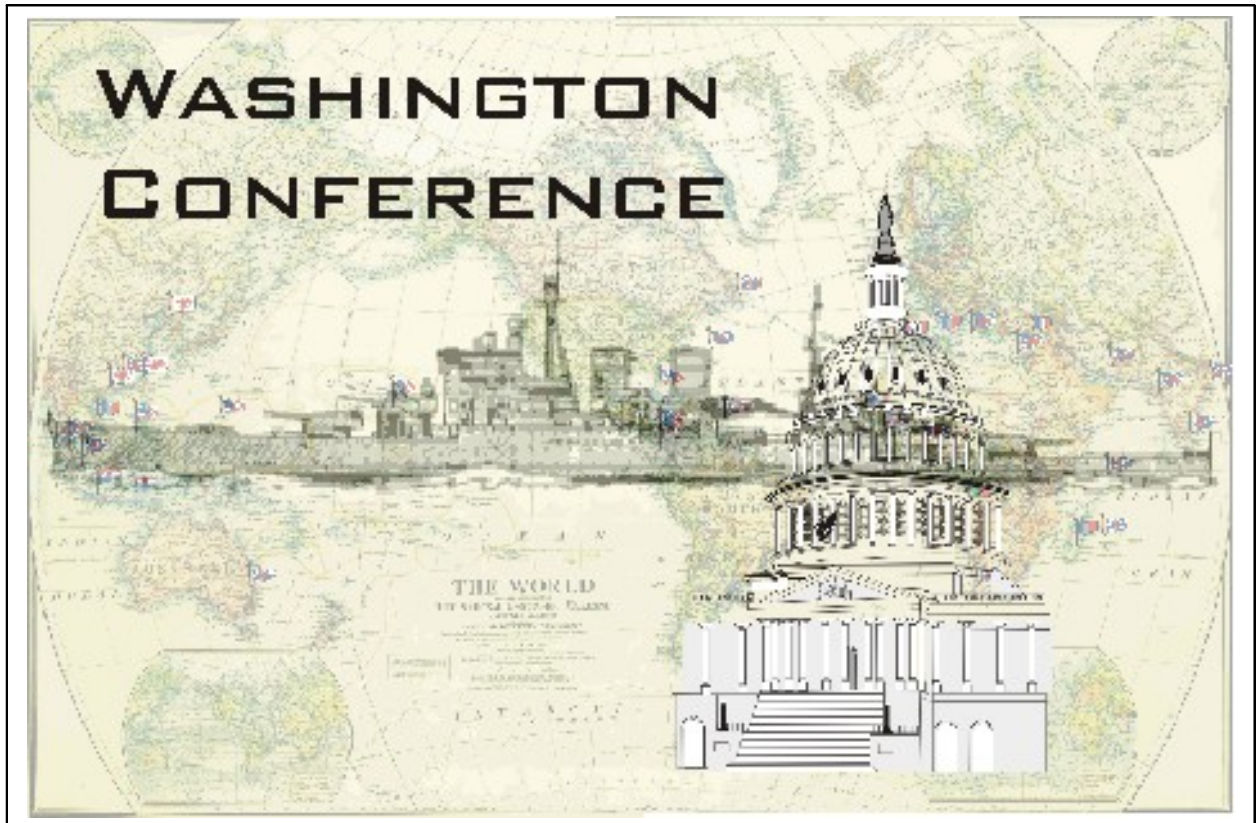


*Megagame
Makers*

8 March 2008



Game Handbook

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Introduction

Outline of the Game

Welcome to the Megagame of the Washington Conference of 1921. In this game, you will take on the role of a senior diplomat, a politician, a military chief or a member of the press. Your aim is to make the best deal for your country that you can. As usual, the aim of the press is to be as influential and highly regarded as possible.

The government of the United States of America has invited you to Washington to discuss the current international situation in the Pacific, to agree to ways of easing tension and, most importantly, to agree to limit expenditure on arms - particularly on the navy. The intention is to run two parallel tracks to the conference. The first track will deal with the naval and military matters while the second track will deal with political and diplomatic matters. Inevitably, the two will be closely linked - it is inconceivable that any agreement could be made on restricting fleet sizes without some accompanying way of reducing tension.

The conference is expected to achieve treaties on the limitation of naval expenditure and on the issue of China. Additionally, the conference is expected to set out the way that warfare should be conducted (rules for air warfare, submarine warfare, targeting of civilians and the use of gas).

This is the second time that this game has been presented. There are few changes in this run, but I hope that I have learned from the feedback from the first game in terms of briefing and structure.

Background

The date is November 1921. In reality, the parties met through to February 1922 and each turn will represent a week each of wheeling, dealing, horse-trading and formal negotiation. The place is Washington DC - the hall of the Daughters of the American Revolution conference centre. You have been allocated an area for your own delegation and there are areas set aside for each part of the conference. You are also welcome to visit other delegations and to meet others anywhere in public. I would however, ask you to respect two exceptions to this - there is a time set aside in each turn to allow each team to talk internally and you are required to be in your team area in that time. At some other times, delegations might need privacy, so please only enter a team area if you are invited to do so.

1918/19 saw the end of the "war to end wars". The United States was the architect of the peace settlement and of the League of Nations, but internal difficulties have stopped its participation. Nevertheless, the pressure to work with others has led to the USA initiating this conference - a conference that would otherwise have been led by Great Britain under the auspices of the League of Nations.

Issues

There are two big issues in front of the conference: the size of the battleship fleets and the status of China. There are, however, many other issues on the other types of ship in the fleet,

on fleet bases, on the use of submarines in warfare, the use of chemical gases in warfare, the status of the mandates agreed in Versailles and on and on. A number of these issues have been placed on the agenda by the League of Nations and those of you who are in the League (all of you except the USA) can regard this conference as a fully empowered committee of the League.

Style of Play

I have no preconceptions about the outcome of the game. In a sense, my job has been very easy - I have just tried to produce a realistic set of briefings as possible and then imposed a minimal structure to get things going. You should have no worries about departing from any historical outcome (but I hope that you will take account of the real situation that your historical counterparts were in). If you go too far, then I feel sure that your government at home will have something to say about it - communications were not as good as now, but the newly laid submarine cables allowed true global communications. The American press was also very active and embarrassed a number of delegations with ill timed and out of context statements.

The participants in this game are all likely to become very involved. Please bear in mind that their role or their strategy might require them to be belligerent, stubborn, obstinate, 2-faced or just plain unpleasant - there will be nothing at all personal about it.

Game Material

There are few rules in this game, so most of the game material is by way of briefing. There are two parts to the material - a general briefing (available to every player) and a team briefing - different for every team.

I hope that you will have time before the game to read about the period. This is not essential (I hope that I have written enough material to allow you to play the game anyway), but it will enhance your enjoyment. There is a bibliography to help, but you will find any number of different excellent books on the area.

You might find that some of the material in the briefing is "wrong" i.e. it does not match history. There could be a number of reasons for this. It could be that sources disagree - not unheard of. It could be that I have changed the facts - possibly to simplify a subject. It could be that I have made a typo or even that I have made an error and I have not got my facts correct (or that I have been unable to find something and have taken an educated guess). The Washington Conference is a game, so most of the time I would like to act as though everything in the briefing is gospel - if you know different, then I would be fascinated to hear it and I might change the game, but please don't be offended if I don't. In particular, most delegates have their "real" names and history, but I have given plausible alternatives where I do not have sufficient details.

Game Setup

The Teams

There are 7 player teams:

Great Britain (and the Empire)	China
USA	Italy
Japan	
France	Press

Country teams comprise a head of delegation, one or more political delegates and one or more military delegates (except China). The head of delegation is a political appointee. There will be three strands of activity - the political meetings, the military meetings and the various negotiations around Washington outside those formal meetings. The head of delegation for the USA is the chairman of the overall conference and of the political meetings - unless agreed otherwise by the delegates. There is no chairman of the military meetings and it will be the first job of the teams to agree on the arrangements for those meetings.

The Chinese delegation represents the recognised central Chinese government in Peking. They might well have sympathy with one of one of the warring factions, but they are career diplomats and politicians.

