March 3rd, 1910.

Dear Mr. Secretary:

Your welcome letter of January 20th is all the more appreciated because I fully understand how frightfully busy you must have been these last few days, when you are dethroning Zeynal and neutralizing Manchurian railways, dealing the Mandarins a solar plexus on the Immigration Question and trying to institute a prize court. I cannot for the life of me see how you have time to sleep, let alone having any concern whatsoever for your figure and your hair. The tone of reproach, which you may have detected in my letters, was really one of regret, and never again shall I voice the sorrow which I shall always feel if my letters to you remain unanswered.

Things are now going along quite satisfactorily, and I hope that before many weeks we shall have our arrangements in such shape that Pauling and ourselves shall be able to meet the Russian and Japanese interests which wish to participate in the Chin-Ai Loan and discuss with them the details of their admissions.

Notwithstanding the fact that I am now comfortably installed in the Group a house, dubbed "The Argonaut" as an obvious chaser of the golden fleece, I devoutly hope that this conference when, and if it does take place, will be held in Europe. I am beginning to look for the flesh pots.

You are so thoroughly familiar with all the details of the negotiations that have taken place I shall not elaborate thereon. Their course, I think you will agree, has been instructive to all of us. That China would be invertebrate I have never doubted and, under the circumstances, she seems to have played the game very well. Japan has been placed in a very tight corner by the neutralization proposals, and has managed, very well, to hid the cloven hoof by muddying the never-too-crystalline rivulet of diplomacy. The Russians are afraid of the Japanese, on the one hand, and of losing their face with China and their robber baron colleagues, on the other. I have felt, all along, and still believe that they have been blowing another bubble, which a firm American attitude would easily prick. The greatest surprise to me, however, has been the cold-footed trimming policy exhibited by the English. They have been so busy trying to explain to Japan and Russia that they had no desire to interfere with the usurpation of those powers in Manchuria that they have further injured their already waning prestige in China. The present attitude of Downing Street with regard to the Tibetan imbroglio has further injured the British position in Peking, and some are already advancing the theory that an understanding has been reached whereby Japan and Russia are to be given a free hand in Manchuria while Great Britain and Russia pose as the champions of the rallying Lama to the detriment of Chinese sovereignty in Tibet.

I have recently been wondering whether you might not wish, in connection with your Department reorganization, to start up some sort of a record of the personalities of the members of the various foreign diplomatic services with whom our people come in contact. If the American ministers abroad were instructed to report to the Department
the characters and home influence of their colleagues, and even
the Secretaries of their locations, with whom they come in contact,
what a very interesting record could be started at the Department.
Then, if notes were also taken of the transfer of these various foreign
diplomats, any minister or Secretary sent abroad by our Government
could be informed, prior to his departure, concerning the men with
whom he would have to deal. A record of this nature would, of course,
include reports of the personnel of the various Foreign Offices. As
you know, it is very often possible to create a desired impression
through the medium of personal letters, and if the suggested record
were kept the Department would know what foreign diplomats were in
close personal touch with the seats of the mighty in their own capitals.
Thus, for example, the American Minister at Madrid might, in an after
dinner conversation, broach certain things to the Russian Minister
who in a personal letter to the Minister of Foreign Affairs or some
other high official, bring these things to the attention of his
Government in an informal way. Thus representations could be in-
directly made at a point far distant from the actual center of fric-
tion. I do not know whether this will commend itself to you and ad-
vanse it merely for what it is worth.

It has been the greatest satisfaction in the world to
feel that our diplomacy is taking practical lines instead of following
its ancient platitudinous course. I know, full well, that this is
largely due to your own influence and effort, and hope that you will
preserve the health which is alone essential to your further successes.
alternative proposition, the construction of the railway from some point near Irkutsk to Kiochta and Urga to connect with the Imperial Peking-Kalgan line.

This suggestion is based upon an alleged pledge given by China, I believe in 1899.

Mr. Korostevets assured Mr. Fletcher that the American Group and Pauling & Company would be compensated for the loss of the Chin-Ai Railway by being granted full cooperation with the Russians in the construction of the alternative route.

The Russian Government, in advancing this alternative proposition, has not definitely asserted that it would oppose the construction of the Chinhou-Aigun Railway. Mr. Korostevets, in fact, has stated that there would probably be no difficulty at all if the road ran only as far as Tsitsihar.

I personally believe that Russia, realizing that the United States was prepared to support the Group and China, feared that a veto upon the construction of the Chin-Ai road might be disregarded by us to the great impairment of Russian prestige. This alternative proposition was, consequently, put forward to open the way for a conference and an arrangement which, if the situation be carefully handled, may result in the construction not of one, but of both railways. In this connection I would refer you to my letter number twenty-eight of October 19th, last.
It may be some days before we are definitely informed regarding the attitude of the Chinese Government towards these new proposals. I think it desirable to encourage the Chinese not to commit themselves definitely but to state in their reply to Russia that the proposition will be given their careful and sympathetic consideration. In the mean time we shall proceed with all possible dispatch with the negotiations for our detailed agreements, endeavoring, if possible, to secure the Viceroy's signature thereto. With our claims thus firmly established we will be in an advantageous position in subsequent negotiations with both the Russians and the Chinese Central Government.

I trust that the Group will, at once, preferably perhaps, through M. Hoetselein of Paris, attempt to come to an understanding with the Russians whereby they will accept a participation on the lines already indicated, but not oppose, the Chinchou-Aigun road. At the same time arrangement, perhaps, could be made for cooperation in securing from China the right to construct the Kalgan-Urma-Kishta Railway, which China might give to America and Russia, but not to Russia alone. The latter enterprise should not, I think, be pressed until a settlement has been reached which will enable us to proceed with the Chinchou-Teitsiher Section, at least, of our Manchurian Railroad.

In this connection and as ably setting forth...
Peking, March 1st, 1910.

Dear Jastrzembski:

Many thanks for your letter of the 20th. I am quite pleased to give any information in my power which may be of use to yourself or Mr. Korostovets, but at the same time I am sure you will realize the delicacy of my position and understand that my frankness, which might not be regarded by others as diplomatic, is inspired by friendliness to Russia and anxiety that no mutual suspicions may exist which would hamper the negotiations.

The agreement entered into between Mr. Straight, myself and the Viceroy of Manchuria was referred by Imperial rescript to the consideration of the Boards concerned in consultation with the Viceroy. As a result of this a joint memorial was presented by the Boards, and the Viceroy recommending that the agreement receive the Imperial Sanction with the exception of the clause which entitled us to nominate one of the directors of the Railway administration after the line was completed. This Memorial received the Imperial sanction.

It may be of some use if I give you, briefly, my views on Russia's position in the matter.

I shall leave on one side for the moment the arguments which might be based on the pledges given in the Treaty of Portsmouth; that China would not be hampered in any measures she might take for the development of the commerce and industries of Manchuria, which, to my mind, apply with greater force to the attitude of Japan (on account of the special position she took up) than to that of Russia. I propose to consider how the line would affect the strategic and economical position of Russia in the Far East. With regard to the strategic position the section to be considered is the one between Tsitaihar and Aigun. As the whole railway will be a purely Chinese concern it appears to me that Russia's special position in the Chinese Eastern Railway gives her, virtually, a command of the Tsitaihar Terminus of this section. The Northern terminus would be also practically under the command of Russia. These facts seem to me to guarantee to Russia a sufficient potentiality of control in event of any necessity for exercising it, which it would be wise for her to remain satisfied with for the following reasons.

Should Russia, at this stage, ask for any voice or control in the management of this section, grounds would be given to Japan for asking for a similar control on some other section of the line and, thereby, considerably injuring Russia's strategic position. I am not now discussing the point as to whether such-controls would be agreed to by the various foreign governments concerned but confining myself to the question as to the wisdom of Russia asking for it, even if it were possible to obtain it. Assuming, therefore, that the line will be built as a purely Chinese
concern, Russia would virtually stand as strategically commanding the Northern section, whereas Japan would not strategically command any section of the railway. I am not, of course, supposing that Russia dreads any military activity on the part of China, but even if she did her command of the Northern section remains the same. So much for that point.

With regard to the economic position there is, I take it, no grounds for believing that the line would, in any way, injure the traffic on the Chinese Eastern Railways. On the contrary I think it may be assumed that its effect, if any, would be beneficial. This brings me to the point of what Russia’s action should be in the whole business. Dismissing as impossible that Russia should say, in violation of all pledges, that she would not permit the line to be built, it seems to me there are two courses of action open: One. To put in the same memorandum as Japan has done stating that Russia will not oppose but wishes for such participation in the financing, etc., as may be agreed upon by the various governments concerned, or two— for Russia to frankly state that, having considered the matter and in spite of various objections that might be raised, she desires to adhere to her pledges not to hinder China in developing the resources of Manchuria but that she would like participation such as might be arranged. In case the first course is adopted the next step would be the discussion between the American Financial Group, Pauling & Company and the business nominees of the Russian and Japanese Governments of the participation to be arranged. Whatever conclusions arrived at to be submitted for the approval of the various governments concerned.

In the case of the second immediate steps might be taken to come to an understanding with the American Group and Pauling & Company. The American Group are quite willing to give Russia financial participation, and Pauling & Company, on their part, are quite willing to place a very large proportion of their banking account with the Russian-Chinese bank. At the same time I think other arrangements might be made with a view of future business, which might be extremely satisfactory to Russia. In this regard you are aware that the American Group is not tied down by any agreements with financial groups of other than American nationality. You also know the relations which exist between the Hongkong Bank and the German Bank. It appears to me, therefore, that a very strong combination might be created by the allied forces of the American Group, the Russo-Chinese Bank and the French, with the possible inclusion of a strong British financial element; my own firm also to be participants in a way, which could afterwards be arranged but which I need not now dwell on. Assuming, therefore, that Russia’s action, in the present instance took the form suggested in number two, it is evident that the contrast of her attitude compared with that of Japan would create a very friendly feeling on the part of China, America and Great Britain, which would enable the proposed group to obtain from China some definit
advantages which would earmark and secure privileges with regard to Railway finance and construction in Mongolia and the Western Provinces to the exclusion of competition from other quarters. The arrangements made by the Group could secure for Russia the actual construction of proportions of such future railways. I think I am safe in saying that the American Group would welcome such a solution of the difficulty, and throw all their influence with the Chinese, which is considerable, in obtaining for Russia and themselves the privileges I have spoken of. I need not dwell further on this because I am sure you will realize the feasibility of the proposition.

On the other hand, supposing that Russia, actuated by what I would consider short sighted policy, make demands in connection with the proposed line such as cannot be agreed to; she would practically play into the hands of Japan. The hinderance of the project would cause considerable irritation to America and China and indefinitely postpone projects in Mongolia and the Western Provinces, which Russia must have at heart. I say indefinitely postpone because the tedious opposition of the Chinese combined with the unsympathetic attitude of the other nations would have that effect unless Russia was prepared to take very high handed action, as pretext for which would be difficult to obtain. I have no doubt that arrangements could be made to obtain Chinese sanction to the Kalgan Urga Junction with the Trans Siberia Railway should the course I suggest be adopted.

Sincerely yours,
Princess:-

You are just leaving Colombo—if your schedule holds good, & turning your face Europewards— and your back on the glamour of the East. I wonder are you sorry. Your letter came at last, precurred by the cable which set my mind at rest about the other documents that like Hamadis have been following you throughout your travels. I went over my registration receipts and found that even with the formidable array that you had acknowledged there were still several—Bombay and Colombo ones to be accounted for. Perhaps you received them before you left Colombo, in any case you must have had quite enough. By your own reckoning we stand 2 to 0. I wonder should I be ashamed at my volubility. I confess I am not, though astonished. How do you feel?

Your letter is superlative. You have seen the most wonderful—the most beautiful—the most gorgeous—the most fascinating. Today I rode alone, with the sun, over the northern plain, where we went that day to the Yellow Temple. The colour was fine—the earth warming somewhat with early spring— the trees still bare but with the faintest bloom of young—very young—baby buds, the golden dust of blossoms, rising, and far away the purple hills. I disfigured—and told the scenery that it couldn't 'plume itself any longer—that India had won your heart, and that it now lay thumbed and a little ragged, like a month old magazine— though still on the table. (I didn't want to be too harsh with it, you see) but eclipsed by the special Indian manner. I was going to say of Ballibies' Travels. It would have been rather funny if I had, but I won't,—because it is not true. Of what then— Of Three Women in a Boat—perhaps that will do.

The scenery for we've been talking about that the time was very hard, and laked out of sight in a murky dusty sunset, as I entered the northern city gate. Poor thing—it's so hard to lose face. Maybe I should have said nothing about it. What do you think— you are very tactful.

There's a good deal to tell you— and the trouble is I don't know how much I've written and how much I've thought. I'm like the person who sees another, daily, for a long time, and then meets him or her, and the next time they pass he doesn't know whether to speak or not, for he doesn't at once recall the introduction.

