Associated American Chambers of Commerce of China

Statement of general situation in China relative to conditions arising from the riots of May 30, 1925, in the International Settlement of Shanghai, China.

Shanghai, China
July 20, 1925.
Statement of General Situation in China

Present conditions in China are a natural result of long continued internal disorder which has impoverished the country and has placed upon the Chinese people an impossible burden in the form of a standing army of more than one and a half million men.

Since the close of the Washington Conference in 1922 the situation has been aggravated by a gradually increasing animosity toward foreigners in general and by Soviet Russian propaganda against the so called imperialistic and capitalistic Powers of the West.

With this background in mind it is easy to understand that everything was in readiness for the match to be lighted when a number of Chinese students were killed and wounded in rioting against the Shanghai Municipal Police on May 30th last. The so-called Nanking Road incident in Shanghai had its beginning a few days earlier when Chinese laborers employed in a local Japanese cotton mill broke into the factory and destroyed several thousand dollars worth of machinery. When ordered to leave the premises they attacked the guards with iron bars and pieces of machinery whereupon the guards fired killing one of the laborers.

The Shanghai Municipal Police arrested several of the strike leaders who participated in the riot in the Japanese cotton mill and these men were held for trial in the International Mixed Court. On May 30th Chinese students in local schools headed by students from the Shanghai University organized a lecturing campaign upon the principal streets of the International Settlement of Shanghai.

Owing to previous troubles connected with the anti-Japanese riots and boycott in 1919 the authorities of the
International Settlement of Shanghai have had in force a regulation prohibiting the holding of parades or political gatherings inside the foreign area. Disregarding these well known regulations the students started their agitation by lecturing on busy street corners and distributing literature attacking foreign imperialists. It is now generally believed that the students selected Saturday afternoon owing to its being a half-holiday when most of the city officials are absent from their offices.

The police on duty at a station (known as the Louza Police Station) in the center of the retail shopping district arrested a number of these students and lodged them in jail on a charge of violating the municipal ordinances. The students assisted by loafers and curiosity seekers numbering about two thousand then attempted to storm the city jail and release those who had been arrested. Finally when the police could no longer hold the crowd in check they gave the order to fire. Nine were killed and several wounded.

This had the effect of inflaming the whole Chinese population into a general anti-foreign outburst so that it became necessary for the foreign residents of Shanghai to rally to the defense of the city and a few days later it was necessary for the local Consular Body to ask for foreign naval protection to prevent the entire city from being taken over by the mobs. During the disorder of the next few days several more Chinese were killed and numbers of foreigners including one American were wounded by missiles and by sniping.

The Chinese merchants in Shanghai assisted in the strike by closing up all of their shops and banking institutions for a period of practically two weeks.

Incidents in other parts of China which have been mentioned in press reports are quite similar to that at Shanghai. In Hankow a Chinese mob attempted to storm the armory in the British Concession and it was necessary for the local volunteers assisted by foreign marines to fire in order to prevent the building being taken over by rioters.

In Canton as a parade of Chinese organized as a protest against the Shanghai incident was marching past Shameen the foreign concession, Chinese student cadets officered by Russians loaned to the Canton radical Govern-
ment by Moscow, opened fire without warning on the foreign concession killing one foreigner and wounding four including a woman.

In Kiukiang a town on the Yangtze River between Hankow and Shanghai the rioters took possession of the foreign concession and looted the foreign buildings including the Japanese and British consulates and burning the Japanese bank. All communication between Kiukiang and the local summer resort of Kuling containing more than 600 foreign women and children was cut off.

At the town of Chingkiang near Shanghai on the lower Yangtze River mobs also took possession of the foreign concession and looted the Municipal Building burning the furniture in the streets.

In Chungking on the upper Yangtze it was necessary for all British and Japanese residents to be removed to ships in the river, and the latest reports are that the British authorities have asked all of their nationals residing in Szechuen Province, most of them being engaged in missionary work, to leave that territory.

What the final result of this will be is almost impossible to state at this time but apparently it is going to settle down to a general demand for the cancellation of the so called "Unequal Treaties."

Since the United States and the other Powers are committed under the Washington Conference program to a plan of evolutionary treaty revision there is no particular point to the continuance of the anti-foreign agitation on this basis except as it is fomented by the Soviet as a part of their general campaign to win over the millions of people of Asia to the new doctrines of Communism and to upset the existing order all over the world.