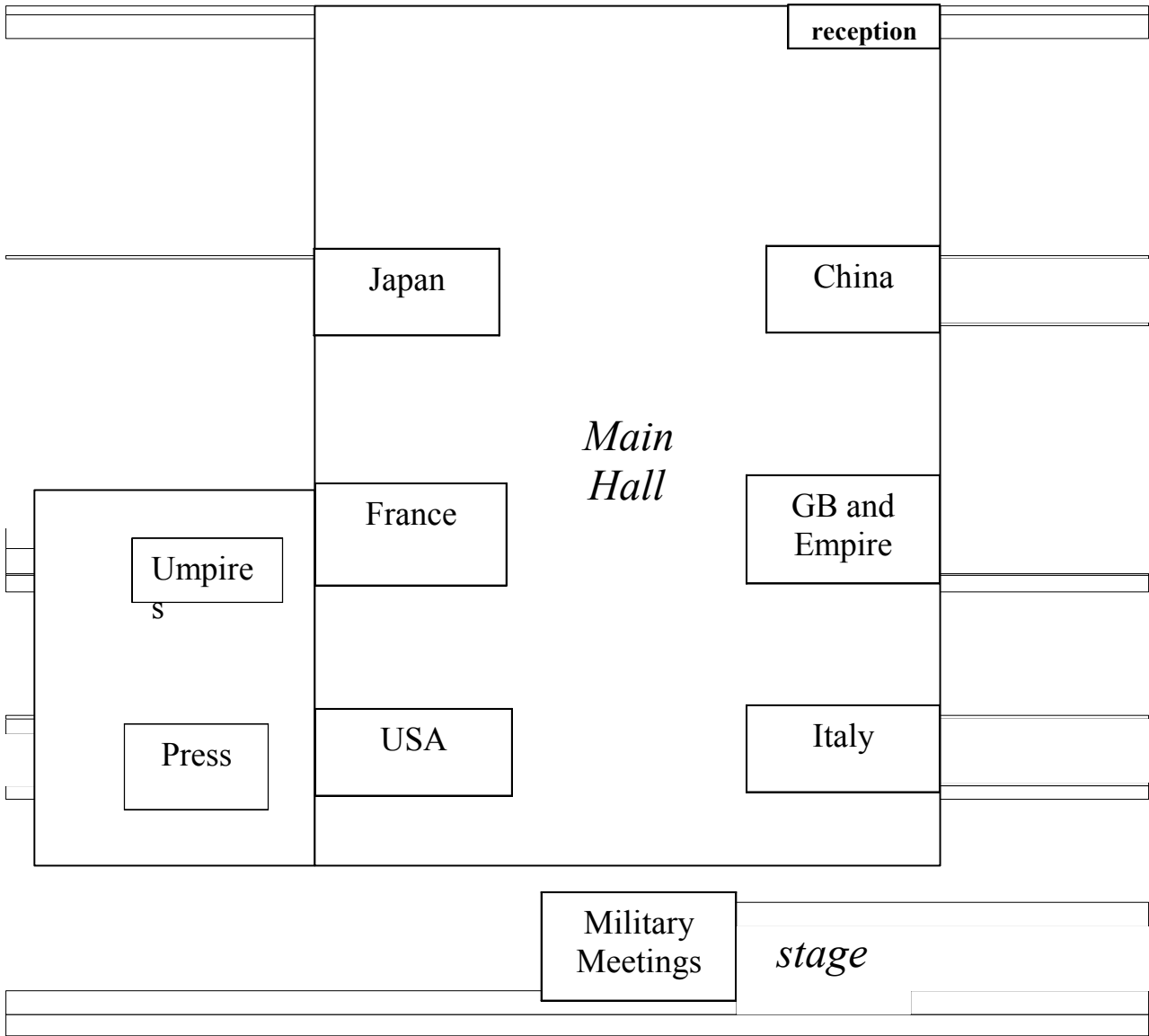
The Press team comprises journalists who will produce news stories from what is discussed and decided. The press have a right to sit in on any formal meeting. Players can ask them to stay out of any other discussions, but the players need to think carefully about their relations with the press. The press will affect the attitude of the public at home. The press can also give an informed opinion about any topic under consideration. They contain some very astute naval and political commentators, so any analysis will be worth reading.

There is a small umpire team performing the following roles:

Game control	Non-played countries
Political umpire	and home government umpire
Military umpire	

The role of the political and military umpires is to sit in on relevant discussions and provide any advice on facts that would have been known to the delegates. Another umpire will represent any non-played countries such as Belgium, Portugal, Germany and the USSR as well as giving the reaction of the home country to anything that is discussed and agreed. This umpire will also be available if a team wishes to consult with the home government. In extreme cases, a home government could change the head of delegation. All teams must consider the effects of their statements and agreements on the audience at home - the government, the different lobby groups and the public. The non-played countries and home government umpire will be monitoring this closely.

Layout of the Game



Timetable

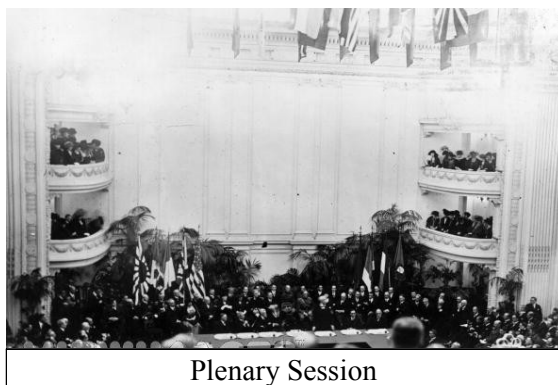
The day will start with a briefing at 10am. Teams will then be asked to meet in their team areas until the start of the game at 10:30. The first turn (from 10:30 to 11:00) will comprise opening statements from each of the heads of delegations (this will be the only formal business during this period, although – as for the whole day - I would expect a number of informal contacts and meetings to take place). After that, from 11:00, one turn will be one hour and will represent one week.

- 0930 reception open
- 1000 game briefing and team meetings in team areas prior to negotiations starting
- 1030 week of 12/11/21 - plenary and opening statements by heads of delegation (plus informal negotiations)
- 1100 week of 19/11/21 (1150-1200 weekend)
- 1200 week of 26/11/21 (1250-1300 weekend)
- 1300 week of 3/12/21 (1350-1400 weekend)
- 1400 week of 10/11/21 (1450-1500 weekend)
- 1500 week of 17/12/21 (1550-1600 weekend)
- 1600 week of 26/12/21
- 1630 final plenary – statements by heads of delegation (5 minutes each)

Session Types

There are 4 different type of session:

- **Plenary:** a meeting of everyone. Only heads of delegation may speak. The Press attend.
- **Committee of the Whole.** This is a meeting to which every country may attend. There is a military and a political committee, each of which is responsible for producing agreements in their areas. Only one delegate for each country may be at the table and speak, but delegates can be changed (any type of “musical chairs” approach would, however, be seen as very rude). The Press attend.
- **Sub-committees.** These are meetings which are set up by one of the committees of the whole in order to deal with a detailed topic. A sub-committee is set up with one of the countries being nominated as chairman. That country must provide a delegate to chair every meeting and is responsible for the way the meeting is conducted – normally this is expected to be much less formal than committees of the whole or plenary sessions. Sub-committees can be set up at any time during the conference and to deal with any issue, but negotiations before the conference have led to initial setting up of several sub-committees. The Press should normally be allowed to attend, but if not then a press statement must be issued at the end of the turn covering the discussions.
- **Informal meetings.** Probably the largest number of meetings will occur between delegates outside the formal sessions. There are no rules covering conduct of these meetings and the press may be excluded. Please try to stay in role for these meetings.



Plenary Session

The first week is dedicated to an initial plenary session. After that, there are a series of 5 standard weeks that have the following structure:

- xx:00 general discussions between teams
- xx:10 Committees of the Whole meet. Each should convene the meeting even if they have reached a stage where there is little to discuss (because negotiations are at a “behind the scenes” stage, for example). If this is the case, then the meeting should agree to close.
- xx:50 the weekend – teams should be in their team areas in private discussions. This will allow each team a period to reflect on what is going on, to plan their next moves and to brief each other on any development.

The final week can be structured in any way that delegates wish – there is no requirement for a meeting of any committee and no requirement for a weekend. This is followed by the final plenary which is an opportunity for each head of delegation to lay out their review of the conference, understanding of the agreements made and hopes for the future – there will be a 4 minute limit to each delegation.

Delegates

The delegates from each country (some delegates are not played) are:

Country	Head of delegation	Political delegates	Military delegates
Great Britain	Arthur Balfour	Sir Auckland C Geddes Mr. George F Pearce Sir Robert L Borden	Lord Lee of Fareham Admiral Sir David Beatty Admiral Pearce
USA	Charles Evans Hughes	Senator Henry Cabot Lodge Elihu Root Oscar Underwood	Theodore Roosevelt Jnr Rear Admiral William V. Pratt
Japan	Baron Tomosaburu Kato Prince Tokugawa	Baron Kijuro Shidehara Mr. Masanao Hanihara	Admiral Kato Kanji Captain Suesugu Nobumasa
France	Aristide Briand	M. Albert Sarraut M. Rene Viviani	Admiral Ferdinand de Bon Admiral Grasset
Italy	Senator Carlo Schanzer	Senator Vittorio Ricci Senator Luigi Albertini	Admiral Alfredo Acton Admiral Rolandi Vancese
China	Sao-Ke Alfred Sze	V. E. Wellington Koo Chung-Hui Wang Yu Ho Liang	

The Netherlands, Belgium and Portugal were also in attendance, but are not played in this game.

**Press**

Senior figures have been recruited to cover the conference, by the USA in particular. These include:

- H G Wells noted author, social commentator, forecaster and opinionated pundit
- F D Roosevelt recent (losing) presidential candidate
- Ida Tarbell high profile investigative journalist.
- H Bywater student of naval warfare – acknowledged expert

Meeting Arrangements

Date: November 1921
 Location: Washington DC, USA - hall of the Daughters of the American Revolution
 Attendees: Diplomats/Politicians and Military Negotiators/Advisors from GB and the British Empire, USA, France, Italy, Japan, China, Netherlands, Belgium, Portugal.

Organisation



There will be two parallel tracks to the conference - a political track and a military track. Each state should attend both tracks - other than China which will divide its time as it sees fit.

The senior US delegate will start by chairing the conference and the political meetings, which will be needed to agree to any

proposed treaty or protocol. Chairmanship of the military meetings is open for discussion, but the overall chairman must take the lead in arranging this. At the initial session of any meeting, the chairman should be decided. A change of chairmanship is quite feasible - but to do so without the agreement of the existing chairman would make for impossibly frosty relations. Changes to the agenda are different - this is the initial draft agenda - delegates are free to change this as circumstances dictate, and that is regarded as a normal part of the negotiations. It is also quite normal to set up sub-committees to deal with a particular issue. The initial session of the political and the military meetings should agree whether to set up committees. Suggestions at the moment favour initial committees on submarine use, the use of poisonous gases and the tariff rate for Chinese maritime goods.

Draft Agenda

<u>Political Agenda</u>	<u>Military Agenda</u>
China	Relative fleet sizes
1. the status of Chinese territory	1. capital ships
2. Treaty ports (esp Shantung)	2. cruisers
3. trade with China	3. carriers
4. China trade duties	4. escorts
5. arm sales to China	5. submarines
Pacific Tension	Foreign Facilities
6. the Anglo-Japanese defensive naval alliance (expires 1923)	6. Naval Bases - numbers, locations
7. Adjustments to the Mandates (possible realignment of Mandate areas?)	7. Fortifications - numbers, locations
Conduct of war	Size limits on capital ships
6. rules for submarine warfare	8. Gunnery limits per ship (14" or 15" or bigger)
7. rules for use of poisonous gases	9. Tonnage per ship
8. rules for air warfare	
9. rules for civilian targets	

Naval Power

Fleet Bases

A fleet needed base facilities to operate in a given area. These facilities included fuel/food etc. but crucially also required repair/refit facilities. Operational effectiveness of a fleet dropped, the further away from a base the fleet was operating. It was feasible to take base facilities with a fleet (with floating dry-docks etc.), but this increased the required logistic train of the fleet and increased the vulnerability of the fleet to a point where protection of the supply chain and base facilities would soak up huge proportions of the fleet's resources.