Do you catch my drift?

I've thought so much to you— amusing and serious things as well— and I've written so much that now and then I am confused. The stream has flowed very continually! You've had many baskets filled therefore—so I'm not afraid of contradiction—isn't that lucky— while you, Poor Princess, I'll bet, are not at all worried about any omission but concerned, if at all, as to whether there's any water left in the brook.

Anyhow—the Neutralization story is awfully long and complicated—it will have to wait until you'll give me your undivided attention for several hours. Thank you for the clipping. It was interesting. The British attitude toward the Kinhosh-Aigun has been contemptible— pusillanimous and dishonest. I am sorry to admit this to myself— much more to write it, for up to this autumn I had always looked up to, and admired, British diplomacy as being straightforward, and had believed that the word of Downing Street could be trusted—that Great Britain would not, when it came to a pinch— disown or so construe as practically to nullify her obligations. Perhaps—and I hope—she hasn't, but it looks to me as if she had. As far north is it not the "open door" but the "door in" policy—and China pays. England has grovelled to Russia and Japan in Manchurian-goaded cynically at the provisions of the Alliance that safeguard the Manchurian "Open Door"— and accepted Russia's virtual disavowal of the Portsmouth Treaty. But in Tibet— Ah, that's different. The British Charge' assumes the cloak of virtue and humanitarian soliloquy— altruistic interest and the rest— and gleefully pounds the table at the Wei Wu Fu. Fine! The British Ministry presumes itself in the public eye-roosting on a high moral wire and a chorus of British journals sing paens of self adulation and unmitigated toymonger.

Isn't that awful! I'm rather shocked myself, except that I believe it—and am very bitter. If a man acted in the way the British Government has done, we would call him a cad and a cur— as a matter of fact a man couldn't do it— it would be too repulsive a role.
I confess that I feel much the way in which I did when first disillusioned about the Japanese, whom I had long admired. Individuals—Englishmen, but more particularly, Irishmen—speak of the influence of our early relations with the U.S. in China—and my admiration for the U.S. is equally unalloyed.

I am bound to go through—whatever may be the wishes of our spokesmen. The Chinese have a right to be consulted. The British have a right to be consulted. This is what I mean by the Seneca Fall—never to make war for war's sake. 

The Chinamen are a splendid people—enemies and friends of the Englishman. But more particularly, I have admired the Chinese. ! am not wild about the Chinese—being so equally interested. The Chinese have been splendid and deserving of their laurels.

Russia and Japan have both protested and demanded that China consult them before concluding a detailed agreement. China has not replied, and the French may be the real arbiter. Yesterday and today we have been hard at it with the Viceroy's representatives who have come on secret business. The Viceroy's representatives have come on business—-to negotiate a detailed agreement. Two all-summer sessions with morning preparations—will be made. The Representative goes to the reconciliation meeting with the drafts—returns to Peking at the end of the week. The Chinese are working to save the mission from U.S. intervention. They have been passed through and once the Chin-A detail is fixed I presume we shall have to have a conference with the Chinese and Japanese which should be in Europe. I am preparing—getting all ready to prepare, rather to leave for Petersburg in a month. It may or may not come—though please note—

My address Petersburg will be care the Russian—

Paris--Morgan Br. and London Morgan Grenfell, 2 Old Broad St.

If I am starting to write you "Starting Borderland"—with either Paris—London or Petersburg tackled on—on in—i.e., "Starting Paris Borderland" or London—et c., depending on where I am to go—then will you please write at once—it will take me but two weeks, you know—and let me know where you are to be found. This sounds complicated but it isn't really. Probably it's all Spanish castle building anyway, but the telegram will hold, be it in March or September.

Also please any letters you write please mark now "Via Siberia".

And please mark a lot.

You don't know how I look forward to hearing from you—nor how much your letters mean.

Please tell me how you are.

And now I presume you are very tired. I am—rather nervous—so I shall try and sing the Feather song from the "Babe in the Woods"—which is me.

I hope you can find some wheat in this squalid grain—of sense I mean—but don't thrash me too severely.

I wonder if the late lark that Hanley heard singing was an ailing head.

Goodnight Princess.

MARCH 8TH, 1910

Good-morning.

This is really almost too much. Your letter which reached me on March 4th came on the 23rd day of the Chinese First Moon. This morning I began to write my Diary I note that yesterday—the date of my reply—was the 23rd of the Month of Safar—not so good) of the Mohammedan Calendar.

My house opening I think I told you was on February 23rd—-for the Politesses—and on the 28th—28th--28th—28th—28th—28th Princes Ministers and Bankers. I've also worked out a number of other combinations which are funny.

You'll begin to think me superstitious—-not so. Never thought these things nonsense—-but I

Goodmorrow.
The North China Daily News, in its leading article of February 18 discusses at some length the Chinsho-Aignun project. No journal in the Far East gives its readers, as a rule, more ably written articles, and no journal apparently strives more consistently to maintain that impartiality which alone can carry conviction.

In the present instance, however, we must take issue with certain points advanced which seem not calculated to convey the impression of a politically sound vision.

In the article under consideration, the writer states that China is in need of a railway "running through this portion of Chihli into Manchuria," and that the world at large, which has at heart the interests of China, can have but little sympathy with the "diplomatic squabbling" between Japan and the United States regarding the internationalization of this line.

Furthermore, our contemporary elsewhere in discussing Japan's demands for participation in the finance and contract work of, and engineers and materials for, this railway, and for the construction of a new road to connect the Chinsho-Aignun with the South Manchurian line, suggests that to accept these proposals in their entirety would embarrass the United States, taking the position that their acceptance would mean that the United States would have secured a fresh railway for China, but not on terms that will enable it to face as a disinterested champion of China's rights.

From the foregoing we would seem justified in deducing three facts:
1. That China has the right to build this railway and that the world at large sympathizes with her desire to do so.
2. That the United States is supporting China in her legitimate endeavor.
3. That the Japanese demands (and the Russian which our contemporary assumes will be based thereon) are not consistent with the unimpaired enjoyment of Chinese rights in Manchuria.

The North China Daily News goes on to say, however, that "both Russia and Japan have rights in Manchuria that cannot be called into question, least of all, by the United States and Great Britain who have no political interests in the three fertile provinces beyond the maintenance of some measure of reality for the policy of the Open Door."

These rights of Japan and Russia and Britain, according to the North China Daily News, "is compelled by instinct and tradition to respect" and "financial advantage cannot weaken her from her allegiance to moral obligations." In a previous paragraph it is stated that "however close the relationship in this instance between America's financial enterprise and her diplomatic activity in the Far East, the British Government lost no time in pointing out that international obligations were of more weight with it than financial considerations."

The inference must be that in advancing the neutralization proposals and in diplomatically support-
ing the American and British interests which secured the contracts for the Chinchou-Aigun line, the American Government was guilty of international discourtesy and a disregard of international obligations.

What does the North China Daily News mean? Has China rights in Manchuria which the world has at heart, and was the United States using its good offices to conserve the same?

If she has and if the Japanese demands are calculated to embarrass the United States "in her effort to pose as the champion of China's rights," these demands must be considered to the full enjoyment by China of the rights she is admitted to possess.

From the tone of the leading article under discussion we presume that we are justified in assuming that our contemporary also considers Japan's demands based on rights (enjoyed also by Russia) which cannot be called into question.

Chinese, and Japanese and Russian rights therefore are, apparently, mutually repugnant, for the United States is criticized by implication for supporting the Chinese in, and Great Britain lauded for recognizing that Japan and Russia are primarily affected by the Chinchou-Aigun Railway project.

Such, at least, would seem to be the only conclusion to be drawn from the editorial before us.

We cannot believe the North China Daily News, with its special knowledge of Manchurian affairs evidenced by the many able contributions that have appeared in its columns, can hold the view which this leading article would seem to indicate, while Russia by her declarations in the Portsmouth treaty nullified any nebulous claims which she might previously have asserted.

The international obligations for which Great Britain has such great regard must, then, be the Portsmouth Treaty, the Anglo-Japanese alliance and the notes exchanged between Japan and Russia, Japan and France and Japan and the United States.

In view of the commitments of Japan and Russia in the instruments above mentioned, it is to be hoped that Great Britain will be successful in the efforts which she must be making to assure her of the recognition of China's free and untrammeled right to build this railway in her own territory.

To assert that Great Britain could recognize that Russia and Japan have rights to preserve which cost them much to obtain, which could prevent China from proceeding with the Chinchou-Aigun project would be to declare that Great Britain failed to remember that China granted Russia permission to build the Chinese Eastern Railway through Manchuria, that Russia presumed upon the privileges thus acquired, that Japan fought and defeated Russia in order to maintain the "Open Door" and to restore Manchuria to China, gaining control of the South Manchurian Railway by China's ratification of the Russian transfer. It would be to ignore the provisions of the Anglo-Japanese Alliance and of the Portsmouth Treaty and to stigmatize as empty phrases the most solemn public declarations of Russia and Japan.

This cannot be the case for even if the "Open Door" and not the "Open Door" policy in Manchuria were to commend itself on the ground of temporary expediency, it would be a highly dangerous course to pursue. To countenance the disregard of the Treaty provisions which alone safeguard China would be to create a precedent the dire results of which it would be difficult to foresee. No great Power, and Great Britain with her splendid traditions head of all, can risk the consequences of fouling the international commitments which safeguard even an unwarranted nation like China, for to do so would be to tempt the Nemesis that sooner or later will overtake all nations that sacrifice their national ideals.
Messrs. J. P. Morgan & Company,
For the American Group,
No. 23 Wall Street,
New York City.

Gentlemen:-

Referring to your cables thirty-five and thirty-nine, my cables fifty-nine, sixty-one, sixty-two and to my letter number seventy-two of February 23rd, 1910, I beg to enclose, herewith, for your consideration:

ONE: Draft final agreement Chinchou-Aigun Railway.

TWO: New draft of letter to be addressed by Viceroy to the Group.

THREE: New draft embodying coal mining agreement, original draft of which was enclosed in my letter number seventy-five, of March 2nd.

As you have been informed by cable, the Viceroy's representatives have been in Peking for the past week. On Saturday, last, I explained to them the draft Loan Agreement, copy of which is enclosed, and this document together with the other enclosures will be submitted to the Viceroy by Mr. Tung who leaves tonight for Mukden.

The Viceroy's two representatives, while stating that they could not express any opinion as to whether or not the draft contract would be acceptable, questioned me closely regarding various points therein. As a result of this conference I am hopeful that the Viceroy will require only slight alterations in the draft. The principle difficulty which will be encountered, as suggested in my letter number seventy-two, will be regarding our request that in addition to the first mortgage on the Railway line, Manchurian revenues will be definitely pledged as security for the loan.

The Viceroy's representatives say that His Excellency will desire to use the loan funds for the construction of an ice-free port and for the construction and operation of a light colonization railway, i.e., for building the line and for giving colonists pecuniary assistance. They questioned the desirability of making provision for the above in the actual loan contract and suggest that the Viceroy may wish to secure the right to use loan funds for these purposes by an interchange of letters. As suggested above, it may be necessary to omit this as well as the immediate preceding paragraph from the loan agreement.

CHINCHOU-AIGUN LOAN AGREEMENT.

Additions to, or alterations in, the draft of
January 25th, enclosed in my letter of January 25th, are underlined in red ink. Points where omissions are made, in accordance with your instructions, are noted by a cross and blue pencil.

In order, more closely, to identify the loan agreement and construction contract an addition has been made as noted at the end of the first and the beginning of the second pages.

ARTICLE II.

An insertion has been made providing for the construction, operation of a light colonisation line.

ARTICLE III.

The second, third, fourth and fifth paragraphs have been adapted from the ninth articles of the Hukuang Loan Agreement.

I have made certain changes in order to forestall any criticism which might be made if the loan contract were of such character as apparently to interfere with the proposed revision of the Chinese Customs tariff and the abolition of likin.

In your telegram number thirty-five you instruct me to stipulate that the "administration engage not to again mortgage Manchuria revenue pledged.

In view of the provision in the fourth paragraph of Article three which states that "no loan, charge or mortgage shall be raised or created which shall take precedence of **********this Loan," it would seem unreasonable especially when the railway line itself, is first mortgage security, to insist that these provincial revenues should not again be mortgaged.

I am sure that the Viceroy would not consent to this provision and therefore I have taken this action in order to avoid friction.

ARTICLE IV.

As stated in my letter number seventy-two, the Chinese have not, at present, any branch lines in mind. In Article two, however, I have made an insertion at the end of the first paragraph regarding possible branches, to be covered by the mortgage, as stipulated in Article XIV.

SECTION IV.

An addition has been made whereby the Imperial Government engages to maintain the railway in good repair.

ARTICLE XIII.

