendship was always subordinated to American interests. For all his love of China, that country was to be viewed first as a problem of American foreign policy.

During the late twenties Johnson favored going as far as was practicable in assisting China. He opposed joining the other powers in sending in troops to quel domestic disturbances caused by the upheaval there. He opposed joining the British at Hankow and Canton in punitive measures against Chinese strikers. He opposed harsh action against China during the Nanking Incident of 1927. He advocated conciliation in answering China's note of June 1925 requesting treaty revision. He suggested going as far as possible, unilaterally if necessary, in writing a new tariff treaty.

Similarly, on the question of extraterritoriality he favored revision of the old treaty and gradual

relinquishment. Unsettled conditions within China indicated to him that to go further would do considerable harm to American business and cultural interests. He believed the United States should keep China's good will, should assist her in ridding herself of the hated system of foreign privileges. But China should be realistic and not expect the United States to cast its interests to the winds. Later when it appeared to him that greater stability had been achieved, when China had acquired increased familiarity with her own law codes and after many of the privileges of Americans had already disappeared, he concluded that the United States could surrender its extraterritorial rights. It could do so without hurting its interests. As a matter of fact, it had few interests left because of the activity of the Japanese.

Johnson's attitudes on China and American policy toward China were not radically different through the thirties. Japan's invasion of Manchuria in 1931 shocked him. He believed wholeheartedly in the peace keeping apparatus of the twenties, the Kellogg Pact, the Washington Treaties, and the League. Japan's actions undermined the entire international peace structure. Second, he was sympathetic to China and hated to see her territory violated. However, he

would never have advocated fighting to preserve the treaty structure. And, he convinced himself that the United States did not have enough at stake to risk becoming involved. Similarly, consistent with his conception of American attitudes, he would not advocate helping China since she appeared unwilling to help herself.

Once Japan extended her aggression into North China and indicated more far reaching plans Johnson came to believe in a stronger policy by the United States in the form of rearmament and reconsideration of its intention to grant independence to the Philippines. He still was not suggesting that the United States resist Japan by bailing out the Chinese, for China was still inert. He maintained consistently that the United States had no great responsibility for China, that the United States should look out for its own interests, that it should oppose Japan with this sole purpose in mind.

However, in late 1936 and 1937, particularly after the beginning of the undeclared war, Johnson began to believe that the United States should implement its stronger policy in part through the Chinese government. China had achieved granted unity, she had established a measure of order and more importantly

she was valiantly resisting the Japanese. In addition, during the years between 1937 and 1941 affairs in Europe made a great impression on him and he came more and more to see aggression as a world problem that the powers should cooperate to combat, as a cancer that had to be eliminated. By 1940 and 1941 he was advocating wholehearted support for China. As an idealist, he believed China deservedhelp; as a realist he saw that she was fighting America's battles.

From 1925 through 1941 Nelson Johnson was a major force in shaping American policy toward China. During the Coolidge administration and the first two years of the Hoover administration he was probably the major architect of that policy. His influence continued although other officials gained ascendency as American Far Eastern policy in the early 1930's became more Japanese oriented.

He was alert, had a critical inquiring mind and a sympathetic understanding of the country to which he was assigned. His knowledge of China's language, art, and history, and his warm and personable nature evoked great respect and esteem from the Chinese and helped sustain friendly relations between the two countries during a most difficult period.

BIBLIOGRAPHICAL ESSAY

Primary Sources

This study is based chiefly on primary sources. The most important of these are the Nelson T. Johnson Papers, Division of Manuscripts, Library of Congress, Extremely rich for the author's purpose, Johnson's papers consist basically of letters to friends and acquaintances, memoranda of conversations, and personal copies of dispatches covering the 1916-1937 period. Johnson expressed his ideas more fully and more often to his friends than he did to the State Department.

His personal papers for the period after 1937, which the author also used, are in his widow's possession in Washington D.C.. Johnson's reminiscences in the Columbia University Oral History Collection cover his career through 1923 but indicate his thoughts on policy after that date also and are extremely valuable.

Among other personal papers used were those of Cordell Hull also in the Division of Manuscripts, Library of Congress. Hull's papers are not as full as one would expect and therefore yielded only a small amount of correspondence between him and Johnson. Certain

boxes of the Harry T. Yarnell Papers in the Library of Congress proved valuable for the period of the late thirties, as he and Johnson had a good deal of correspondence. The Key Pittman Papers, Division of Manuscripts, Library of Congress, dealing with the silver question were of assistance in preparing the chapter on silver policy. Other papers like those of Norman Davis were helpful for insight into the policy of the period but provided little of value relative to Johnson.

The unpublished papers of the State Department in the National Archives, Washington D.C., both Johnson's personal file and other files, were extremely valuable as were the published Papers Relating to the Foreign Relations of the United States, Washington D.C.

Lengthy interviews with Mrs. Nelson Johnson and with Miss Elizabeth Johnson, the Ambassador's sister, gave the author additional insight into Johnson's character and personality. Stanley Hornbeck, longtime friend and colleague of Mr. Johnson, gave freely of his time and allowed the use of his own personal papers. His comments both on Johnson and on American Far Eastern policy were of inestimable value. Joseph Grew's Ten Years in Japan, New York, 1944 was of

assistance for discussions of policy but contained little on Johnson. The same could be said of Cordell Hull's Memoirs.

The major American newspapers used in the study were the New York Times, the Baltimore Sun, the New York Herald Tribune, the Washington Post and the Washington Star. Among the English language papers published in China, those consulted were: the Chungking National Herald, the Hongkong Daily Press, the Hongkong Telegraph, the Manchuria Daily News, the Peiping Leader and the Peiping Chronicle, the Shanghai Press, the Shanghai North China Daily News and the Tientsin Peking and Tientsin Times.

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