Naval bases also served a strategic role of their own. The functions of these bases were summarised by a contemporary source:

"

1. *They are used for docking and repairs to capital ships and auxiliaries*
2. *They are fuel and supply reserve depots*
3. *They are submarine-proof shelters in which a fleet can rest, take in stores, and where transports and supply ships collect in safety to be convoyed to given points*
4. *They are harbours of refuge and re-fuelling stations for smaller craft with a limited radius of action*
5. *They aid in the control of trade. By the ownership of most of the important fuelling stations of the world, placed on the main routes of trade, shipping can be compelled to take certain pathways in time of war, while enemy shipping can be stopped or forced to sail by more circuitous routes.* "

(Imperial Military Geography p 60)

Combat and the Balance of Forces

Naval combat was about the projection of power. Attack had three roles: support for armed forces to invade and secure bases, reduction of supplies by sinking merchant shipping and attrition of the opposing fleet. The difference between naval and land warfare was the need to dominate an area, rather than occupy it and concern yourself with frontiers. All naval strategists at the time agreed that domination of an area could only be achieved with a 50% excess of fleet power over an enemy. This was seen as a sharp divide: the difference between 40% and 50% advantage was seen as the difference between success and failure. The trade-off between different types of unit was less clear - thus, any strategist would generally reckon there was a need for 50% advantage in all ship types.

Purposes of ship Types

1. Carriers: these were already recognised as powerful units, if heavy enough and modern enough to support bombing forces properly. However, the planes available were not sufficiently powerful - and the techniques for different weather not sufficiently advanced - that they were not as powerful as they would become later
2. Capital Ships: these were needed to be the ultimate ship-sinker. One unopposed capital ship could dominate an area unless other forces were overwhelmingly superior

3. Cruisers: with a large operational radius, high speed and good armament, these were trade-protection ships that could patrol and defend a trade route. Also used as scouts for the battle fleet, one cruiser would be no match for a capital ship, but a few cruisers together could delay the ship and require it to bring them to action.
4. Escorts: required for merchant shipping and for fleet screens, these were antisubmarine, anti-aircraft and anti-commerce raider ships
5. Submarines generally an offensive weapon, these could be used to threaten enemy movements and to dramatically slow these movements or to sink merchant shipping. Properly dealt with, submarines did not unduly threaten a fleet but it required more escorts and slower progress

Current Ships in Service

	Capital Ships	Carriers	Heavy Cruisers	Light Cruisers	Escorts	Submarines
GB	30	5	4	41	337	92
USA	20	1	10	15	350	106
France	10		15	5	110	48
Italy	6		9	13	70	23
Japan	15	2	15	20	100	35
Belgium					15	
Portugal				4	19	4
Netherlands				9	40	23
Australia				7	20	6
New Zealand				1	3	
Canada			1	1	10	4
China				8	26	
China (provincial)					18	

Ships Being Built

	Capital Ships	Carriers	Heavy Cruisers	Light Cruisers	Escorts	Submarines
GB	2			5	10	20
USA	5			8	20	20
France	2		2	5	5	10
Italy	1		1	9	10	10
Japan	4	2	2	4	3	20
Netherlands				2		10

There is an intimate link between shipbuilding capacity and the number of large ships (capital ships and carriers) being built. At the moment, all capacity for large ships is being used. If orders fall off, then that capacity will soon disappear, but if orders pick up again then it will take some while before the expertise and the equipment and yards can become available.

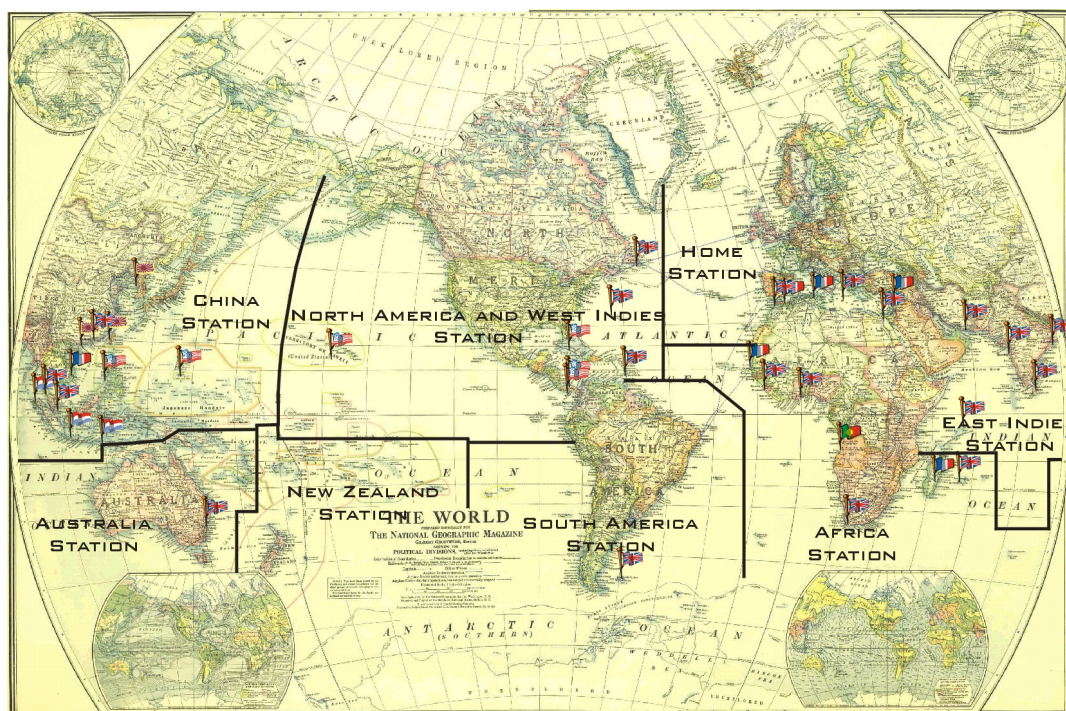
Foreign Naval Bases

UK	Gibraltar, Aden, Colombo, Mauritius, Penang, Alexandria, Singapore, Hong Kong, Malta, Bermuda, Trinidad, Cape Coast, Port Stanley, Sierra Leone, Cape Town, Calcutta, Bombay, Victoria, Halifax, Sydney, Wei HaiPei
USA	Guam, Guantanamo Bay, Panama (Atlantic), Panama (Pacific), Honolulu, Manila
France	Saigon, Dakar, Beirut, Madagascar, Algiers, Oran
Japan	Chinkei (Korea), Kiao Chou (China), Ryujun (Port Arthur), Takao (Formosa)
Portugal	Sao Paul de Loanda (Angola)
Netherlands	Surabaya (Java), Batavia (Java), Sabong (Sumatra)

Experience in the Great War has led a number of countries to plan fortifications for their bases. At the moment, bases are generally lightly defended against the modern ships and would depend on the fleet for defence - fortification dramatically increases the effectiveness of a fighting fleet, particularly if it is operating far from home.

Deployment

The RN separated the sea areas of the world into 8 "stations". The China station, for example, covered all of SE Asia and the western Pacific. The current deployment of ships of the main naval powers is shown below in terms of these stations (The British Empire is a combination of the forces of GB, Australia and New Zealand).



China Station

	British Empire	USA	Japan	France	Italy	Netherlands
Capital Ships	3	3	15			
Cruisers	8	10	35			
Carriers			2			
Escorts	70	100	100	10		
Submarines	15	60	35			

North America and West Indies Station

	British Empire	USA	Japan	France	Italy	Netherlands
Capital Ships		17				
Cruisers	8	10				
Carriers		1				
Escorts	80	170				
Submarines	12	46				

GB Home Station

	British Empire	USA	Japan	France	Italy	Netherlands
Capital Ships	19			10	6	
Cruisers	19			10	22	3
Carriers	5					
Escorts	130			40	70	10
Submarines	50			48	23	

Australia and New Zealand Station

	British Empire	USA	Japan	France	Italy	Netherlands
Capital Ships	2					
Cruisers	5					
Carriers						
Escorts	20					
Submarines	10					

South America Station

	British Empire	USA	Japan	France	Italy	Netherlands
Capital Ships	2					
Cruisers	5	5				
Carriers						
Escorts	20	80				
Submarines						

Africa Station

	British Empire	USA	Japan	France	Italy	Netherlands
Capital Ships	2					
Cruisers	5			4		
Carriers						
Escorts	20			20		
Submarines						

East Indies Station

	British Empire	USA	Japan	France	Italy	Netherlands
Capital Ships	2					
Cruisers	5			6		6
Carriers						
Escorts	30			40		30
Submarines	15					23

Battleship Gun Size

In reality, there was a complex question of gun size on capital ships. In the game, this will be simplified to a decision between 14", 15" and 16" guns. The current battleships in service can be reckoned to be fitted with 14" guns. It is possible to stay with this calibre, and improvements in technology and manufacture will inevitably increase the effectiveness by 10%. New technology will also allow the deployment of 15" guns, at an increase of 30% in effectiveness or even 16" guns which will increase effectiveness by 50%.

Battleship Weight

The weight of a battleship hull determines the effectiveness of the ship as a fighting unit. Extra weight is required for extra armour, for heavier armament and for extra fuel.

The current average battleship size is about 25,000 tons. Use of 15" guns requires an extra 10,000 tons and the use of 16" guns requires an extra 30,000 tons. Heavier armour would require 10,000 tons. the normal operational radius of a battleship is 2,000 miles. Each additional 100 miles radius requires an additional 2,000 tons.

All new battleships in production are 15" guns, heavily armoured and with a 2,000 mile radius of operation. Each one is 45,000 tons.

The limiting factor on battleship production is the shipbuilding capacity. In particular, the facilities to build ships larger than 30,000 tons are very limited. All the available facilities are currently in use. If ships are cancelled, then the yards and slips will become unavailable within a year. If extra facilities are required, then it will take 3 years for them to come on stream.