As stated, the Administration may wish to make arrangements by an interchange of letters and not in the loan contract, for the construction of the Harbour Works. It is also unlikely that they will desire to embody the contract for this undertaking in the railway construction compact.

Other changes noted have been made in apparent with your cables thirty-five and thirty-nine, I trust same will meet with your approval.
The alterations in the letter from the Viceroy to the Group and in the coal mine contract require no comment.

Mr. Teng reaches Nakden on Tuesday night and expects that he and his colleagues will meet Lord ffrench and Mr. Gilmall myself in Tientsin at the beginning of next week. We then hope to make our final arrangements.

Mr. Teng was unable to say whether the Viceroy would sign the contracts and then memorialize the Throne for approval or whether he would initial them and advise Lord ffrench and myself in a formal letter that the contracts were satisfactory to him, and reserve signature until the agreements had been ratified by Imperial Edict. Whichever procedure may be adopted I hope that within the next few weeks these negotiations will be satisfactorily terminated.

I do not believe that the Imperial Government will ratify the contracts by Edict until arrangements have been reached regarding the Japanese and Russian objections.

It is impossible to anticipate the course of events. In case, however, no settlement has been made with Japan and Russia prior to the conclusion of our negotiations for these detailed agreements I should think that it might then be desirable to have a conference with the Japanese and Russian interests involved.

Yours truly,

[Signature]

The Willard Straight Papers at Cornell University
March 9th, 1910.

Dear Mr. Kahn:

Very many thanks for your kind letter of the twenty-seventh of December, which reached me sometime ago. It is very good of you to say that you will bear hopeful in mind, and I hope that one of these days you will be able to do something for him.

Things have been moving with us in the past month, and I hope before another closes we will have tied up the Chinese, at least, with the details for financing and construction of the Manchurian line. Our next task will be to corral the Russians and Japanese and jam a steel rod down the disintegrating spinal column of the British Foreign Office. I have no doubt that it would be easy enough to stick the steel rod in but I am afraid the effect would be very much like that of new wine in old bottles.

We have received Mr. Schiff's speech with cheers, and I have frightened my poor colleague, Lord French, into thinking the situation is indeed terrifying and that it will be necessary to ask questions in Parliament in order to force the Government into a more sensible attitude.

I am still hoping that I shall be able to get away within the next few months for, as I have already written you, I now and then feel myself a very likely candidate for the neurological institute.

With kind regards, believe me,

Yours very sincerely,

WILLARD STRAIGHT.

Otto Kahn, Esquire,
New York City.

March 9th, 1910.

Mr. Frederick Kuhne,
Business Manager,
Cornell Alumni News,
Ithaca, New York.

Dear Sir:

Your letter under date of January 7th, 1910, regarding my subscription to the Cornell Alumni News has been received.

I would like to renew my subscription to the Alumni News and will appreciate it very much if you will send it to me in care of the American Legation, Peking, China.

Will you please be good enough to send the bill to Messrs. Taylor & Carpenter who will see that it is paid.

Yours truly,

WILLARD STRAIGHT.

S/G
Letter No. 75.
File No. 2/105/78.

Messrs. J. P. Morgan & Company,
For the American Group,
No. 23 Wall Street,
New York City.

Gentlemen:

Referring to my letter number seventy-six of March 4th, I beg to report that the Russian Minister has called upon me to enquire concerning the attitude of the American Group towards the so-called "alternative" proposition to construct a railroad from Kalgan through Urga to Kiashta instead of building the Chinchou-Aigun line.

I informed Mr. Kerostovets that I could not see that his proposal was alternative though I thought that the American Group would be quite prepared to consider it as "additional."

He stated that his Government understood that the Group and Pauling Company were business people and desired to construct the Chin-Ai line for commercial, not political reasons. He, therefore, thought that we should be equally satisfied in building the railroad North from

Peking, China.
March 9th, 1910.

I reminded Mr. Kerostovets that a "risk in the hand is worth two in the bush;" that we had a preliminary contract for the Chinchou-Aigun road and that we would hardly be likely to give that up in order to join the Russians in endeavoring to secure from the Chinese the right to build a road which China did not, at this time, regard as particularly necessary.

I further pointed out that China wished to develop Manchuria and Mongolia by the construction of the Chinchou-Aigun line, that we were under contract to help her do this, that we were prepared to live up to our obligations and expected China to do the same.

I suggested to Mr. Kerostovets, however, that as soon as his Government seemed willing to consider the question in a friendly spirit we should be able to come to some arrangement whereby Russia could cooperate with us in the Chin-Ai Railway, and we in return join Russia in attempting to carry through the other project.

I told him that we were ready to discuss business at any time.

The local manager of the Russo-Chinese Bank has also called upon me, and received the same statement of the Group's position, which I trust will meet with your approval.
The Grand Councillor, Ha Enco, in reply to Mr. Korostovets's representations, stated the Russian proposal could not be regarded as alternative and that China would give the matter her careful consideration. China will not make any further reply at this time.

As already reported, Lord Dufferin and myself are endeavoring to push through the detailed agreements under cover of this diplomatic dust cloud.

Yours truly,

S/3

Copy to E. O. Grenfell, Esquire.

March 9th, 1910.

Dear Mr. Schiff:

Peking was much startled yesterday morning when reading Reuter's telegraphic summary of your New York speech. The Japanese and Russians were somewhat dazed, and our English cousins loud in their wonder that you could possibly have reached such a conclusion. The Chinese, I think, are delighted, and realize the weight which your utterance will carry and will keep up heart despite the discouraging opposition of Japan and Russia and the truckling policy of Great Britain.

We are proceeding with our negotiations with the detailed agreements for the Chinese-Japanese line, and hope that we shall have them in final shape within the next ten days or two weeks. Once this done, and even if the Viceroy be unwilling to finally sign before authorized to do so by Imperial Edict, I think that our final settlement of the details will strengthen our position vis a vis the Japanese.

I am enclosing editorial comment which may be of interest to you, and shall forward other clippings as soon as I receive the papers from Shanghai and Japan.

With kindest regards to Mrs. Schiff and yourself, and to your partners, believe me.

Yours sincerely,

2/3

Enclosures.

Jacob H. Schiff, Esquire,
New York City.

The Willard Straight Papers at Cornell University
March 9th, 1910.

Dear Taylor:

I have requested Mr. Kuhne, Business Manager of the Cornell Alumni News, to send you a bill for one year's subscription to the News, which I have requested him to forward to me at the above address. Please be good enough to pay it for me and charge it to my account.

Recently I sent you $25.00 to be placed to my credit but have not heard from you as to whether it was ever received. Will you drop me a line and let me know if it reached you?

With kind regards, I am

Sincerely yours,

WILLARD STRAIGHT.
Princess:

This is one of those few minutes that need consecration to make 'em worth while.
Hence to you
This.

It's between a walk and polo practice and bath and dinner time. I hate to bathe and dress too early. Don't you?
This is a terrible dinner tonight. I've had a run of 'em. The Japanese Minister last night - tomorrow a German one at Luxembourg's - Monday one in a Japanese Restaurant with one Honda, Secretary of Legation [We're getting rather friendly, aren't we?] and Tuesday, the French's.

Tonight I have 2 Grays - Husband and wiff of the British Legation - {Give me the Blues} one Webster - one the other fell off a pony and lost her face temporarily, poor thing - 2 American Marine Officers - 2 and other waffles and strays. Want we have a good time?

Hence to prepare for this - by getting myself into as good a humour as possible, [I've been taking hard exercise.]
First polo - on Westbury and Babble - only practice.
Then same miles on the Wall.
The sunset was wonderful - the hills a long purple band against an opalescent west - blazoned with the last rays of the sun - the golden roofs glistening - the palaces and gate towers rising mysteriously above the evening vapours and the pall of dust, golden in the sunset that hangs over this tree tufted city.

[This was mist - mysteriously - changed to vapours which is not as good.]

And it's because of this Princess that this byword goes to you, because I thought of you as I walked - so Hallo! and now I go to duty - in the fall clout of circumstance - awful bored but notional [in profanity]. If thought waves travel this letter is unnecessary.
Maybe you think it so anyway.

W. J. (Drawing.)

Original in private hands.

The Willard Straight Papers at Cornell University
Peking, March 12th, 1910.

Dear Davidson:

Many thanks for your letters of January 24th and February 9th. You need not worry about my being troubled with "cold feet." My chief concern is that the Group's should remain warm, and your encouragement is therefore the more appreciated.

Our last word is that we are to meet the Vicerey's representatives in Tientsin on Monday morning. Prospects for the early conclusion of our negotiations seem to be excellent. I am touching wood - and if, as seems not unlikely, we can persuade the old man to sign up subject to ratification by Imperial Rescript we will have slipped a pleasant roller under the Japanese and Russians.

My programme is as follows: subject to shipwreck, fire, famine, flood, lightning and particularly piracy.

We conclude our negotiations of detailed loan and construction contracts, same to be signed or at least initialed by the Vicerey. He may even be willing to Memorialize the Throne.

The Foreign Office then to reply to Japan and Russia.

To Russia, that after careful consideration of the Kalgan-Kiachta proposal China cannot regard it as an alternative but would be very pleased to discuss the matter further; and that as regards the Chinchow-Aigun line China would be very pleased to have Russian cooperation, which would also be welcomed by the syndicates concerned. Reference would then be made to the Detailed Agreements and Russia invited to come in under the terms thereof.

To Japan, that China appreciates the sweet reasonableness of the Japanese attitude toward the Chini-Ai line, that she will be glad to construct the branch connecting the South Manchurian Railway with the new road, and that she will be pleased to admit Japan to a share in the finance under the detailed agreement, and to the construction upon terms which must be arranged with Paulings.

If this be done we are ready for a conference.

China may not have the nerve to do this. If she doesn't we may have to call the conference ourselves or else induce China to take the more drastic but less argumentative step of going ahead. She could then inform Japan and Russia that they had had time to come to a settlement with the Group and Paulings' and if they hadn't done so it was their own fault.

Both these courses promise friction. I hope therefore that through M. Nettelbin you have taken steps to mollify the Moscovies.

As stated before I think they are bluffing and that they could be brought around without great difficulty. If they were, and a good French Group taken in, we would be able to make the Japanese accept participation on our own terms.

A letter from French to Paulings is enclosed. His ideas are good. In connection therewith we have been discussing the organization of a Construction Company, to be financed by the Group, Paulings, and such other interests as you might wish to admit. Paulings's as an English firm might be the working head which could contract for Railways work and superintend construction, the materials to be allotted to the various nations under a private arrangement.
between the financial interests in accordance with the wishes of
their respective Foreign Offices.

This is particularly important in dealing for the French
Bond Market, for I understand that the Quai d'Orsay will allow no foreign
issues to be quoted which do not bring some return to French industry.

From Grenfell I had heard that the Tri-partite were try-
ing to get us in on a "square deal," the British corner, at least,
does not seem to know the rudiments of the game, and I hope that the
Group will not be beguiled yet awhile. Our strength is in our inde-
pendence. We can play Germans against English, and even strain the
Entente Cordiale. Combination for each separate enterprise may be
very well, but as long as Great Britain is in her present funk of a
German war, we have little to gain by entering this mutual suspi-
cious association.

Under another cover I am sending you the catalogue of the
Library of the late Herr von Mollendorff. He was a great orientalist and
his wife is now very hard up. She wants to sell it as a whole if possi-
ble, but would break it up if necessary. I thought that you might bring
it to the attention of Mr. Morgan's agents who would perhaps wish to take
a part anyway. The library has been taxed for $20,000 (about $18,000.00)
and the books are now in China. If you could help the poor lady out it
would be an act of real kindness. Her address is

Frau R. von Mollendorff,
Saar Strasse 18,
Friedenau, Berlin.

I have also found some rather good old Chinese paintings
and copper plate engravings representing the fighting between the early

Manchus and the Formosan pirates. Perhaps these would be of interest
also.

I am trying to make a business-like looking office and if
you could let me have a print or photograph of Mr. Morgan and a picture
of No. 23 Wall Street I should greatly appreciate them.

With kindest regards,
Sincerely yours,

WILLARD STRAIGHT.

H. P. Davison, Esquire,
No. 23 Wall Street,
New York City.
March 15th, 1910.

Dear George:

Why "Ambasado Americaine"? Father and I don't approve. How would you like to see "Mei Kwoh Fu" inscribed in heliographs or hieroglyphics or whatever the damned unspellable thing may be on top of the Legation's letter heads from Peking. Perhaps it's the Intent Cordiale.

Your registered letter with enclosures has already been warmly acknowledged. No encore.

The density of ignorance about this Hukuang loan has been Homeric. It still seems to hang pall like and I must say that I don't wonder for it would take a man with nothing else in the world to think about and some hard ten hours a day to have followed the damned thing through its many course to its present pulp and unrecognizable state.