The failure of France until recently to ratify the Washington Conference treaties has also been an element in causing the Chinese to lose faith in the possibility of obtaining relief at the hands of the Western powers and Japan.

In many respects the present movement has points of similarity to the Boxer Rebellion of 1900. It will be remembered that the Boxer Rebellion had its underlying causes in a long period of internal unrest aggravated by the seizure of Chinese territory by foreign nations.
The Boxer Rebellion began in persecutions and the massacres of native Christians in various parts of North China and finally led to the massacre of foreign missionaries, chiefly British in Shantung and Chihli Provinces and ending in the besieging of the foreign Legations in Peking.

The situation was only relieved by an International Expedition in which the United States participated and was finally settled when the Boxer Protocol was signed in 1901 which gave the foreign Powers the right to station foreign troops in North China for the purpose of patrolling the railway leading from Peking to the sea.

The present agitation against foreigners although chiefly levelled at the British and Japanese also affects the Americans and all other foreign nations having treaty relations with China. American missionary interests in China although they have worked for almost a century in the education of the Chinese masses are likewise effected. For more than a year there has been in progress a serious anti-Christian movement which has been aimed principally at colleges and universities conducted by Americans and financed by American money in China. Leading missionaries who have investigated this question closely are firmly convinced that this agitation has had its origin with the Soviet because they have recognized that the American missionary institutions in China are the greatest single factor in the spreading of Western ideals and culture on the Continent of Asia.

While the Boxer Rebellion was aimed at the direct elimination of the foreigner in China by actual extermination the present movement does not take that trend. Now instead of the actual driving of the foreigner from the country by force the Chinese radicals are adopting the more subtle plan of accomplishing the same purpose by depriving the foreigner of his legal right which he is accorded by treaties.

We do not desire to give the impression that we oppose the revision of treaties which have been made by foreign powers with China during the last half century. We realize that these treaties should be modified but as was well expressed by Dr. Jacob Gould Schurman former American Minister to China we favor an evolutionary
revision of the treaties rather than a revolutionary development. We recognize the fact that great changes have taken place in China in the last quarter of a century, that modern ideas have begun to take hold; that modern industrialism is very rapidly growing up on the continent of Asia and is bringing with it all of the problems through which the United States and Europe has passed in the last three or four hundred years.

However we must recognize the fact that China is still more than ninety per cent illiterate that the number of people able to read the printed word is lower than any other important country.

Although China has been a Republic in name for the last dozen years the country has been dominated by militarists each one controlling a province or group of provinces and conducting himself as a feudal baron. They levy taxes to suit themselves, and commandeer all revenues for private gain or for the support of their already swollen armies. They support the Central Government if it suits their purposes and oppose it for similar reasons. The political situation since the beginning of the Republic has been nothing more than a checker board game in which the prime movers have been the various generals or tuchuns as they are known in China. The Republic was not able to adopt a constitution until last year but immediately after the Chihli party was overthrown by the Fengtien or Chang Tso-lin forces the new constitution was promptly scrapped and the Government is now functioning under a military dictatorship headed by Marshal Tuan Chi-jui, a former military commander.

A combination of all these various elements has produced a most serious situation in the Far East that demands the closest possible attention of the United States and the other powers acting cooperatively. Unless something is done to stabilize the situation it is our opinion that the radicals supported by the Soviet may gain control and arbitrarily abrogate our treaties which would leave us in a most serious situation from the standpoint of the safety of foreign lives and property interests. China has no courts worthy of the name, has not codified her laws, and the only power that is respected in the land is that of the military leader. If these
men gain unhindered control in China, and we do not have the protection which our treaties afford, it is bound to end in the complete elimination of foreign interests in China along lines which have been followed by the communists throughout the territories of Russia.

Although more than 80 per cent of China is agricultural we have always felt that the country was more or less proof against the inroads of communism but we must recognize the fact that the vast Chinese army is composed of a floating population and if the Chinese army can be won over to the cause of communism which is quite possible it may have the effect of throwing the whole country into anarchy.

We are not advocating armed interference but we do believe it is vital that the United States Government pay close attention to the trend of affairs here in China and cooperate fully with other Governments otherwise the whole fabric of Western interests, commercial, financial and educational will be destroyed and the development of China retarded for possibly a half century.
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