Other Ships

The average weights of other ships are:

Carriers	20,000 tons	2,000 mile radius
Light Cruisers	6,000 tons	4,000 mile radius
Heavy Cruisers	10,000 tons	3,000 mile radius
Escorts	1,100 tons	3,000 mile radius
Submarines	900 tons	4,000 mile radius

Light Cruisers generally carry 6" guns and heavy cruisers carry 8" guns. Any cruiser is suitable for trade protection or attack. Heavy cruisers can be expected to act in company to screen invasion forces or merchant convoys against battleships.

Submarine Warfare

Submarines are a new weapon that proved very effective in the recent war. Effective, but morally questionable. Submarines were particularly effective when used by Germany against Atlantic trade and created a very severe threat to the British war effort – although the use of convoys and effective escorts seemed to deal largely with the problem. There is great uncertainty about how to approach this new weapon – it is seen as very effective but aggressive – and its use in defence can only be justified as a deterrent. Its proper use by a minor power can be argued to be defensive, but that is much less so for a power with a large navy. There are therefore three issues in submarine warfare:

- the size of a submarine force – a force of 20-40 submarines is probably usable as a force that will do damage as a reaction to an attack. A force of over 30 is probably a force that could mount an extended campaign and is therefore seen as more likely to be aggressive. The size of the force, of course, should be measured in a particular area – not necessarily right across the globe,
- the size of the escort force to deal with a submarine threat – about 3 escorts are required for every submarine opposing them to give an effective counter,
- the rules of engagement – unrestricted warfare has, by default, been tolerated and makes the submarine force much more effective, but is morally repugnant to the majority of people (if not naval officers), who would prefer to go back to the situation where a vessel has to be warned before being sunk and the crew and passengers evacuated.

Each country has its own position on each of these.

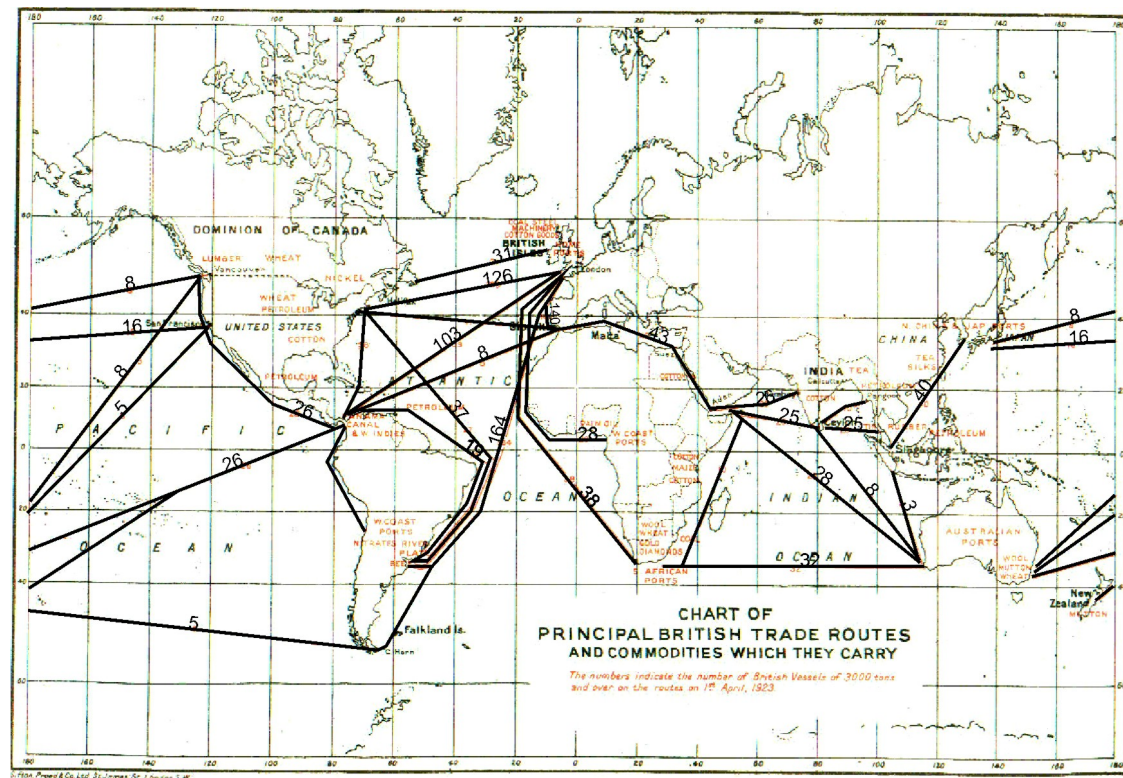
Trade

Introduction

Apart from acting as part of the defence of the home country, the major function of any navy is the protection of trade. The economies of the major powers were very dependent on trade, particularly those with empires and those with large commercial maritime fleets. Trade routes were common - the large maritime fleets were contracted by every nation in the first truly global business.

Trade Routes

The trade routes of the British Empire at the time are shown in the next map, but the same map would apply (with some modifications) to any major power. This is a “snapshot” of the ships en route on a particular day. The numbers reflect the ships of 3,000 tons or more at sea on 1st April 1923.



Trade with China is growing and expected to grow very fast. The major trade routes inside China are:

1. Southern provinces via Hong Kong and the river route to Canton and then into the interior
2. Yangtse valley trade via the mouth of the Yangtse at Shanghai, then to Hankow and into the interior
3. Northern provinces via Tientsin and then by rail to Peking and onward
4. Maritime entrances to Peking via ports on the Kwangtung peninsula (Dalny and Port Arthur)

All trade with China goes through ceded or leased territories, treaty ports or concessions. These are operated by one of the foreign countries or are international – allowing all foreigners to trade there. The ceded and leased territories are

- Britain: Weihaiwei and Hong Kong
- France: Kwangchow
- Japan: Tsingtao (previously German) and Port Arthur (previously Russian)
- Portugal: Macao

The main treaty ports and concessions are:

- International: Shanghai, Foochow, Ningpo, Changsha, Wuhu, Nanking, Peking, Tsinanfu, Choutsun, Weihsein, Hangchow, Soochow
- British: Amoy, Canton, Hankow, Kiukiang, Chinkiang, Tientsin, Newchang
- Japan: Amoy, Hankow, Chungking, Tientsin
- France: Canton, Hankow, Tientsin
- Italy: Tientsin

a more detailed listing is shown at Annex A and the following map shows locations.

Coal

Coal is the key strategic material for any industrial and maritime nation. Coal is used by 60% of the world's shipping as fuel, while a further 15% can convert from coal to oil and vice versa as market conditions and availability dictate. Coal is also used by much shipping as ballast (being saleable at the distant port). Coal is used as the basis for most industrial power and for the chemical and associated industries.

The chief coal countries of the world are:

Country	Estimated Reserve (billion tons)	Annual Production (million tons)
USA	3,838	549
Canada	1,234	20
China	995	20
Germany	423	150
Great Britain	189	264
Siberia	173	?
Australia	165	14

Oil

Oil is taking over from Coal for most uses. One day, it is likely to be as important. Oil production (millions of barrels per year) is:

USA	902	Colombia	20
Venezuela	106	Peru	12
Russia	88	India	8
Mexico	50	Trinidad	8
Persia	42	Sarawak	5
Rumania	31	Egypt	2
Dutch East Indies	29		

Trade Dependency

The following table shows the trade carried out by the major powers as millions of tons of goods (+ is nett export, - is nett import)

	GB	British Empire	USA	France	Italy	Japan	Netherlands
Coal	+70	-14	+19	-20	-14	-0.5	-0.5
Oil	-9	-7	+10	-2	-1	-1	+1
Ores	-7	-1	+2	+14	-0.5	-1	+0.5
Metals	-0.2	-2	+2	+5	-1	-2	-0.4
Food	-11	+10	+8	-4	-3	-1	-0.4
Manufactured	+2	-1	+2	-0.5	-1	+1	-0.2
Rubber	-0.6	+0.3	-0.4	-0.1	-0.1	-0.2	+0.8

Assessment of Naval Power for Trade Protection

The naval power to protect trade is not a simple calculation, but it depends, amongst other things, on:

- the home nation coastline length
- the length of trade routes to its colonies
- the amount of trade a country depends on
- the availability of strategic goods via trade (wartime forces will require coal, oil, rubber, ores and/or metals at least)
- the naval power of potential enemies

Mandates

The Versailles peace treaty allocated various mandates to different powers - territories which were placed under the protection of a major power because the territory was not capable of resisting encroachment by itself. The mandates in the Pacific area are now seen as very important because they represent places where fleet bases can be built.

Recent History of the States Involved

Versailles and the League

The Versailles conference had defined a number of issues in some detail. These included international boundaries, mandates and protecting powers for less powerful parts of the world, limits on the activities of the losers in the war and arrangements for reparations. The conference also set up an agency - the League of Nations - to resolve issues as they came up. The status of this League was, however, in some disarray. The USA refused to ratify the agreement, and did not join the League (the result of actions in Congress against the wishes of the executive), but there was also a wide gulf between the views of different countries on the way the League would operate - some saw it as purely a forum for negotiation and debate while others saw it as providing a global police force.

Debts and Repayments

Most states had run a substantial deficit budget in order to fund the war. The exceptions to this were the USA and the UK - both had raised taxes and funded much of their war effort from current money, but the UK had still ended the war with large debts and large creditors (mainly France, who had borrowed hugely during the war). France in particular needed reparations from Germany in order to repay her debts to the UK and to the US - Britain needed French and Italian payments to allow her to repay the US.

The effect of this was to leave economies unstable. States relied on printing money to allow them to survive and this led to the well-known inflationary pressures of the time. The impact of this was that states became more and more dependent on relationships between each other. France could not afford to offend Britain too much because this had an impact on the way that Britain viewed the repayments and the way that Britain supported France in obtaining money from Germany (one way or another). The USA could not afford to lean too heavily on those that owed it money because they might well just refuse to pay anything if pushed too hard.

Economies

The effect of the war had been very mixed. The economies of a number of countries had been devastated, while others had benefited from the war (a double-edged sword, as the transition to a peacetime economy led to a downturn in those countries).