But George don't blame me for putting the hot "Air" line into the discussion. When Adlis handed me the memo on July 27th I think it was he made certain proposals with regard thereto. These I dutifully telegraphed to New York. On arrival in Peking Father and I did our best to keep the Chengtu extensions out. The Germans were willing to do so but the English and French would not and it was their action - chiefly the English - which blocked our settlement on the basis of September 23rd. Hillier on that day when we finally thought our differences adjusted had instructions not to sign. These were sent at the instance of the Foreign Office. Then as you know the French made their demands, to which we apparently have paid sympathetic heed while the English are still obstructive. I am pretty firm in my conviction that very shortly after our entry into the game Downing Street saw a chance to wreck the loan and thus keep the Germans out of the Yangtse. They first tried to put the blame on us, then shifted it to the Germans who stood from under by giving us the sub-engineer, and now they have saddled the French with it. I am not at all sure that the whole thing has not been cooked up between the two.

As to our set-back in the Far East I don't see it. Knox-O's Manchurian proposals may have fallen a little flat. Perhaps they could have been more studily handled. We have figured it out pretty carefully and can't see how he could have done it otherwise. Japan and Russia refused them but by doing so have only called more particular attention to their own Manchurian misdeeds. Whether we will be able to press the Chinchou line through over the Russian counter-proposals remains to be seen. If we can we have won out for China. If we haven't the good fortune we have brought the hollow face of Chinese sovereignty in the Three Provinces to a close. At any rate the situation will be clarified and everybody will know where they stand. It will be a show-down all round before we're through with it. This I believe to be a good thing. It certainly will be if we can once for all limit this pacific penetration to Manchuria and have it thoroughly understood that it must be hands off for the rest of China.

China is flabby and less deserving of sympathy than ever. The only good men have been shelled and the family of the
Prince Regent, his mother, his wife, and his two brothers. I don't know about him personally, are rotten with corruption. The German gun runners and their like are having a fine time bribing right and left, and I have been solemnly warned that if I want to do business I must do some squaring. I have replied that I would see the whole pack of officials and the ruddy country in hell before I'd give an cent. I probably shall see 'em in hell, I mean. They're on a fine macadamized road bound in that direction, the mufflers off, and the car is rapidly approaching the speed limit.

The British are about as weak-kneed as the Chinese. Poor old Jordan caught pneumonia from his chilled feet, and will soon be going home. He'll find no hot foot baths in London I should say. Had it not been for British and French trucking Japan and Russia would never have dared oppose the Chinghau road. The Hardarlog are much more reasonable and can be handled but the Russians are so afraid of losing their few remaining faces - they've always been more than double, that one cannot predict what depths of folly they may plunge into. The whole thing is that having been smartly kicked in the stomach by the Japanese they now fear that by building the road into what an indulgent world has come to regard as their sphere the Chinese will bat 'em in the eye.

We are railwaying along on the wings of a succession of March dust storms, frisky, profane and discontented. Rather anxious to get home, myself wild to get anywhere, any place where something can be accomplished rather than sit in this hole kicking up the heels at everything, and feeling away with the herd of swine that are no sooner caught and tied down than they break loose again and go squealing all over the place.

Many thanks for the pictures of watered Paris.

Remember me to the Korean Goddess, Pera et Hera.

My salutations to the Ambassador, "Kistihandt" to la Contesse, and my love to the Ambassadress, if she will deign to accept the offering.

Let me know how things go with you, with the Pat Slogan, and with Benedick Phillips over the way. Is Paul Morton to be Ambassador? I hope so. He would give the Cousins a few warm, picturesque and well chosen phrases which they need. Damn'em.

Arrividerchi, which translated into your adopted tongue is A biantow.

Thine in tears,

W. STRAIGHT.
March 16th, 1910,

Dear Davison:

I am asking Mr. Schiff today about special facilities for the Chinese Mission headed by H. I. H. Prince Tsai Tao, the Regent's brother, which reaches San Francisco about the 22nd of April.

The party stops a day in Chicago, then goes to Niagara Falls, then to Washington and thence to New York whence it sails for Europe, stopping in the United States altogether about two weeks.

The Prince is the Regent's favorite brother and attentions shown him in America might bring loans in China. His Master of Ceremonies is Lord Li Ching Mai, son of old Li Hung Chang. The party is young and has well developed sporting proclivities. They are accompanied by one Captain Lemly, ex-U.S. Marines, who has been here as the Representative of Charles N. Flint who will probably, as he did when Tang Shao Yi was in America, make strenuous efforts to climb on the Bandwagon.

I hope the Group can do something for this distinguished body. It is really a most important Mission and it will be entertained by all the Crowned Heads of Europe. Whether one can take it very seriously or not, either individually or collectively, is another matter. The Prince is a first rate fellow, and Li is an excellent chap. They will greatly appreciate anything done for them. I have told Li that I am writing to you so that in case you should call he will know who you are. I hope that I have been right in doing this.

Sincerely yours,

WILLARD STRAIGHT.

H. P. Davison, Esquire,
New York
Chinhou-Align Railway
PEKING, CHINA.
March 16th, 1919.

Messrs. J. P. Morgan & Company,
For the American Group,
No. 23 Wall Street,
New York City.

Gentlemen:

Referring to my telegram number thirty-four of yesterday's date I beg to report that, with Lord Scour, I met the Viceroy's representatives in Tientsin on Monday morning.

The proposals advanced by the Viceroy have been communicated to you in the telegram above referred to.

He suggests:

"A" that the loan be now fixed at $40,000,000, and that it be used for the construction of the railway to Taunamu and as much further North as may be possible.

"B" for the construction of Harbour works at Hulutao.

"C" for the immediate construction and operation of a light colonization railway in connection with which he would probably wish to advance funds to the colonists for transportation and for the encouragement of agriculture.

In view of the conditions prevailing in Peking and the Japanese opposition to the opening of an ice-free port

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which would compete with Hankow, he does not wish specifically to refer to these enterprises in the Loan Agreement. I understand from his representatives, however, that we will, by an exchange of letters with the Group, stipulate that a certain sum shall be devoted to the Harbour works and to colonization, the balance being held for railway construction.

When diplomatic objections are removed and it is possible to build the line North to Align additional funds, if necessary, would be obtained by a supplementary loan.

This arrangement seems satisfactory and that most likely to give results.

The first issue of the loan would be for

$20,000,000.

The Manchurian revenues to be allocated as follows:

"A" The salt gabella,
"B" The first additional salt duty, and
"C" The second additional salt duty,

which total something more than $5,000,000 per annum.

The Viceroy's representatives had certain other alterations to suggest. They wished to omit Article XIV. This, however, I explained was inserted to compensate the Group for the surrender of the Operating Company and Profit Sharing clauses of the Preliminary Contract. They also wished to stipulate in Article XVI that supplementary loans should be made on the same terms as those of the present Agreement. This I

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refused to consider.

I also refused to consent to the embodiment
in the Final Contract of the clause in the Preliminary Con-
tact regarding procedure in case of difference between the
English and Chinese texts and insisted that the English text be
made binding.

Owing to the Russian note, already reported,
the Wei Wu Pu telegraphed the Viceroy of Manchuria instruct-
ing him not to proceed with the negotiations. The Viceroy,
however, paid no attention to these instructions but went his
representatives to Tientsin. He seems extremely anxious to
push the matter through as rapidly as possible, and I hope to
be able to persuade him to initial the Preliminary Contract,
thus making it binding upon him before submitting the same to
Peking.

Once this is done I doubt very much whether
further progress can be made until some understanding is reached
with Russia.

I believe that it might be possible, as suggest-
ed above, to commence work from Chinchou north, in hopes that
by the time the railway reaches Tsusanfu an arrangement may
have been made with the Russians which will permit the extension
of the road to Aigun.

In view of my long cable of yesterday's date

4- J. P. M. & Co.

regarding which I hope to have your early instructions,

further comment on the present situation would be superfluous.

I enclose, herewith, a copy of Mr. Graham's

report on Hulutao.

Yours truly,

[Signature]

Copy to E. G. Grenfell, Esquire.

Enc.

8/6
March 16th, 1910.

Dear Mr. Schiff:

H. I. H. Prince Tsai Tso, brother of the Prince Regent and of the late Emperor, now Chief of the Chinese Imperial Guards and the Army Reorganization Board, leaves for Japan and America within the next few days on a tour of study. He will reach San Francisco by the "Chioe Maru" about the 22nd of April and remain in America for about two weeks or ten days before going to Europe.

His Master of Ceremonies will be Lord Li Ching Nai, son of Li Hung Chang. I have told the Prince and Lord Li that I should write to you and have taken the liberty of saying that you would be pleased to do anything you could for this Mission while it was in America.

The Mission leaves San Francisco for Chicago and thence goes to Niagara Falls, thence to Washington and then on to New York.

There will be the Prince and ten in his suite with about five servants.

The Mission I understand is traveling pretty close to the wind as far as financial things go and while they expect of course to pay their regular railway fares do not wish to incur any extra expense.

I hope, however, as suggested in my cable of today that you may be able to give them special facilities in the way of cars which they could use throughout their trip. This would be a very great favor to them and would greatly increase the prestige of the Group in China.

Trusting that I am not presumption too far on your good nature in advancing these suggestions, believe me,

Sincerely yours,

WILLARD STRAIGHT.

Jacob H. Schiff, Esquire,
New York.
Supplementing my recent letters on this subject I beg to report that on the sixteenth instant the Foreign Office instructed the Viceroy's representatives, who were discussing the detailed construction contract at Tientsin, to stop negotiations. Mr. Backhouse has returned to Peking and Mr. Teng has come here to remove this opposition.

I called upon His Excellency Liang Tun Yen yesterday with regard to this matter. I pointed out to him that it was absolutely essential that the terms of these detailed agreements should be settled immediately and that the Viceroy, the Group and Pauling & Company should initial the same. This done, we would be in a position to discuss business with both Russians and Japanese.

I also assured him that such an arrangement would in nowise commit the Central Government. After some argument he apparently concurred in my view and I hope to resume negotiations upon the receipt of your response to my cable number sixty-four.

His Excellency Liang Tun Yen expressed much concern regarding the Russian and Japanese attitude, and some uncertainty as to how far the American Government would support China in this enterprise.

As already reported, I do not believe that the Chinese Government will authorize the issue of the loan until some arrangement has been made, at least with Russia.

I proposed the following steps:

I. The Viceroy to initial the Loan and Construction Contracts.

To this His Excellency apparently agreed.

II. That upon the initialing of these contracts I proceed to Europe and America authorized by China to inform Russia that in case she withholds all opposition to the Chinkhou-Aigun line China would consent to the immediate construction of the railway from Khiacha to Urga and agree, herself, gradually to construct the line north from Kalgan to this point.

III. In case Russia would not consent to the above proposition to attempt, without making any commitment regarding the Kalgan-Khiacha line, to obtain an assurance that Russia would not oppose construction of the railway from Chinkhou to Tasmanfu.

With such assurance received it might be possible considering the time required for construction, to come to an arrangement regarding the extension of the line to Aigun and the building of the Kalgan-Khiacha railway.

Mr. Liang personally approved my suggestion but said he would have to consult his colleagues before giving me...
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any definite reply.

As matters stand now there seems to be reasonable prospect for the reopening of the negotiations for the detailed agreements within the next day or two, and some hope that the rest of the programme will be carried out.

It may be necessary, telegraphically, to communicate with you in regard to this matter. On the other hand, so uncertain is the situation, that these suggestions may prove of no value whatever. I advise you of my conversation with His Excellency Liang Tun Yen in order that you may be informed of the progress, or lack of progress, of these negotiations.

Yours truly,

[Signature]

Copy to H. C. Grenfell, Esquire.

3/3

March 22nd, 1910.

Dear Diagustus:

I am enclosing herewith a letter to Lord Li Ching Hui who is acting as bearer for His Imperial Job Lots Prince Tse Tso, who is now brightening your otherwise grey atmosphere with the effigience of his distinguished presence, said letter contains assurances from Mr. Jacob H. Schiff that the Octopii of Wall Street, by furnishing his Job Lots with a special car at San Francisco, are further entangling the Celestial Empire in their far stretching tentacles. Will you please be good enough to transmit, or personally to hand, this epistle to Lord Li with proper expressions suitable to suit such a serious occasion. I am leaving the envelope unsealed so that you may peruse the letter itself. Incidentally, if you find occasion to see anything of Li you will find him a very pleasant fellow indeed, while the Prince is also very natural and unspoiled.

I am glad that you received the Korean and that you like him.

I am sorry to hear that there is little likelihood of your visiting Peking on your way to Cairo.

Mrs. and Miss Hazeltine are now in Peking and bring good news of you.

I was very sorry to learn of the said death of Mrs. Whiteman, which must have been a terrible blow to Mrs. Jay and yourself.
March 22nd, 1910.

Dear Lord Li:

It gives me great pleasure to inform you that I have been directed by Mr. Schiff to advise His Imperial Highness that a private car will be placed at his disposal on his arrival at San Francisco. As I have already written you, every railway facility will be accorded His Highness and your distinguished Commission during your stay in the United States.

I trust that you will convey to His Highness my respects and best wishes for a most prosperous and successful journey, and that you, personally, will accept renewed assurances of my cordial regard.

Believe me, my dear Lord Li,

Yours very sincerely,

WILLARD STRAIGHT.

Lord Li Ching Wei,
Tokyo.

With kind regards always,

Yours,

STRAIGHT.

Peter Augustus Jay, Esquire,
American Embassy,
Tokyo, Japan.
March 23rd, 1910.

Dear Excellency:

After so many moons of silence I was indeed glad to hear from you again and to learn from yourself and not from "Town Topics" that you were with us still.

Your long silence I will forgive, as I only too well understand how uncertainties such as you have experienced dry up the epistolatory springs. And while I don't wish to call attention to the fact, or to have you take advantage of it, you must know that you'd have to be pretty bad before you even began to touch your Credit balance in my books. I shall always regret, but cannot be offended at your silence.

Many thanks for the gossip which you sent on. I have had none for ages. What you say about the Department is echoed from many other sources, so many in fact that it rather frightens me for we have undertaken so much, our chance is such a splendid one, that it would be a crime if our budding should prove abortive owing to the heavy Blacksmith hand where the fine Italian was needed. I don't know that I entirely approve of the latter, for I am a believer in the assault direct, but even a good Blacksmith watches his iron carefully and doesn't start to beat it until it has been sufficiently heated. That's the trouble now I think. People are attempting to make horseshoes out of cold steel. They haven't taken the trouble to fuse the metal and there seems to be the Hell to Pay all over the place. Luckily we're big and strong and they can't really hurt us, but it is not "Noblesse Oblige", and hence not good to smell.

Here in China things are going from bad to worse. The Government is as corrupt as ever, but there's no firm Thug, like the lamented Dowager, to jam corruption and all the rest down the popular threat. The Metropolitan Vessel is woefully weak, and there's a growing ferment throughout the country, ill-conceived, intolerant, fanatical, which will one of these days burst the old bottles that are already cracking. There's no MAN. No Viscera as R. Wendell would say. Shifting, time serving, vacillating the Government will neither help themselves or give others a chance to aid them. Our business is a case in joint.

We have our Preliminary Agreement. It contained a clause giving us a share in the direction and profits of the Chihshou-Ali gun Road. The Imperial Edict ratifying it cuts out these two clauses. and the Wei Mu Pu wants "Tientsin Fuku terms". Being the Russians and Japanese sit upon the project, the Chinese take to the woods, and the whole thing is held up. Had they left the two clauses in the Agreement we might have taken stronger action because it was an American concession. We accepted the Chinese contention, however, that the road should be purely Chinese, let go the Operating Company and profit sharing clauses, and now look at it. The Chinese will not even come to an arrangement regarding the final terms for loan and construction contracts, although we point out that unless they do our Government can take no action. They whimper and whine and wish to clear away Russian and Japanese opposition before they
will even move. It's a heart-breaking business and I am rapidly losing all the regard I ever had for this crowd. I dislike the Japanese as much as ever, and distrust them, but I respect them for their energy, their nerve, and their efficiency. If China alone were at stake I should be inclined to say take it and suck the heart's blood out of the jelly fish, I don't know that jellyfish have hearts but it doesn't matter.

We can't let go however, and for our own sakes, not for China, to be true to our own ideals, and not for the "beaux yeux" of these intervertebrate grafters, we must push on and try to save her not only from others but from herself. There's no gratitude to be expected from them, the only satisfaction is in doing a job which you think for the benefit of your own country and one which is essential to the logical and inevitable growth of the United States into a World Power.

Have a fine young Chinese house which has been nicely fitted up. Located directly in front of Morrison's place. Playing polo hard, and trying to work off my superfluous spleen on the inoffensive ball. Fletcher goes in a month and I shall then be very lonely, for I have no other playmates, and I cannot imagine being very paltry with Yakey Einstein. Let me know how you are and what you find in your new post, and give the Gossip. You always know it and I love to hear it. I hope you'll like Montevideo, and that you'll soon be gallivanting with Kings and European potentates which will probably be more to your liking.

Your ever,

WILLARD STRAIGHT.
Prinosesse;  

You see its Skidoo again. Your letter came tonight--at the same time that a hurry call arrived from the Reseals to go and help 'em discover a fir'. I'm afraid that I needed not the cry of distress but waited till I had read--and then went on my mission of mercy--to discover--twice--discover--very bad--that their floor had been lit--which thing for a floor to do, but even wood gets very dry in North China--by a spark from the grate. I think it was from the dudling doves that it was, but never mind. At any rate it was not very serious, and why I write thereof I know not. Probably because as usual I have so much to say to you.

I wish I could think that the stamps you enclosed meant that you wished me to write more! Sometimes even garulity needs encouragement. You wouldn't think it, I know.

But Prinosesse--I know you would take me up about Sanho!ias. I've been rather thinking about him and why he should have failed. Of course it was because as we agreed he was in love with his own idea more than with Sandia. But why--for surely the truest and highest and best marriages can be only that when both approach as nearly as possible to the other's ideal? I dunno; but it seems to me that too many people--too many among those who think, for most people don't do that even--have certain dream folk whom they adore and promptly hang the garment-woof and warp of his or her own weaving (thank you!) on her or his Pashgip. Then the Pashgip can't hold it and is ripped from the wall with a great clatter--and much dust and a lot of fragmentary plaster, and some broken bricks--broken brick.

Is it not so?

Now that's the wrong way. The right--again I dunno--but I think--and that which leads to happiness, is when one finds a person that conforms to the ideals--that embodies them--that is them. Not a peg at all, but a living, throbbing personality arrayed in garments which you recognize as being of the very stuff that you yourself have prepared. The one who gives you the words to the song you have long been singing--not the one who makes you wish to get away in a dark corner to labour over words and music in honour of a wonderful figure that you have sought from somewhere, because it seemed suitable to the Temple that you yourself had builded. I believe in the shrine--and the God or Goddess that must fill it--but should not you yourself be the shrine--should you not strive to keep yourself worthy until the Presence shall come--the Presence needed to complete the whole and make it perfect?

You should not build this structure and then visit it only on Sundays and Holidays find a beautiful figure that fits in with the particular architectural style, and then sit under a tree and thank your stars you have found a new form of intoxicant--that can make you have beautiful thoughts, which would look well on dossile edged paper in a soft leather binding.

What do you think?

There's a lot more. I'm glad you sent me the book and asked me what I thought. Otherwise if I had ever read it--which is improbable--I would have smoked a cigar and thought it was hard luck on Sanhojas, and a most extraordinary and undeserved piece of good fortune for Ingram.

And now Prinosesse I must tell you that I liked your letter tonight much better than the last. I liked the last too--and was very grateful as I told you--but somehow I'd rather be talking to you, even in pen and ink, and have something to think about and answer. Your trip I want to hear about, and when I see you there are many things I shall ask you of the new Legislative Council--and the effect of the new Press law, the pardon of the sedition-prachers and all that--very hilarious and intelligent--but at this long range, when the day is one long typewritten sheet, with carbon copies--I want you and your ideas about things and the spaces in which you dance with glee--all of which goes to show, I suppose, that I'm as ungrateful as I am. But I'm not. I swear I'm not, and you can write about the price of pottery during the reign of William the Silent if you wish, and I'll be delighted--only write.

I liked your description of Darjeeling and Benares.
Thank you for your telegram which came yesterday— the day before I mean— I only hope that your Sister is not less comfortable and that you are not worrying, Princess.

The scalps are very elusive. One day we think we feel hair and the next it slips through and almost cuts our fingers. The Russians have put their foot down and the Chinese are in a blue funk and will not move unless kicked into action by our Government. Whether Washington can do much more than it has done already, to help this ungrateful, vacillating, weak-kneed lot, I don't know. It could if they 'd do even a little to help 'em themselves, in any case we have the Elliot and I think that one of these days the Railway will be built. After all things have been moving with extraordinary rapidity and we have made considerable of a rumour considering the time we've been seriously at it.

It's a joke.

This is the only way to regard the whole thing. I may be here for months. It looks now as if I might have to stay on and lead William Jay Galbraith along the Primrose Path, for I couldn't possibly leave and return before the Elder Brother's departure or within a reasonable time thereafter. Thus do the castles in Spain fall. But I have your orders, to bolster a faltering inclination, and when I do turn up I 've got to have my face with me— and after all the tall sentiments blown from the omniscience of youth, I could not do otherwise. Thus do the chickens come to roost, and do we reap the harvest of vain glory. Bitter-Bitter.

That may sound humorous, but it's not, because I am biting at the chomp of this enforced residence when I had hoped to meet you in Italy. It seems that this is where I get mine, and Patience is not a Virtue that I have cultivated. I don't know that I ever cultivated any— really— did you? If I did— there must have been a drought or heavy snows or something, for I didn't raise much.

Princess-Princess— why are things thusly? I hate being disciplined— no matter how good it may be for me.

Yes—I saw by the "Herald" that your brother had bought the 871— and I wondered if you would not be glad. Youre admirer— Yu Lin— him who you photographed— also noticed it— and spoke to me about it. I am very glad for your sake.

Was it not strange about my Aunt Y and that I had heard of you when you were a very small person— before you started galavanting around the world— and settling the Far Eastern Question and the Indian Embroglio. That pleased me a lot— for we are really quite old friends.

Goodnight— Princess— May all be well with you, and may you bring Health and Joy and Comfort to your Sister.

Thank you for your letter and for being the Person you are.

U.S.
Dear Davison:

This letter I am sending to London on spec., though you have probably started for New York long ago.

As I have already written the Group the Foreign Office stopped our negotiations about ten days ago. I did not think it worth while to telegraph this until I saw what we could do ourselves to get out of the difficulty. The veto has not yet been removed, notwithstanding Liang's assurances to me. Owing to the jealousy between two of the Viceroy's representatives, and to the fact that the old man himself has more visceras than than the rest of the Government put together we now seem in a fair way to get something done. When my final instructions came in I sent Backhouse on to Tientsin with the amended draft. He put this up to the Chief Representative - the No. 2 is in Peking ostensibly to soften the Hail Wu Fu, but really I think to put a roller under his superior, who consented to all our changes, and so I was informed by wire last night, promised to send the draft at once to the Viceroy and urge him to initial without waiting for further word from the Peking Government. As in the case of the Preliminary Agreement it only seems possible to get action out of these people here by forcing their hand in this way.

I have not dared go to Tientsin myself as I am watched all the time by both Russians and Japanese and they already I think suspect that some game is up. The worst part of it all is that we don't know which of the higher officials have been bribed. I myself am inclined to think that the recent delays have been due to the fresh Japanese strangle -hold on the Grand Councillor Ka Tung, who for a moment at the time the Edict was issued got out of hand.

If these present negotiations and in getting the Viceroy's initials on the document as I hope they may we shall have to take up the cards ourselves for a while, and either get the Russians around so that they will withdraw, or agree not to press, their objections to the whole line if possible, but to the Taoumnfu section at any rate, or else through the Legation press the Chinese to take the bit in their teeth and call the Russian bluff by going ahead. The latter course is dangerous perhaps but I believe the play could be made to stick. We've got to do one thing or the other or lose a great deal of face and earn, justly enough, Chinese chagrin for putting them into a sad hole without having the nerve to back them up in getting out. It looks as if there would have to be a show down.

I am hoping that you have been seeing Noetzlin and that you have fixed things with him.

The saddest part of it all is that if Great Britain had played the game the whole trouble could have been avoided. An intimation from Sir Edward Grey to Japan that interference with this project would be regarded by England as a serious breach of Japan's treaty obligations, and a hint that the London market might tighten against Japan as a result would have chastened them at once. Had Downing Street firmly but politely told Russia that if she continued to oppose China's legitimate development in Manchuria it would be necessary for Great Britain to reconsider her position all along the line, Russia would have been very careful. It has only been because this Liberal Gov't suffers from chronic cold feet on anything except a Budget or an Education Bill that matters have come to such a parlous pass. British weakness has been the signal for Russian and Japanese bullying.

The difficulty of course has been the fear of Germany. But Russia could not combine with Germany against England, in the face of French sentiment and with Japan on her Eastern flank, nor would Japan and Russia risk losing access to the French and English markets for the sake of a Manchurian Railway. It is also very doubtful whether Germany would, by cooperating with Russia and Japan, strain the never too cordial relations with the United States. Together Great Britain and ourselves could have swung the game through without a ripple, and we have to thank British nervousness, both at home and in Tokyo and Peking, for our present troubles. It's a good thing that Pauling's are in, or we should have had England in open opposition.