This table gives an estimate of the manufacturing output in each country, indexed to the USA in 1913. The industrialisation of Japan, which really took hold in this period, comes through clearly.

Index (US in 1913=100)	1913	1920	1921
US	100	122	98
Germany	32	19	24
UK	30	28	16
France	16	11	10
USSR	19	2	4
Italy	11	10	11
Japan	5	10	11
Netherlands	3	3	3

Growth of Armed Forces*Military and Naval Personnel ('000s)*

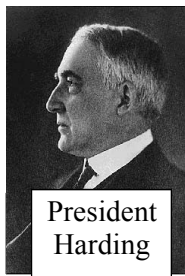
	1880	1890	1900	1910	1914	1920
France	543	542	715	769	910	1200
Britain	367	420	624	571	532	700
Italy	216	284	255	322	345	400
Japan	71	84	234	271	306	400
USA	34	39	96	127	164	250

Warship Tonnage (000 tons)

	1880	1890	1900	1910	1914	1920
France	271	319	499	725	900	1100
Britain	650	679	1,065	2,174	2,714	3400
Italy	100	242	245	327	498	900
Japan	15	41	187	496	700	1200
USA	169	240	333	824	985	2000

China

China is central to any discussion on the Pacific and is covered later, in its own section.

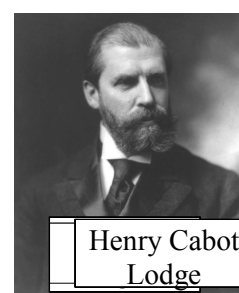
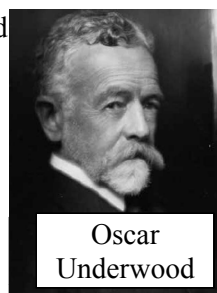
USA

American economic power had grown hugely in the late 19th century and the USA now occupies an undisputed position of economic muscle based on industrialisation, access to raw materials and financial strength as a result of trade surpluses with Europe being funded by acquiring investments in European countries which generated very large incomes.

US foreign policy was controlled by the tension between the need for a truly Great Power to be involved throughout the world and the natural isolationist



and



anti-central government tendencies of the population.

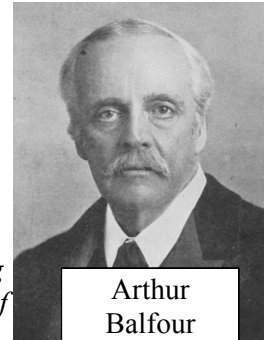
The USA went to war with Spain in 1898. The result was the acquisition of a position in the Philippines. The US administration developed ambitions of domination by trade and economic strength of the potentially enormous Chinese markets and resources. The "Open

Door" policy (see below, under "China") was developed as a means to this end and it committed 2,500 troops to an international army which was sent to China to restore order in 1900. The US acted as mediator in the Russo-Japanese war and insisted in involvement in international matters as a matter of course (e.g. the 1906 conference over Morocco).

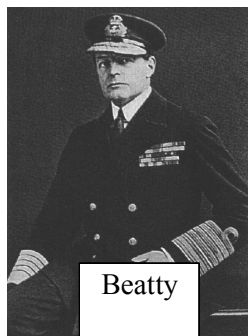
Great Britain and the Empire

By 1900, the British Empire was 12 million square miles of land and a quarter of the population of the globe. This was the largest empire the world had ever seen and it was still growing (1/3 of the empire had been added in the previous 30 years). The national attitude was summarised in the following quote:

... there had taken place, in the half-century or so before the 1914 war, a tremendous expansion of British power, accompanied by a pronounced lack of sympathy for any similar ambition on the part of other nations... If any nation had truly made a bid for world power, it was Great Britain. In fact, it had more than made a bid for it. It had achieved it. The Germans were merely talking about building a railway to Baghdad. The Queen of England was Empress of India. If any nation had upset the balance of world power, it was Great Britain."

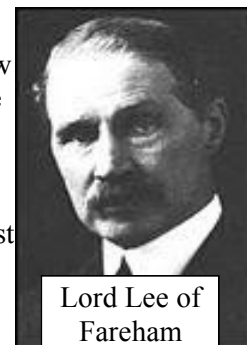


Arthur
Balfour



Beatty

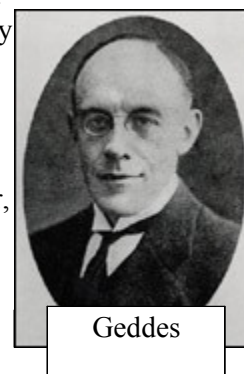
The fairly sober-minded, capable and ruthless civil servants, military leaders and politicians who guided British destiny saw, however, problems and difficulties around every corner. The British position had been based on economic and trade domination. The economic advantages it enjoyed had been eroded and others now commanded similar economic strength. The trade advantages had been built hand-in-hand with this - each feeding the other, but the British position was now vulnerable to any downturn in the growth of trade - whether caused by naval blockade (thus the importance of maintaining naval supremacy) or denial of expansion markets (thus the worries about China and Africa - the two next trade powerhouses). Trade was also inextricably linked to the empire (at least in the eyes of officials at the time) and the empire required more and more policing - both to keep it under control and to avoid incursion by other powers.



Lord Lee of
Fareham

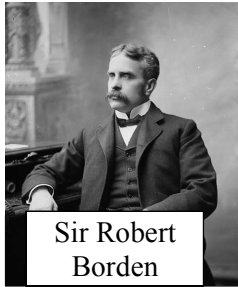
The challenge of the USA's economic weight, along with the increasing size of the US fleet, seemed to British politicians of the time to be a major difficulty, but it was not the only item on their agenda and the British were increasingly diverted from important areas by activities in all parts of the empire (and thus, by definition, in all parts of the globe).

The financial muscle of Britain was still considerable. Prior to the war, 43% of the foreign investment of the world was British - generating sufficient national wealth that Britain could absorb huge defence expenditure better than its European neighbours. The war, however, removed the appetite of Britain for military matters and high taxation



Geddes

to support the sort of military expansion needed to fully defend its interests abroad would not have been supportable at home.



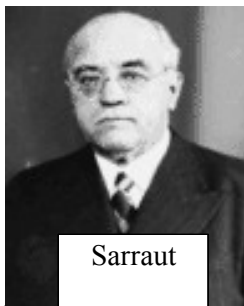
Sir Robert
Borden

British officials were hard-nosed professionals. certainly errors of judgement and mistakes were made, but this was a function of the size of the tasks they had. The basic beliefs of British officialdom were rooted in pragmatism - anything that needed to be done should be done if the balance of effect was positive for Britain. Britain did not understand the "naive attitudes" of other powers and assumed that everybody carried out their foreign policy by negotiation and horse-trading. This (which we would know understand as real politick) was

the basis of the appeasement policy that worked so well in this era, but which came disastrously and notoriously unstuck later.

France

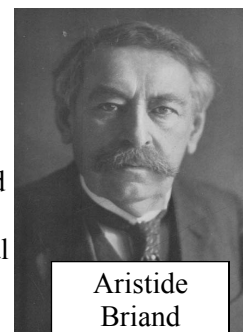
In the late 1880s, France was challenging Britain for power in Egypt and West Africa, was challenging Britain for naval supremacy and was almost at blows with Italy and with the old adversary - Germany. Colonial clashes with Britain were reaching alarming proportions - Congo in 1884/5, Egypt from 1882 and Siam in 1893. In 1898, British and French armies squared off in the Nile valley, but the French backed down in the face of superior numbers. The rapid changes in French



Sarraut

governments had left effective control of colonial matters to the civil service that therefore tried to follow a coherent policy but was often thwarted by an uncontrolled military. Differing

government views, however, led to an unbalanced fleet. One government would favour reliance on a battle-fleet, while another would favour commerce raiding with cruisers and a submarine force. This oscillation of naval policy had been a feature of government planning since the last century

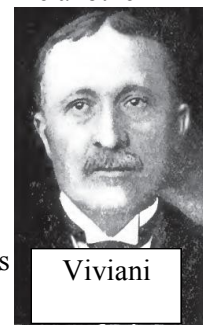


Aristide
Briand



Bon

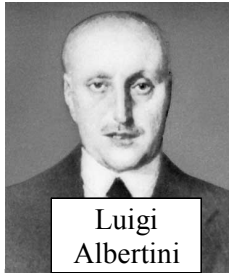
By 1914, the French position had changed with the British and, to a lesser extent with the Italians. They had allied with Russia and now faced the single enemy on her borders - Germany.



Viviani

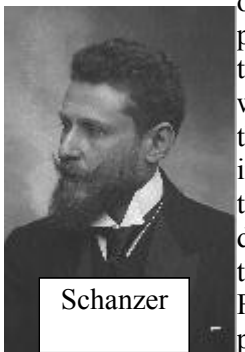
French financial muscle was second only to that of Britain. The mobility of capital in the French economy was particularly impressive and it could be directed by central government much more effectively than British capital. The use of this had weaned Italy away from the Central Powers' camp and to a more neutral position with France, by loaning Italy large sums of money. French money was funnelled through Russia to loan to China in return for Chinese concessions of railway and other rights. France invested heavily in the Balkan area - securing arms contracts in the face of German competition.

In 1911 there was a crisis in Morocco that triggered a revival of French national fervour. This had left France with the ability to continue supporting a huge conscript army and a large share of the French GNP could be spent on arms. French nationalist fervour carried them through the war and they now regard themselves as the premier world military and political power.

ItalyLuigi
Albertini

Italy has not long been a united nation. It has grown rapidly in stature, and is a recent addition to the club of Great Powers. It has grown spectacularly over the period at the end of the 19th century and the beginning of the 20th, but it still has severe economic weaknesses, with a lack of coal, iron and oil. Its industrialisation is concentrated in the north - the south is still a very backward area, with high illiteracy problems. The national cohesion is low, leading to a low regard for militarist views. Italians felt like a country very much in decline, despite their economic turn-round. Substantial emigration to America drained enterprise and

talent and a series of ill-judged minor military exploits (in Abyssinia and Libya) led to distrust of military and government leaders. Popular reaction to increased taxation could be high. The instability of this situation has led to the new Fascist ideas taking hold in Italy. Mussolini became el duce of the Fascists on November 7th and Italian politicians are acutely aware that Fascists could be taking power at any moment - and many of them would support this move (as, most definitely, would the military). The Italian military is regarded as inefficient and inflexible - the poor rail network and the lengthy coastline make home defence very difficult, so the strategic alliances have to be thought through carefully. The alliance with Britain and France is part of this and can probably be seen as an alliance of pragmatism and convenience.