The Hupei Gentry are on the rampage again. This record deposition of wailing has been brought on by the tripartite representations about the January Edict. Here again
the Chinese failed to take their chance for had the Tai Wu Fu immediately replied to the German, French and British notes by an inquiry as to whether the Bankers were ready to proceed they would have had ten. A jellyfish however has no spinal column.

I learn on very good authority that our little Japanese friends are backing the provincial agitation with funds and with brains. You probably know that when the Delegates from the newly opened Provincial Assemblies came to Peking they were entertained by the Japanese Community, acting under instructions certainly from the Japanese Legation — such things don't happen otherwise — and urged to start a popular outcry against the Chin-Ai road. They had enough intelligence strangely enough, to see that an attempt was being made to pull their individual and collective legs.

This Japanese undermining of the Central Authority is an old game. They played it very hard prior to the Russo-Japanese War, when the Empress Dowager was much under Russian influence. Many of the leaders in the Provincial councils have been educated in Japan and there are throughout the Provinces secret agents of the Japanese Government who, as traders, or Buddhist priests, act with the officials in stirring up trouble. Trouble in China would be Japan's chance. Therefore for years they have incited rebellion on the one hand, and assured the Central Government that Japan was the only power that could protect the Throne from its disaffected subjects on the other. It's a fine conception, both ends against the middle.

I have some hesitancy in writing these things for they may seem unbelievable. They are true nevertheless, and the sooner people in the United States realize that Japan is absolutely unscrupulous, insincere, and unreliable, the sooner will we be able to cope with the situation.

As you see we are up against a braced game, and we can place little reliance on the Chinese Government as at present constituted. Were Yuan Shih Kai and Tang Shao Yi in power it would be a different story. I am convinced that we can win out, and without bloodshed, but it would be a fine thing if the Canal were finished and if we had a larger fleet in the Pacific. It would not be necessary to use it but it is surprising what a deterrent effect that round the world cruise had on Japanese Jingoism.

The greatest danger we have to confront is that Japanese finance may become so tangled that the Government will feel that another war is the only way to save itself from popular wrath. This may come, but not for a time.

The only remedy for the situation is a strong China. Japan and Russia will oppose China's regeneration and we alone can bring it on. The first step is the Chin-Ai Railway. Hence it's tremendous importance for the sake of our future Eastern trade and our position on the Pacific.

If these ruminations interest you and appear worth while I hope you will let Mr. Schiff and Mr. Arbogast see this letter.

With kindest regards,

Sincerely yours,
Oatlands Shirley, Southampton,

My dear Straighty,

I will do all I can for Morse Stephens, if only he
and I can forshady, and the same for any and every pal of yours while
there is food in my house.

The enclosed came two days ago from Mrs Harding
davis. Not very cheery, and they don't seem to have known so well has
Arnold kept the secret of our book's publication, that it had come out
and was being sold by Longmans at $5. Of those five dollars, we get 1/4
(a pitiful bob), and the balance goes to the publishers and their
parasites. Not good enough. If I can't get the Empire Life pubishes
as a magazine serial, or by a decent minded American publisher, I'm off
the game altogether. Backhouse did well to get his £150.

In the Times of today the Washington correspondent makes some
remarks about American policy in the Far East which show that he, like
many people here, does not know that our F.O. after promising to work
with America to the best of its ability, gave orders to the Legation at
Peking which amounted to opposing Anglo-American enterprise, for the
benefit of Japanese interests in Manchuria. That point is going to be
made quite clear, if I have to work all night, and in the meanwhile, I think
your State Department ought to give the press an inkling of thia.

... important fact. I wish I had some DOCUMENTS to go on. French tells me
what Jordan has done at Peking, and Willis at Mukden, but we have no doc-
umentary evidence, and it is badly needed.

Thine, with love girded up,

[Signature]

The Willard Straight Papers at Cornell University
Dear Mr. Schiff:

I enclose herewith, some none-too-complimentary clippings from the Japan Mail, which is supposedly a government subsidized organ. I am afraid that they will not please you particularly. But I thought, at the same time, I would send them along as showing the trend of thought in Japan and the views expressed as a result of your recent speech.

Nothing new has developed in the situation here. We are still hoping that we will be able to initial the detailed agreement within the next ten days or two weeks, after which there will be nothing further done in China until a settlement has been reached with Russia, or until the United States is prepared to force an issue by supporting China in the construction of a railroad despite Russian and Japanese protests.

Trusting that you are in the best of health, with kind regards to Mrs. Schiff, and yourself and to your partners,

Believe me,

Yours sincerely,

WILLARD STRAIGHT.

March 29th, 1920.

Jacob H. Schiff, Esquire,
New York City.
PrinEssa;

The "Kinnolis" goes forward to you today. It just arrived from England, so I've had no time to run through it and look for the "Mabim Woods", though I have seen that there's a vocabulary at the back. Doubtless if you'll read some of the Oyay poetry you'll find what you wish, and when you do, please tell me all about it. I have two more books—also of Borrow's—"The Romany Rogue" and "Lavengro"—These also are for you and will be sent next, for perhaps you won't mind my just looking them over first before I send them. Will you? If you do I won't.

Now I've not put in any long and flowing inscription—nor even how that you alone would have understood—and other folk wondered at—because in some way, I always feel that books or photographs, from or to those one really cares about, should be their own message. Tom Jones can give me a volume "With affectionate regards"—or Marilla Peters may send me a photograph "To Willard from Hills", and it's all very well. They must get it off their chests, and with a loud noise profess the regard which they may, or may not, feel, if one really feels— one says nothing—and has Faith that the other will understand. Is it not so?

So these to you, PrinEssa, carry the Dream word of "Borderland"—and the "Shade of the Mabim Woods"—

The Robinsons are here, and it's very nice to see them and to have direct word from you. Mrs. Robinson is very fond of you, and you were a great comfort to the poor lady—PrinEssa Heroical: She is so sweet and tender— that your quick sympathy and understanding meant more than she could say.

We are dining and lunching and gallivanting about. I've no work to do and am absolutely bored to death. Were it not for the Robinsons I don't know what I should do, for there are a lot—that they've come near being a bad "um"—there are, as I was going to say, a lot of folk here whom I feel more or less obliged to entertain. I thought it was all over but tomorrow once more—when I but I want to get out of it. To tell you the honest truth I think that the whole thing is getting on my nerves just a little—this waiting the continual delays and the friction from Provincial Gentry—Russians—Japanese, Germans, French, English—particularly the latter annoys me beyond measure. Bush I suppose is life. But so pas! I shut me for the simple one—just for a minute or two. Twix me and that, however, are those scalps! You shouldn't have told me to get 'em.

Now I must out to the Day's work and the white Man's burden.

Salam—PrinEssa—

W. S.
American Embassy, Tokyo.

April 2, 1910.

My dear Straight,

I am beginning to feel that it is time for me to drop you another line from this center of diplomatic activity, merely a few stray notes. They may not be very important, but kindly treat them as confidential.

You already know that the South Manchuria Railway is going to float a new loan of 46,000,000 yen with which to purchase new railway material. The loan is to be floated wholly in London, although we suggested to the Foreign Office that a part might be allotted to American capitalists. They replied that it was natural to raise the second loan where the first one had been raised, and that the Industrial Bank of Japan, in charge of the loan, had already practically pledged itself to British money-lenders. While we readily reconciled ourselves to exclusion from participation in the loan, we insisted that a part of the proceeds at least be used to purchase railway supplies in America, pointing out that it was natural to complete the equipment with the same sort of supplies they were already using and that American supplies were better cheap and could be freighted to the nearest port of entry. The American Commercial Union, however, said in an urgent note that he believed the loan should be raised, and that the Industrial Bank had already practically pledged itself to British money-lenders. While we readily reconciled ourselves to exclusion from participation in the loan, we insisted that a part of the proceeds at least be used to purchase railway supplies in America. It was natural to complete the equipment with the same sort of supplies they were already using and that American supplies were better cheap and could be freighted to the nearest port of entry. The American Commercial Union, however, said in an urgent note that he believed the loan should be raised, and that the Industrial Bank had already practically pledged itself to British money-lenders. While we readily reconciled ourselves to exclusion from participation in the loan, we insisted that a part of the proceeds at least be used to purchase railway supplies in America. It was natural to complete the equipment with the same sort of supplies they were already using and that American supplies were better cheap and could be freighted to the nearest port of entry.

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of what he knows, because he receives his information on the condition that it shall be treated as confidential.

Kennedy, as you doubtless already know, will leave for Peking within a week for the purpose of re-organizing the service of the Associated Press there. He intends to spend a month in Peking, a month during which I would advise you to cultivate his intimacy. He takes a great interest in you, and is extremely anxious to meet you. I believe that he will also bring you three or four letters from friends of yours in Tokio. With the exercise of your usual tact, you should be able to secure a great deal of useful information from him. Be extremely careful not to run against his program. He doubtless expects you to do so, and if you tactfully avoid it, he will take you into greater confidence. He is one of the most charming men you could meet, and the personal element alone would be a sufficient inducement to make his friendship. Should first impressions not be all that they should, ignore them in the confidence that further acquaintance will remove them.

A few words that are not confidential. Calhoun and Schuyler, our new first, pulled into port this morning. They are dining this evening at the Ambassador's, where I shall have the privilege of meeting our new Minister to China. Jay is bidding us farewell on the 9th instant. I am awfully sorry, for he and his wife are most charming. This has been a year of complete transformation in the Embassy staff, the incumbent of every secretarial post, and there are five, being new. The Ambassador is now the pease. And this not being sufficient, our Military Attaché has just been changed, and our Naval Attaché will be changed within a couple of months.

I might say a few more things, but as I have promised to give Kennedy a letter for you, I shall put them off till then.

However, there is one thing that I have been intending to say for some time and, this being a confidential letter, I might as well add it, i.e. the little personal affair of mine that occurred at Mukden shortly before your departure. It was a mere or less foolish act committed in the passion of the moment. But it really amounted to no more than a promise - an engagement - whose fulfillment I have put off for three years or so. While meantime it might have been done more sensibly, it was necessary according to the customs of the land. At any rate, it was more than a "promise" whose fulfillment is yet to come.

I trust that you have had no trouble in getting at the contents of this letter, as the opened condition in which Mr. Jay received a letter from you has put me on the guard and driven me to Mukden tactics.

In closing, it is unnecessary to assure you how great an interest I take in your important mission, and how anxious I am that it shall be attended with the greatest success. You may be sure that, when there is anything you should know, I shall communicate it to you, but kindly keep it in your confidential box.

With the best wishes and looking forward to the pleasure of drinking with you some time, long another glass of friendship - a Straight cocktail - believe me,

Very sincerely yours,

[Signature]

The Willard Straight Papers at Cornell University
The Willard Straight Papers at Cornell University
18 April 1973,

[Signature]

Mr. August Bost

The Willard Straight Papers at Cornell University
The Robinsons have been here for a week and their visit—with the latest news of you all—has been very cheering.

The Elder Brother is in the big house again, and when we walk over after dinner it reminds me of the days of the Joyful Visitation. We have been dining and drinking and it is now almost time for me to dress and go to Pu Lum’s.

Last Sunday we did the Summer Palace and on Monday the Winter Gardens. It all brought you back again. Why didn’t you come really?

Poor Mrs. Robinson. She is so sweet and gentle and tries so bravely to be gay, but the tears, as you wrote, are very near always. I feel so sorry for her, but it always scares me to death, for I can see it and understand so well—and somehow it is my nature always to appear as if I didn’t notice—so there’s nothing in the world I could say. Sorrow, like love, is a very sacred thing—and only those that are nearest and dearest can share them. Is it not so?

I hate blatant affection, as I hate blatant sorrow. I’m apt to crinkle like a Knight Blooming in Sermons in the presence of either.

This ends as it began—nowhere—which, to be perfectly frank, shows that you are very constantly in my thoughts—and that I turn to you to chat whenever I can.

Princess;

If by seizing an off moment to write to you I shall always be able to charm from an unwilling Post Office a letter from you, I shall do nothing else. By moments shall all be odd, and filled with letters to you.

The last word from Ceylon and the picture of yourself—for which I have already a blank wood frame, one last night after I had returned from Pu Lum—dragged and weary after a number of late nights and some very strenuous pole. It was almost the nicest of all the nice ones that you have written. Thank you for the picture. If you will send pictures of yourself and write also, I shall be very glad. What I had feared was that you had sent me Temples and Javanese, and not written.

The peoky is a little more than “five” but he is both “fine” and “fierce” as all good ponies should be.

There’s no light touch tonight, Princess—I am feeling pretty serious. I want to get away because I want to see you. Things are not going altogether well, but I hope that within ten days we shall either have them in such good condition that I must go home to fix it up with the Russians and Javanese—or in such bad condition that it will be desirable for me to go. I want to see you and talk to you more than I dare say—and I know that I must go soon. I wonder what you are doing tonight—this the third of April.