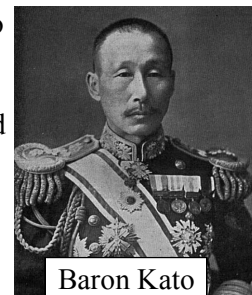
Schanzer

Admiral Alfredo
Acton**Japan**

The Meiji restoration of 1868 was a move by influential Japanese to modernise and westernise in order to become a strong nation. The

Prince
Tokugawa

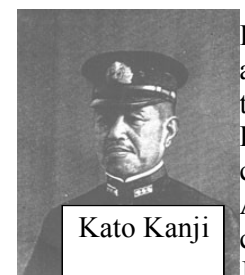
national culture allows the central leadership to set policies for industrialisation, for social changes and for militarism. The slogan of the time is *fukoken kyoei* (rich country, strong army) and this is illustrated well by a quote from a government member in 1894. Baron Hayashi said:



Baron Kato

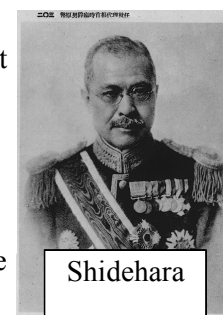
"if new warships are considered necessary we must, at any cost, build them: if the organisation of our army is inadequate we must start rectifying it from now; if need be, our entire military system must be changed.... At present

Japan must keep calm and sit tight, so as to lull suspicions nurtured against her; during this time the foundations of national power must be consolidated..."



Kato Kanji

In 1894, the Japanese forces were very successful against China in the conflict over claims to Korea. At the end of the war, it took threats of intervention by Russia, France and Germany acting together to compel the Japanese to withdraw claims to Port Arthur and the Liatung peninsular. In 1904, conflicting claims to Manchuria and Korea led the Japanese into conflict with Russia. The famous battle of Tsushima and a surprise strike against Port Arthur were noted and



Shidehara

admired in other Great Power countries. The ascendancy of the Japanese navy was built partly on its technical excellence (based on British-built ships), partly on the immense distance from home bases forced on the Russians and partly on the Anglo-Japanese naval alliance of 1902, which allowed the Japanese to concentrate on home matters without threat of interference from other powers. Korea was annexed to Japan in 1910.

The Japanese delegation appears to have a different organisation to others. There is a Navy Ministry and a Naval General Staff. The Naval General Staff is responsible to the government directly for naval operations. The Navy Ministry is the senior branch and sets strategy for the Naval General Staff to operate within. Baron Kato is the head of the Naval Ministry and therefore effective head of the delegation and able to issue instructions to Admiral Kato Kanji who heads up the military delegation. Prince Tokugawa is the figurehead head of delegation, leader of the Japanese house of peers and, as a prince, is deferred to by the rest of the delegation.

China

Background

In Chinese, the word for "China" translates to "the Middle Kingdom" or, more idiomatically to "the centre of the world". Any other state could only be dealt with as a vassal, so trade with other states was conducted on the basis of tribute received from the "vassal state" and magnanimous gifts back from the superior Chinese Empire. The word for "trade" in Chinese is the same as the word for "tribute"

As far as European powers were concerned, China was an obvious area for trade. It had huge resources, an enormous population, making for huge potential markets and it was so backward that European trade goods would have great value.



Wellington Koo

Unequal Treaties

The development of trade was, however, a threat to the status quo inside China and was stopped by the central authorities. This action led to a series of wars to enforce European

rights to trade. The first was the Sino-British war in 1842 when Britain demanded that China increase its purchases of opium from British possessions in India and Burma. The use of gunboats and European firepower was a nasty shock. Military and diplomatic pressure led to a series of "unequal treaties" where a series of over 50 "treaty ports" and a number of "concession" areas within the major cities were established.

Treaty Ports and Concessions

A treaty ports, settlements and concessions were areas of China within which the national law and conventions of the foreign port owner/ settler applied. Treaty ports and concessions were established by Britain, France, Germany, USA, Russia, Portugal, Belgium, Austria-Hungary, Italy and Japan. Other participants in the treaties included Brazil, Denmark, Mexico, Netherlands, Norway, Peru, Spain and Sweden. The settlements, concessions and possessions were established as shown on the map on page 15. Annex A gives a full listing of the status of the treaty ports, concessions and colonies of the foreign powers. All foreign trade was conducted through these ports.



Sao-Ke Alfred
Sze

Extraterritoriality

Foreigners in these ports - and later in all China - had "extraterritorial" status. That is, they were not subject to the laws of China at all but only to the laws of their own nation. An example of this is an extract from the treaty of Wangsia, 1844, between China and the USA



Chung-Hui
Wang

"Subjects of China who may be guilty of any criminal act towards citizens of the United States shall be arrested and punished by the Chinese authorities according to the laws of China, and citizens of the United States who may commit any crime in China shall be subject to be tried and punished only by the Consul or other public functionary of the United States thereto authorized according to the laws of the United States;

Moreover, Chinese who dealt with the foreigners or lived with them were also granted extraterritoriality in the ports - making them a haven for Chinese criminals.

Other Conditions

China had no right to set taxes on trade - import and export tax rates were set by the foreign power. China was expected, however, to pay for the buildings and maintenance of the areas and trade facilities, and to provide manpower to operate them. Any Chinese in the areas were treated as inferior beings (a notorious notice in a Shanghai park read "no dogs or Chinese"). The original treaty of Nanjing reduced import duties from 65% to 5%, effectively shattering some Chinese home industries.

China had to concede the stationing of foreign warships in the treaty ports (some of which were inland by thousands of miles, so effectively opening much of China to foreign military forces).

China had to pay war reparations (in the case of the treaty of Nanjing, this was a sum of 21 million Mexican dollars). Reparations to all foreigners accounts for £40m per annum.

From the first of the treaties (the treaty of Nanjing, 1842), they included a "most favoured nation" clause. This gave each foreign power any privileges extracted from China by any other foreign power.

Open Door Policy

In 1899, US Secretary of State John Hay became anxious that the arrangements for China would move more and more to actual partition of China. As a minor power in the area, this would lead to damage of American trade and would be against his belief in free trade between every power. He therefore set out to obtain agreement between all major international powers to keep equal access and privileges. He asked all major powers to uphold the free use by every nation of the treaty ports within their spheres of interest and to respect Chinese territorial and administrative integrity. Reaction to this policy so far ranges from reasonable support, through lip-service to flagrantly ignoring it. The USA will probably refer to this policy during conference negotiations

An extract from one of John Hay's original notes on this policy is shown in Annex B.

1900-1911 and the Boxer Rising

In 1900, the unequal treaties gave rise to an anti-foreigner movement known as the "Boxer Rising". The revolt by the Boxers was joined by the Manchu government, but was eventually crushed by an international army. The extent of the unrest in Chinese society and the failure of the Manchus to deal with the problem or even lead the Boxer rising led to revolutionary movements. Feeling against foreigners became very strong, as an example of which was the 1905 organisation of a boycott of US goods (organised as a protest against the adoption of immigration laws in the USA which specifically discriminated against Chinese). Eventually, a revolt in 1911 toppled the Imperial Manchus from power.

1911-1916 and the 21 Demands

The early republic, led by nationalist Yuan Shikai, was ineffectual and internally divided. It dealt with few of China's problems and opened China to further encroachment by foreign powers. Yuan borrowed from most major foreign powers and pledged large portions of China's internal revenues as security against the loans.

Japan had declared war on Germany in 1914, in response to a request from Britain. She then proceeded to seize German possessions, including territory in the Chinese province of Shantung. In 1915, the Japanese saw the opportunity to obtain a series of concessions and strengthen their position. This was a series of demands known as the "21 Demands". In summary, these demands were:

1. Japanese succession to Germany's former rights in Shantung, including the leasehold of an area there.
2. extension of the Japanese leases in southern Manchuria to 99 years and granting of rights to exploit Manchuria and Mongolia
3. half-ownership of the Han-Yeh-P'ing company (the iron and steel complex at Hanyang) and other state enterprises, including the control of Chinese coal deposits
4. exclusion of third powers from further territorial concessions and from further rights to access to any part of China's coastline

5. the appointment of Japanese advisers to the key positions in Chinese ministries and provincial governments and for railway leases in the Yangtze valley.

During negotiations, the 5th group was dropped following strong British and US representations. Chinese President Yuan Shi-Kai was forced to accept the remaining demands. An extract of the important parts of the original document is:

The Chinese Government engages to give full assent to all matters upon which the Japanese Government may hereafter agree with the German Government relating to the disposition of all rights, interests, and concessions which.... Germany possesses in relation to the province of Shantung...

Japanese subjects shall be free to reside and travel in South Manchuria and Eastern Inner Mongolia and to engage in business and in manufacture of any kind whatsoever... the Chinese Government agrees that if it employs political, financial or military advisers or instructors in south Manchuria or eastern Inner Mongolia, the Japanese Government shall first be consulted...

Without the previous consent of Japan, the Chinese Government shall not by her own act dispose of the rights and property of whatsoever nature of {specific companies were mentioned} companies nor cause the said companies to dispose freely of the same... The Chinese Central Government shall employ influential Japanese as advisers in political, financial and military affairs...

The police departments of the important places in China shall be jointly administered by Japanese and Chinese and the police departments of these places shall employ numerous Japanese...

China shall purchase from Japan a fixed amount of munitions of war (50% or more of what is required by the Chinese)...

If China needs foreign capital to work mines, build railways, and construct harbour-works (including dockyards) in the province of Fukien, Japan shall be first consulted...

China agrees that Japanese subjects shall have the right to propagate Buddhism in China...

Annex C gives the document listing the 21 demands in full, as amended.

1916-1921 and Versailles

Yuan Shikai declared himself as Emperor in 1916. This led to further revolt and to his death. The central government was by now so weak that the provincial governors, local army generals and other strong leaders took local control, becoming the so-called "warlords".

China entered World War I in 1917 on the clear understanding that the German territory of Shantung would be returned to them. This promise contradicted with promises made to the Japanese and the Versailles settlement honoured the Japanese promises. Public reaction in China was severe. China had provided a large number of men as labour battalions in Europe and had been eager to join in the fighting, although the other powers had refrained from arming them. Despite this, China has joined the League of Nations.

Erosion of the authority of the central government occurred at the same time as the rise in power of the warlords. Each warlord ruled a district (the boundaries of which were rather fluid) and controlled the local military. The British and US governments have banned all arms sales to China, and the French and Japanese have reluctantly given in to Anglo-American pressure and have also signed the treaty banning arms sales. Other arms suppliers have not - notably Germany, the Scandinavian countries and the Soviet Union. How much the treaty signatories are complying is anybody's guess, but there is a strong rumour that Japanese and French arms shipments are still going ahead. The central government is finding it increasingly difficult to operate because of lack of funds (the increased regionalisation results in fewer taxes being passed on to central government). The Japanese have relieved this situation by a large loan.

China and the Warlords

The situation in China at this time was very fluid because of the way that China was split between different warlords. The representatives of China are long-term diplomats, civil servants and politicians representing the central government but they are often also part of the warlord factional disputes. Like most things in China at this time, it is not easy to understand all the linked attitudes, but, at the risk of repeating some of the above material, this section sets out the issues arising from the warlords, the factions and their relationship with the central government and foreign powers.

The Chinese revolution of 1911 that deposed the imperial family was not based on any central person or body but on the power of the provincial governments. It was only when those governments declared, one after the other, for the revolution that anything happened. China has always been a very dispersed society and the sense of identification with the local area and then the province, before identifying with China, is profound. Add to this the splitting of the national army into different factions, the existence of a great number of local troops, the way that troops were loyal to their commander and not so much to a central authority and finally the way that Chinese provincial government was based around civil and military governors then there was an explosive mixture that led to the warlord era.

A warlord (a Tu'Chun) was a person with an army loyal to him who independently controlled an area of China. Warlords made great play of their loyalty to the central government, but in practice, their decisions had little to do with a government that was often a very long way away from them and which had difficulty raising enough troops to do anything of significance. Warlords raised their own taxes, recruited, trained and equipped their own armies and exercised their own rules of law.

The factional splits in the national government became important because that was the only body of skilled, equipped soldiers. The political machinations for power based around those factions led to a fluid set of factions encompassing a large number of the warlords. Although there were two contending national governments, the minor one in Canton had adherents from the southern provinces but was ignored by all except the new Soviet Russia. The northern (Peking) government was recognised by all other foreign powers as the rightful government of China. The faction groupings vied with each other for control of this central government – it was often simply a case of naked force – the warlord and/or faction controlling Peking had great influence in deciding the head of government and thus effectively was the central government. Not only was there considerable honour for the faction and warlord controlling the government, but there were very practical considerations – those that affected the Washington Conference arose from the “unequal treaties”.

China and the Conference

The process of opening China to trade with other nations was a difficult one that was accompanied by a number of wars in the 19th century. Modern weaponry and organisation in these wars led to Chinese defeats and the imposition of conditions upon the Chinese – these became known as the “unequal treaties”. For the Washington Conference, the important aspects are:

- maritime customs
- indemnities
- foreign loans
- treaty ports – particularly Shantung
- extra-territoriality

There are a number of foreign possessions – mostly leased areas such as Hong Kong, a number of foreign settlements and concessions and a number of treaty ports. These ports are sited on the coast and on the major rivers and have areas dedicated to trade with certain countries. The customs offices at these ports are administered by the Chinese Maritime Customs – a body largely staffed by British administrators.

All foreign trade with China is carried out through these ports and settlements. All this trade is taxed at a standard customs tariff for each product. For our purposes, we will regard this tariff as 5% - raising £100m per annum. This customs revenue is collected by the foreign powers and handed over to the legitimate Chinese government. From the point of view of foreign governments, this is a legitimate way of ensuring that taxes are collected properly and that customs duties do not become too high. From the point of view of the Chinese, this system is insulting and one which results in insufficient revenue and which is destabilising the country because the national government cannot recruit enough troops.

Part of the settlement of different wars and incidents (particularly the orchestrated “Boxer” uprising) has been the imposition of indemnities. Payment of these indemnities amounts to £40 million per annum. This is seen by the Chinese as extremely unfair and insulting, as well as draining the coffers of the central government.

Foreign loans are raised by the central government. The ease of raising these loans depends on the perceived and expected stability of the country. Loans are also made available to different factions – there is a perception that this makes those factions effective “clients” of the loaning country. Loans can also be made to provincial governors, largely by way of investments in such things as railways and mines. This raises the possibility of those countries wanting to safeguard their investments by stationing troops in key locations. Loans raised in the past are being repaid at £200m per annum.

In summary, the balance of payments included in the Chinese budget every year is:

Income: £20m per 1% tariff i.e. £100m at the moment

Expenditure: £40m indemnities plus £200m repayment of loans i.e. £240m

All changes to this affects the military budgets of the negotiating powers (see national briefings).

The settlements and possessions belonging to Germany – the major of which was Tsingtao in Shantung – were promised to revert to China when she was persuaded to join other allies in declaring war on the central powers in World War 1. The Versailles conference, however, ignored that and gave the right to the settlement of Shantung to Japan. This is a running sore between China and Japan (along with others – see the section on the 21 demands) and has led to major criticism of the government in Peking and considerable unrest which might flare into revolution. The treaty ports are not subject to Chinese law, but to the law of the country holding the port. This is seen as very insulting to China and is fuelling the unrest and dissatisfaction with Peking.

Annex A: Treaty Ports and Concessions in China

The 39 Settlements and Concessions in China in October 1920

- The Original five Ports -

- Shanghai -
International Settlement (Created in 1863 by the consolidation of the British Concession-1843 and American Settlement-1854)
French Concession (1849)
Woosung (1898)
- Amoy -
British Concession (1851-52)
Japanese Concession (1900)
American Concession (1899) - Proposed. Never taken up or administered.
Kulangsu International Settlement (1902)
- Canton - (Located at *Shameen Island* near the site of the old 17th and 18th Century factories)
British Concession (1861)
French Concession (1861)
- Foochow (opened in 1842; no defined area)
- Ningpo (*Campo* set apart in 1844; no defined area)

- Upper Yangtze Ports -

- Hankow -
British Concession (1861, extended 1898)
Ex-Russian Concession (1886) - Chinese administration after 9.1920.
French Concession (1886, extended 1902)
Ex-German Concession (1895, extended 1898)
Japanese Concession (1898, extended 1906).
- Changsha - General Foreign Settlement (1904)
- Chungking - Japanese Settlement (1901)

- Lower Yangtze Ports -

- Kiukiang - British Concession (1861)
- Wuhu - General Foreign Settlement (1904, originally marked out in 1877 for a British Concession but never taken up)
- Nanking - General Foreign Settlement (1899)
- Chinkiang - British Concession (1861)

- Northern Ports & Peking -

- Peking - Legation Quarter (1861, restricted to diplomatic missions, customs and other government employees)
- Tsinanfu - General Foreign Settlement (1916)
- Choutsun - General Foreign Settlement (1916)
- Weihsein - General Foreign Settlement (1916)
- Tientsin - British Concession (1861)
French Concession (1861)
Ex-German Concession (1899) - Chinese administration after 4.1917.
Ex-Russian Concession (1903) - Chinese administration after 9.1920.
Japanese Concession (1895)
Belgian Concession (1900)
Ex-Austro-Hungarian Concession (1900) - Chinese administration after 4.1917.

Italian Concession (1898)

American Concession - Locally Administered 1869 - 1880, Never officially recognised or accepted.

- Newchang - British Concession (1861)
Foreign Quarter (1900)
- Hangchow - Japanese Concession (1895)
General Foreign Settlement
- Soochow - Japanese Concession (1895)
General Foreign Settlement

During the colonial era six foreign nations had possessions in addition to *concessions* and *treaty ports*.

- Great Britain - Hong Kong 1842 (Ceded and leased areas)
Weihaiwei 1898 (Leased area)
- France - Kwangchow 1898 (Leased area)
- Germany - Tsingtao 1898 (Former leased area occupied by Japan 1914)
- Russia - Port Arthur 1898 (Former leased area occupied by Japan 1905)
- Portugal - Macau 1557
- Japan - Taiwan 1895 (+ Tsingtao and Port Arthur)

Annex B: Extract From John Hay's Letter on the Open Door Policy

Sir: At the time when the Government of the United States was informed by that of Germany that it had leased from His Majesty the Emperor of China the port of Kiao-chao and the adjacent territory in the province of Shantung, assurances were given to the ambassador of the United States at Berlin by the Imperial German minister for foreign affairs that the rights and privileges insured by treaties with China to citizens of the United States would not thereby suffer or be in anywise impaired within the area over which Germany had thus obtained control.

More recently, however, the British Government recognized by a formal agreement with Germany the exclusive right of the latter country to enjoy in said leased area and the contiguous "sphere of influence or interest" certain privileges, more especially those relating to railroads and mining enterprises; but, as the exact nature and extent of the rights thus recognized have not been clearly defined, it is possible that serious conflicts of interest may at any time arise, not only between British and German subjects within said area, but that the interests of our citizens may also be jeopardized thereby.

Earnestly desirous to remove any cause of irritation and to insure at the same time to the commerce of all nations in China the undoubted benefits which should accrue from a formal recognition by the various powers claiming "spheres of interest" that they shall enjoy perfect equality of treatment for their commerce and navigation within such "spheres," the Government of the United States would be pleased to see His German Majesty's Government give formal assurances and lend its cooperation in securing like assurances from the other interested powers that each within its respective sphere of whatever influence—

First. Will in no way interfere with any treaty port or any vested interest within any so-called "sphere of interest" or leased territory it may have in China.