But I’ll finish your story for you:

There are many answers—

That woman became very bored and went looking for little green apples, having first raised Cain (that joke voted in the Constitutional Convention)

That man said, “You are the only Woman in the World” (Also old—see back files of “Life,” “Puck,” and Judge” and the St. Ararat Sunday Supplement).

But there is another—

Man prepared a philter and lo, there was a great change. The rotundity of the moon remained and the curves of the crespers, and the clinging of tendrils—the trembling of grass and the slenderness of the reed—the bloom of flowers and the lightness of leaves—the tapering of the elephants’ trunk—the glances of the deer—the clustering of rows of beans—the joyous gait of sunbeam—the weeping of the oaks—the softness of the parrots’ bosom—the sweetness of honey—the warm glow of fire—the soft cooing of duckies and the fidelity of the drake. But the flocksness of the winds became the constancy of the Trades—the tidiness of the hare became the gentleness of the fleet Arab—the vanity of...
the peacock became the confidence of the thrush— the hardness of Adam and Eve became the firm truth of steel; the cruelty of the tiger became the courage of the lion— the
chattering of jays became the song of the lark— the hypocrisy of the crane— the petulance of the linnet— the coolness of snow, the delicious freshness of the sea breeze.

And Man was happier than he had ever known or dreamed of— for he too had tasted each of the precious liquids as he had poured them in to make the potion. There was Youth— rich, red, hunting— there was sympathy, opalescent— changing to great each mood, there was music, and painting and words charged with meaning— there was work— strong— rushing— now slowly with disappointment, now rippling and shimmering with hope— and greatest of all there was the clear, sweet, cool, deep stream of Faith. Together they filled to overflowing the Golden Vessel that bore them and that was called Life— and the philter was known as Love.

That is the answer, Princess.
April 4th, 1910.

Dear Mr. Schiff:

Very many thanks for your letter of February 24th and for the copy of the "New York Times" recording your speech at the banquet given to Ambassador Uchida. I was delighted with the manner in which you brought certain facts to the Ambassador's attention. He is an able diplomat and handled the difficult situation in Peking prior to, during, and after the Russo-Japanese war with considerable finesse. I presume he has been sent to Washington especially on account of his knowledge of Chinese affairs. He is certainly a man who will bear watching.

As you say, the Hukuang negotiations now seem to have got into such a muddle that no satisfactory outcome can be expected. I think it will be some time before China will dare to break off relations and undertake the construction of these railways as a national enterprise. The likelihood of their being built by provincial funds, however, is increasing daily.

The fight for the "Open Door" in China will be lost or won in the negotiations for the Chinhchou-Ailun Railway. If American diplomacy can carry this enterprise through in the face of Russian and Japanese opposition and despite the duplicity of England, the integrity of China will be preserved and the equality of commercial opportunity shared by all nations. If we fail it means the beginning of the end and before many years we shall again have the "spheres of influence."

It is most unfortunate that Christianity should have been so

blind to her real interests as to have played into the Russian and Japanese hand. A strong word from Sir Edward Grey at the outset, the mere suggestion that the British and French financial markets might tighten against Russia and Japan would have been sufficient to prevent any interference of these Powers with our Manchurian railway project.

I see by the "New York Herald" that Mr. Milenskin has gone to New York and I am in hopes while there he may come to some working arrangement with you.

I feel confident, although we may experience considerable delay, that our plans will eventually be carried through, and while the Group may not gain any immediate profit and may be obliged to wait for two or even three or four years before returns come in, I think any policy of constant friendliness towards China, on our part, will eventually be rewarded by very large profits. It may be necessary for us to work on somewhat different lines from those which have heretofore been followed, to reorganise construction companies and work through them rather than to make ordinary loans to the government, but whatever business be done in this or any other way, I feel confident that it will come and that huge sums of money will be needed in China, both for railway construction and to facilitate fiscal and administrative reform.

Our negotiations regarding the Detailed Loan Agreement should be terminated successfully or on account of the obstinacy of the Viceroy of Manchuria, broken off within the next week or ten days. If the former be the case I think it would be safe for me to leave

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Peking temporarily, and believe that it would be highly desirable to proceed to New York and discuss the whole situation with you. It would then be possible for you and the Group to decide what steps you wish to take in the future. I have, moreover, certain personal reasons for wishing to leave Peking as soon as possible, though I shall be prepared, if you desire me to do so, to return almost immediately.

Trusting that Mrs. Schiff and yourself are enjoying the best of health, with kind regards to yourself and your partners, believe me,

Very sincerely yours,

WILLARD STRAIGHT.

J. Jacob H. Schiff, Esquire,

New York City.
Princess:

Yes—another— not an odd but a very late, moment, after the departure of the Robinsons—after a long nap with French, and while the Elder Brother and Little Men are dining at the Brambilla's, where I refused to go, for I am tired after a week of food and inane though allegedly amusing conversation.

Mrs. Robinson is a dear, sweet soul— with such a quick sympathy-like yours. Princess— and that softness and gentleness that a great sorrow alone can give— Strange, is it not, how Sorrow and Love are intertwined— like laughter and tears in a way— for I doubt if there can be a great love unless there be that great sympathy which Sorrow has brought— just as there can be no great Sorrow except in the Love of one that was greatly loved.

But I did not start to moralize. Instead I am boiling with wrath and wild to sail into vituperative prints— to verbally play half a dozen or more insignificant—that is not the word— insignificant newspaper men and others. The "North China Daily News" has come out with a nasty editorial—a copy of which I will not send you, because the Elder Brother will wish to have it go on to the State Department, assailing him. Mr. Oul of the "Herald" and myself of forming an unholy alliance to injure Anglo-American relations. To a certain extent they're right—not that we have wished to injure the relations but that we have cast the line light into the dark corners and our precious cousins have been caught with the goods. It's all due to a worm who was the Peking correspondent of this journal, who has been so objectionable— and so consistent in carrying Russian and Japanese freight in his articles that we all of us have refused to have anything to do with him.

Another Shanghai paper just in follows an article published two or three days ago giving a rankly untrue account of the relation of the State Department and the Group in the Foochow negotiations— inspired by a disgruntled lot of grafters at home who tried to get the concession originally— mutinously allowed the syndicate to die and then, when we were well started attempted to butt in) by another attack on the State Department stating the Group was responsible for Crane's recall. I rather understand where the whole thing is coming from. The Editor of the Journal is a Canadian— naturalized ex-missionary and a crook— and I have rather suspected him for some time of starting an anti-Group campaign under the benevolent encouragement of certain equally pleasant things in New York.

It all makes me frightfully angry. I do not like to meet their tricks by going other counter plays but naturally would prefer not to Shanghai and wreak physical violence. Hence I am no diplomat— worst luck, for such pent-up feelings only find expression in personal contact. Polo is likely to be very hot tomorrow.

It all goes to show what a big game we're sitting in. The British Journals' asparagus I don't mind— but for the Americans to do this! It's our national failure. No do not stick together— everybody must have a say— and too many cooks invariably spoil the broth. There are too many people to be nice to— One cannot use the big stick frequently enough. The Lord made me by nature an autocrat—a tyrant— and a soldier not a politician. I'm very sorry, for I boil too hard sometimes.

There you are— What do you think of all that?

You've been very nice and kind and asked me about my work. Voilà, the buzzing of the works.

A telegram just up from Canton. Things seem going better again, for we came down on 'em with an ultimatum today. Tomorrow I start making up my accounts— really getting ready to start. Hooray! Not so bad tempered after all— and thus it goes.

Goodnight Princess,

W.S.
Isn't it extraordinary- Here I am at it again. I'll promise that I won't tomorrow- not that I'll not want to- but the mail will have gone by five o'clock in the afternoon and I myself shall not be waiting to go out to dinner to old Susie Chong, President of the Board of Communications as I am at this moment- with a large pipe.

(Drawing)

and a huge shishkaks and soda-

(Drawing)

after five shuggers of very sticky and extremely profane polo- when at old D. Robinson's suggestion I played "back" for the first time. Next to play "three"- Harmoni" Two" and a little Italian Graselli who rides awfully hard and is developing hitting powers at "one"- with this team we can trim the lot. Sonyo had a bad eye today so we had a wild Austrian who made a terrible mess, and a Frenchman who was worse. Result: large quantities of profanity from me.

Elder Brother's here-- off we go.

Back from a rather boring dinner. Of late, owing to the nervelessness of our Chinese "friends" I have not found myself in the same sympathy with them. It's the old story of efficiency- my youthful ideas on which I gave you- I wonder if you remember- the day that we came down from the Great Wall. Speaking of the Great Wall, do you remember too that highest pinnacle, how we looked out far across hill and stretching valley- dim with distance- the bare hills, the dusty winding road, and the tinkling of the camel bells (See the Kasidah of Habu El Yes) It all comes back to me very often.

But we were talking of polo. I send you herein a picture- notice the pocket of the Marine Service Shirt- left side. Do you see how it bulges. In that pocket are your letters- the one that you wrote from Hankow- that which you wrote when you came back to Singapore from Java- the words of "Borderland" and your answer to my jingle about your stopping up late at night- together with one or two other documents that concern you alone. They are carried in the same small wallet that I once bore for nearly six weeks tied about my neck- and which contained a memorandum signed by Tang Shao Yi- the memorandum giving us the right to construct and finance the railway from Tsitsihar to Aigun- to float a Manchurian loan- and organise a Chino-American Manchurian Bank. That memorandum was the ground work upon which the American Group is based. I carried it home with me from Mukden. It was signed at six o'clock on the morning that I left for home. I bore it when I was so ill on the Siberian Railway- and all the time that I was sick in London, and carried it until I turned it over to Wall Street. So you see that the wallet has associations.

There you are Princesses- You have had an extraordinarily lengthy and drawn out "thought wave" in these last days. You have escaped it before only because I have not dared try you too much- and now I'll be good I promise you, and shut ups. But you must know this- that if I don't write I am thinking to you. You, see, that being human I want credit for my self restraint.

Goodnight Princesses-

W.B.

Original in private hands.

The Willard Straight Papers at Cornell University
Detailed Loan Agreement should be finished within a week—after which the scene will shift to CANTOP.

Elsa Manna
W.C.

You see Princess—things are getting rather warm. It's going to be very well for me to stand from under for a time. In less than a month——

(Drawing)

I'm for the Steppes.

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THE MISUNDERSTANDINGS.

March 19.

Telegram from Peking this morning suggests that the Chinese Government continues to be much perplexed by Russia's proposals to the Khalkh-Aulin railway project.

One account says that the Waginou has returned a flat negative to Russia's alternative proposals, and has done so on the ground that China's views on the building of a trans-Manchuria railway to Peking would be acceptable.

Kalgan has already been disembarked, and that she has no intention of having Russia contribute to foreign capital for the purposes of that road. Mr. Straight and Mr. Straight's confederates are said to be urging upon the Chinese Government the view that 

"Russia's proposal cannot be regarded in any sense as an alternative, being in fact an entirely independent proposition. We cannot see how that view is capable of being supported. The ultimate purpose is to trap Mongolia, and to bring Peking into more direct communication with the Trans-Baikal region. Whether that can be better effected by a road passing through the east of Mongolia or by one passing through the west, is a matter of opinion, and we will not see how it can be reasonably contended that the two are unconnected. Even more impossible is the idea underlying these objections - the idea that Russia has a great misbehaved itself in refusing to endorse the project of the Algin line. From the first moment that St. Petersburg was invited to give or to withhold its consent, its right of veto received public recognition, and it is therefore illogical to contend now that Russia's in international offenser because she has not answered in the affirmative."

The preceding telegrams received a few days ago with regard to the attitude of the British Cabinet in the case of the Khalkh-Aulin Railway line are partially explained by news received today. The telegrams said that America, France and Germany combined, etc. were now on the point of coming to some common understanding on this question. What was puzzling in that message was the indication that it afforded of dissension among the four Powers. It is now stated, however, that although the British Government has, during the past month, preferred a time of action, from the persistent Russian and the Persian capital at present under the Chinese line, there is no question of any 

"a great deal to answer for, for when all is said and done, they stand out as the firm, or even, as Mr. Straigt may say that the Japanese has a very moderate article on the subject. If so, it may be that the suggestion made is not as mutual understanding."

THE RAILWAY QUESTION.

Friday, March 11.

Peking telegrams that according to the latest American telegrams the Khalkh-Aulin and the Peking-Rhoda Railway are quite unconnected. They allege that the former has its chief 

"author of the act, in the fact of Tientsin being a great collecting point for Mongolia and Manchurian produce, and that to connect such a mart with the Chinese Railway would inevitably benefit, instead of injuring it, as Russia feared. If it is to be established at all, the telegrams indicate that that would be a matter of the highest importance to England's part, and it was most likely that such an extension would be desirable to the United States."