Second. That the Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports as are within said "sphere of interest" (unless they be "free ports"), no matter to what nationality it may belong, and that duties so leviable shall be collected by the Chinese Government.

Third. That it will levy no higher harbor dues on vessels of another nationality frequenting any port in such "sphere" than shall be levied on vessels of its own nationality, and no higher railroad charges over lines built, controlled, or operated within its "sphere" on merchandise belonging to citizens or subjects of other nationalities transported through such "sphere" than shall be levied on similar merchandise belonging to its own nationals transported over equal distances.

The liberal policy pursued by His Imperial German Majesty in declaring Kiao-chao a free port and in aiding the Chinese Government in the establishment there of a customhouse are so clearly in line with the proposition which this Government is anxious to see recognized that it entertains the strongest hope that Germany will give its acceptance and hearty support.

The recent ukase of His Majesty the Emperor of Russia declaring the port of Ta-lien-wan open during the whole of the lease under which it is held from China, to the merchant ships of all nations, coupled with the categorical assurances made to this Government by His Imperial Majesty's representative at this capital at the time, and since repeated to me by the present Russian ambassador, seem to insure the support of the Emperor to the proposed measure. Our ambassador at the Court of St. Petersburg has, in consequence, been instructed to submit it to

the Russian Government and to request their early consideration of it. A copy of my instruction on the subject to Mr. Tower is herewith inclosed for your confidential information.

The commercial interests of Great Britain and Japan will be so clearly served by the desired declaration of intentions, and the views of the governments of these countries as to the desirability of the adoption of measures insuring the benefits of equality of treatment of all foreign trade throughout China are so similar to those entertained by the United States, that their acceptance of the propositions herein outlined and their cooperation in advocating their adoption by the other powers can be confidently expected.

Annex C: The "21 Demands"

DOCUMENTS RELATING TO THE TWENTY-ONE DEMANDS MADE BY JAPAN ON CHINA IN 1915.

(A) JAPAN'S REVISED DEMANDS ON CHINA

Presented April 26, 1915
following the original Twenty-one Demands on China
presented Jan. 18, 1915

GROUP I

The Japanese Government and the Chinese Government, being desirous of maintaining the general peace in Eastern Asia and further strengthening the friendly relations and good neighbourhood existing between the two nations, agree to the following articles:

Art. I. The Chinese Government engages to give full assent to all matters upon which the Japanese Government may hereafter agree with the German Government, relating to the disposition of all rights, interests and concessions, which Germany, by virtue of treaties or otherwise, possesses in relation to the Province of Shantung.

Art. 2. (Changed into an exchange of notes.)

The Chinese Government declares that within the Province of Shantung and along its coast no territory or island will be ceded or leased to any Power under any pretext.

Art. 3. The Chinese Government consents that as regards the railway to be built by China herself from Chefoo or Lungkow to connect with the Kiaochow-Tsinanfu Railway, if Germany is willing to abandon the privilege of financing the Chefoo-Weihsien line, China will approach Japanese capitalists to negotiate for a loan.

Art. 4. The Chinese Government engages, in the interest of trade and for the residence of foreigners, to open by China herself as soon as possible certain suitable places in the Province of Shantung as Commercial Ports.

(Supplementary Exchange of Notes)

The places which ought to be opened are to be chosen and the regulations are to be drafted, by the Chinese Government, but the Japanese Minister must be consulted before making a decision.

GROUP II

The Japanese Government and the Chinese Government, with a view to developing their economic relations in South Manchuria and Eastern Inner Mongolia, agree to the following articles:

Art. 1. The two contracting Powers mutually agree that the term of lease of Port Arthur and Dalny and the terms of the South Manchuria Railway and the Antung-Mukden Railway shall be extended to 99 years.

(Supplementary Exchange of Notes)

The term of lease of Port Arthur and Dalny shall expire in the, 86th year of the Republic or 1997. The date for restoring the South Manchurian Railway to China shall fall due in the 91st year of the Republic or 2002. Article 12 in the original South Manchurian Railway Agreement stating that it may be redeemed by China after 36 years after the traffic is opened is hereby cancelled. The term of the Antung-Mukden Railway shall expire in the 96th year of the Republic or 2007.

Art. 2. Japanese subjects in South Manchuria may lease or purchase the necessary land for erecting suitable buildings for trade and manufacture or for prosecuting agricultural enterprises.

Art. 3. Japanese subjects shall be free to reside and travel in South Manchuria and to engage in business and manufacture of any kind whatsoever.

Art. 3-a. The Japanese subjects referred to in the preceding two articles, besides being required to register with the local authorities pass-ports which they must procure under the existing regulations, shall also submit to police laws and ordinances and tax regulations, which are approved by the Japanese consul. Civil and criminal cases in which the defendants are Japanese shall be tried and adjudicated by the Japanese consul; those in which the defendants are Chinese shall be tried and adjudicated by Chinese Authorities. In either case an officer can be deputed to the court to attend the proceedings. But mixed civil cases between Chinese and Japanese relating to land shall be tried

and adjudicated by delegates of both nations conjointly in accordance with Chinese law and local usage. When the judicial system in the said region is completely reformed, all civil and criminal cases concerning Japanese subjects shall be tried entirely by Chinese law courts.

Art. 4. (Changed to an exchange of notes.)

The Chinese Government agrees that Japanese subjects shall be permitted forthwith to investigate, select, and then prospect for and open mines at the following places in South Manchuria, apart from those mining areas in which mines are being prospected for or worked; until the Mining Ordinance is definitely settled methods at present in force shall be followed.

PROVINCE OF FENG-TIEN

<i>Locality</i>	<i>District</i>	<i>Mineral</i>
Niu Hsin Vai	Pen-hsi	Coal
Tien Shih Fu Kou	Pen-hsi	Coal
Sha Sung Kang	Hai-lung	Coal
T'ieh Ch'ang	Tung-hua	Coal
Nuan Ti Tang	Chin	Coal

An Shan Chan region From Liao-yang to Pen-hsiIron

PROVINCE OF KIRIN

(Southern Portion)

Sha Sung Kang	Ho-lung	Coal and Iron
Kang Yao	Chi-lin (Kirin)	Coal
Chia P'i Kou	Hua-tien	Gold

Art. 5. (Changed to an exchange of notes.)

The Chinese Government declares that China will hereafter provide funds for building railways in South Manchuria; if foreign capital is required, the Chinese Government agrees to negotiate for the loan with Japanese capitalists first.

Art. 5-a. (Changed to an exchange of notes.)

The Chinese Government agrees that hereafter, when a foreign loan is to be made on the security of the taxes of South Manchuria (not including customs and salt revenue on the security of which loans have already been made by the Central Government), it will negotiate for the loan with Japanese capitalists first.

Art. 6. (Changed to an exchange of notes.)

The Chinese Government declares that hereafter if foreign advisers or instructors on political, financial, military or police matters, are to be employed in South Manchuria, Japanese will be employed first.

Art. 7. The Chinese Government agree speedily to make a fundamental revision of the Kirin-Chan-chun Railway Loan Agreement, taking as a standard the provisions in railroad loan agreements made heretofore between China and foreign financiers. If, in future, more advantageous terms than those in existing railway loan agreements are granted to foreign financiers, in connection with railway loans, the above agreement shall again be revised in accordance with Japan's wishes.

All existing treaties between China and Japan relating to Manchuria shall, except where otherwise provided for by this Convention, remain in force.

1. The Chinese Government agrees that hereafter when a foreign loan is to be made on the security of the taxes of Eastern Inner Mongolia, China must negotiate with the Japanese Government first.

2. The Chinese Government agrees that China will herself provide funds for building the railways in Eastern Inner Mongolia; if foreign capital is required, she must negotiate with the Japanese Government first.

3. The Chinese Government agrees, in the interest of trade and for the residence of foreigners, to open by China herself, as soon as possible, certain suitable places in Eastern Inner Mongolia as Commercial Ports. The places which ought to be opened are to be chosen, and the regulations are to be drafted, by the Chinese Government, but the Japanese Minister must be consulted before making a decision.

4. In the event of Japanese and Chinese desiring jointly to undertake agricultural enterprises and industries incidental thereto, the Chinese Government shall give its permission.

GROUP III

The relations between Japan and the Hanyehping Company being very intimate, if those interested in the said Company come to an agreement with the Japanese capitalists for co-operation, the Chinese Government shall forthwith give its consent thereto. The Chinese Government further agrees that, without the consent of the Japanese capitalists, China will not convert the Company into a state enterprise, nor confiscate it, nor cause it to borrow and use foreign capital other than Japanese.

GROUP IV

China is to give pronouncement by herself in accordance with the following principle:

No bay, harbour, or island along the coast of China may be ceded or leased to any Power.

Notes to be exchanged.

A

As regards the right of financing a railway from Wuchang to connect with the Kiu-kiang-Nanchang line, the Nanchang-Hangchow railway, and the Nanchang-Chaochow railway, if it is clearly ascertained that other Powers have no objection, China shall grant the said right to Japan.

B

As regards the rights of financing a railway from Wuchang to connect with the Kiu-kiang-Nanchang railway, a railway from Nanchang to Hangchow and another from Nanchang to Chaochow, the Chinese Government shall not grant the said right to any foreign Power before Japan comes to an understanding with the other Power which is heretofore interested therein.

NOTES TO BE EXCHANGED

The Chinese Government agrees that no nation whatever is to be permitted to construct, on the coast of Fukien Province, a dockyard, a coaling station for military use, or a naval base; nor to be authorized to set up any other military establishment. The Chinese Government further agrees not to use foreign capital for setting up the above mentioned construction or establishment.

Mr. Lu, the Minister of Foreign Affairs, stated as follows:

1. The Chinese Government shall, whenever, in future, it considers this step necessary, engage numerous Japanese advisers.
2. Whenever, in future, Japanese subjects desire to lease or purchase land in the interior of China for establishing schools or hospitals, the Chinese Government shall forthwith give its consent thereto.
3. When a suitable opportunity arises in future, the Chinese Government will send military officers to Japan to negotiate with Japanese military authorities the matter of purchasing arms or that of establishing a joint arsenal.

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Annex E: World Maps Showing Foreign Naval Bases

Acknowledgements

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