The other hand, another telegram indicates that Russia has risen among the secondary, to develop the resources of Mongolia; thirdly, to strengthen the defences of Manchuria and to promote immigration, and fourthly, to utilize the influence of the United States for the purpose of checking Russo-Japanese ambitions and preserving the general situation in Manchuria. If these be the real motives of China, as indeed we have very little doubt that they are, Peking can not be much surprised that Russia has declined to give its consent, but may well be a good deal surprised at Japan's compliance.

In spite of the patriotic clamour among the Chinese for supplying their own capital, the British Government, without further recourse to Russian aid, the latest telegrams indicate that a line will soon be opened at the London market for the purposes of the Tientsin Railway and other lines. The only news feature is the injection of the British model situation is that the borrowers are disposed to work through the Central Bank of China, but there can be no doubt that the business will ultimately come into the hands of the Hongkong-Shanghai Bank, which great institution virtually holds the reins of Chinese finance.

Original in private hands.

The Willard Straight Papers at
Some surprise may be caused in this country by Mr. Schilt's attack on British policy among those who have thus followed the obscure struggle over the Manchurian and Mongolian railways. The train which fired the charge in Washington has, however, been laid a long while, and the whole question possesses great future importance. Ominous events cast their shadows before in the same sense that the low-lying sun makes a small object cast a gigantic shadow. The recent controversy over new railway construction between the four Powers of the Far East may seem a tiny matter, but viewed in proper perspective it stretches far along the track of our future Eastern policy. Nor can it be said that the Foreign Office is showing much zeal, provision, or judgment.

The position of Japan in Southern Manchuria is regulated by separate Agreements with England and Russia, which may be summed up by the statement that she pledges herself not to do anything to break up "the integrity and independence of the Chinese Empire" and not to obstruct "any general measures common to all countries which China may take for the development of the commerce and industry of Manchuria." There is a general view that these engagements have been to some extent shuffled, but at least the British and Russian Governments have treated Japan with the greatest forbearance and stretched the terms of the agreements to the fullest extent. How has the courtesy extended to Japan at the expense of foreign traders been repaid? The Chinese have been showing a most laudable desire to open up their native resources by railway extension. In pursuance of this idea an arrangement was entered into with British contractors to extend the North China Railway from Heih-Min-Tien to Fakemen. The Japanese objected on the ground that a private agreement with China was made in 1905, without the concurrence of any other Power, that no railway should be built near to and parallel to the South Manchurian Railway. The object of this agreement was clear; it was to prevent a real loss of profit to the original line by building another which would tap the same country. So far it was a perfectly natural one. It was, however, beyond contradiction that a line separated from Mukden by 40 miles and by the unbridged Liao River from Mukden, would merely open up new ground and not impinge on the profits of the South Manchurian Railway.

In opposing this development Japan showed, possibly from political considerations, a dog-in-the-manger frame of mind which violated the whole spirit and letter of her Manchurian agreements. The British Government, moreover, had been no party to the "private clauses." It was pledged to maintain equal commercial opportunities in Manchuria, not to encourage Japan's political aspirations of predominance at the expense of British trade. The railway materials would have come from England and given employment to British workers. In spite of all this the Foreign Office exhibited such complacency toward
Japan as to intervene against its own people and against the wishes of the Chinese Government. In this case the incredible is unfortunately true. This strange action had the further result of irritating the Chinese by inflicting on them an unpleasant diplomatic rebuff and pointing into their minds the deadly business (the bore fruit later) that the British Government could always be trusted not to support its own subjects. They became, therefore, more willing to turn to other nations and stronger Governments in their attempts to develop their country in free of Japanese opposition.

There is, be it observed, nothing in the Agreements about Mongols, which, being an ordinary province of the Chinese Empire, is in its southern part entirely under Chinese control. It is a vast district rich in potential resources both of an agricultural and industrial character, and its development would be a source of great profit both to China and the world.

Having failed, then, in its attempt to and Mongols, the Chinese Government naturally turned to Mongolia. A railway to be constructed on the engineering side by Messrs. Pauling and Co., London, and financed by British capital, was to be built from Chinchow, on the Gulf of Peihli, 250 miles from Maidin. This line was to run up for, roughly, 300 miles to Tatscha, in the interior of Mongolia. Thence it was to be carried on, first to Tatscha, to join the Chinese Eastern Railway, a distance of another 3,000 miles and in all, for another 1,500 to Aigun, the Chinese town on the other bank of the Amur to Blagoveschensk. Three points may be noted about this proposal:

1. There was nothing in the way of a monopoly or concession about it—it was an ordinary engineering contract.

2. The line never approached nearer than 150 miles of the South Manchurian Railway and could, therefore, have damaged it in any way.

3. The money and materials would have come from England.

Yet the Japanese Government have not only blocked this subject in every way, but have actually had the backing of the Foreign Office in doing so. In this case, however, the Chinese Government, warned by past experience of our weakness, had provided for themselves with another potential partner, and at once turned to the American Government and gave the substance of the scheme to American houses. The United States at once felt her influence to secure the ratification of the scheme. Our Foreign Office then found itself ranged against America in Japan's supposed interests.

The Japanese, while avoiding a direct veto, have now endeavored to block the scheme by demanding terms of participation, which they well know China cannot accept. The final clauses in these demands are (1) the modification of the Japanese engineers; (2) the construction of a line 100 miles long connecting the new line with the South Manchurian Railway; (3) from the loss to England and America involved in the other Japanese claims, China dare not produce a new Korean question by introducing Japanese workmen and camp followers into Mongolia, to settle all along the line. The result, then, of the duplicity and manger attitude of Tojo is that China is not to be allowed to develop its own provinces except on impossible conditions. It had not at first occurred to Russia to make any objection to the original

Imperial Edict authorizing the construction of the line, but the delay and diplomatic irritation caused distanced her at last to intervene and demand participation for her own subjects. Russia suddenly discovered that the new line meant her interests both in a commercial and military sense. The projected railway would, she said, divert through rights at Tientsin from Vladivostok and Dalny, and bring them to Chi Chau; she, it would be necessary to fortify Blagoveschensk, lest the Japanese Government should train troops to Aigun. There may be something in this second contention, though the case may be a very remote one. The commercial objection is an absurd one. There is practically no through freight to be diverted to our support if that advice is rejected. In the particular point in case, the Chinese-Aigun Railway, our advice should certainly have been to allow Japan a moderate participation, but to ask her to withdraw claim which China could never accept. Japan would then have either agreed, or failing that, should we have backed China and the railway would have gone through to Japan's wishes. As it is, we are acting to the detriment of China, British commerce, and the United States, and in the teeth of our own solemn agreements. Further, we are helping our ally to quarrel with America, which country, as Mr. Schiff pointed out yesterday, can make things very unpleasant for Tokyo in financial concerns.

On the broader issues of policy it will be a bad day for the Empire if the Anglo-Japanese Alliance leads her into any real dependencies on Japan. The withdrawal or weakening of our China Squadron has not improved our prestige in Asia.
OBSTRUCTING THE CHINCHOW-AIGNUN RAILWAY.

An important statement on the Chinchow-Aignun Railway was issued recently by the Society for the Preparation of a Constitutional Government, a semi-official society, having its headquarters in Shanghai and possessing a very influential membership. It is perhaps the most powerful organization of its kind in China and through its meetings and publications has contributed much to the constitutional movement. The statement, of which the following is a free translation, may, therefore, be regarded as embodying the views of intelligent and representative Chinese on the subject in question.

The statement begins by pointing out the remarkable fact that Manchuria and Mongolia, so rich in mineral, agricultural, and other natural resources, have been for thousands of years practically undeveloped and undiscovered. The Russo-Japanese War, with its terrible sacrifice of human blood, was the price paid to draw the attention of the world to the possibilities of those regions. The object of both Russia and Japan is to transform all the mighty Manchuria and Mongolia into their happy hunting-grounds, and were their plans to carry, the Chinese of those regions would in a few years be driven out. The Russo-Japanese War has taught our people in Manchuria a valuable lesson. The doctrine of the survival of the fittest has been hammered into their heads, and the efforts they are making to maintain their ground against the foreign invaders are both heroic and pitiful.

Today our pupils in the schools round and about the recent scenes of battle number over a hundred thousand, while on the police schools alone the expenditure has exceeded $10,000,000. The Government has despatched more than one official eminent and distinguished officials to investigate the local conditions and to introduce measures of reform.

But the regions are too extensive to be maintained by a handful of inhabitants nor has the government sufficient funds to initiate all the measures of development. A combination of British and American investors has, therefore, offered to construct the Chinchow-Aignun Railway. No one imagines for a moment that they make the offer because they love the Chinese and hate the Russians and the Japanese. The step simply serves for equal opportunity and for a field to invest their little capital. We are aware, however, that Great Britain and the United States have no intention of developing those regions for colonial purposes.

Now the Russians come forward and protest against the construction of the line, basing their protest on an alleged promise made by China in the 25th year of Kiang-hsia (1899), that in case she wanted to construct a railway from Peking to Manchuria, the money must be borrowed from Russia. Russia also estimated the line to the Chinese Eastern Railway at five million dollars annually by the building of the new line.

In spite of the protest, China must proceed with the construction of the line. By the stipulations of the Portsmouth Treaty, Russia renounced all her special privileges in Manchuria and Mongolia, and further promised not to interfere with China's plans of developing that part of the Empire. Her threats, therefore, violate the provisions of the Portsmouth Treaty and are intended only to deceive and coerce China.

The building of the Chinchow-Aignun Railway will open up a vast region of unknown possibilities. It is bound to become in 10 years a great mart of the world. The fire which threatens to consume the world, started and fanned into flame by the Russian and the Japanese, may yet be quenched by the righteous anger of British and American capitalists.

Nothing should and nothing can stop the development of Manchuria and Mongolia, which fate has opened to the world in such a remarkable way.
Do you see? Of course you do. So that is the play. That—so I shall tell the Group.—I am waiting to close with the Viceroy before telegraphing—why it is essential. I must leave Peking now. So the bluff must be maintained, and the Elder Brother and myself depart together.

And thus too you see that my time will be limited, for I must go to New York to talk business as soon as I can. Otherwise I should not suggest that you come north at all, but would go on to Italy as I had hoped to do— and meet you there. It is so wonderful— and I have never forgotten my one glimpse of Genoa and Naples.

And so, Princessse, as I wrote you, I shall telegraph "Petersburg" or "Paris" or "London" meaning that I am bound neither, and hoping that I shall there find your sailing orders—and when I can find you.

Today I walked on the Wall alone. After a day of dust and heat it was delightfully cool—a soft breeze, echo of the day's blast was blowing—and the hills were very purple and dappled against a lovely clear golden sky—the Coal Hill silhouetted in sharp purple relief against the dinner softer violets behind—the Palace roofs burnished and glistening under the slanting rays. I thought to you all the way, Princessse. I want so to see you again, and now it looks as if I might soon—and I am very glad. I hope that you will be too, for though I know it is quite all right—my leaving—I am not so sure that it is all because the Russians ought to be beard in their own den. As a matter of fact they are more so there than anywhere else, for the ones that go abroad generally have mustaches only!

I am sending you a flower from the tree in the Sanctuary Garden where you came that last day you were here.

Princessse-Princessse— it seems almost too good to be true— but it is, for I am going and it is really a blunder, again.

I hope that your Sister is better. She should be with you there.

Goodnight, Princessse

W.S.
April 10th, 1910.

Dear Jameson:

For some time I have been expecting to hear from you regarding the results of your interviews with the Group in New York. In February of course through a cabled correspondence, I knew that you were in touch and that the Group was thinking of taking you on as Resident Engineer. You probably know the nature of their queries and of my replies. Much as I should have liked to see you with an immediate engagement I could not honestly do anything but advise the Group to wait until they had something more definite than a Preliminary Agreement, and a Hukuang tangle on their hands, before engaging any one even yourself.

You are familiar with what devious courses we have to attain our ends, and you know as well how one delay follows another that you will understand my feeling that it would be foolish, unless they had some purpose of which I was unaware, to enlarge the establishment at Peking at this time, when everything is so largely in the air.

I yesterday received a letter which explained the nature of the duties which they expect their engineer to perform. They should be highly important, and I'm sure that you are just the man for the work, and am so writing New York. Ginnell is also very anxious to have you as a colleague.

It will be some time yet before anything can be done, and until we get our mandict we shall have to sit tight I presume. I myself have wired for permission to go home and so may meet you before you get away yourself. There will be nothing doing here for some time.

I've rather wondered what became of those things you were to distribute for me. Did they get away all right? and did you see Miss Ullins and the Longworths?

With kindest regards, always,
Yours,
STRAIGHT.
April 17th, 1910.

My dear Charles:

Thank you for your most interesting letter of April 1st, which reached me just a few days ago. As a matter of fact I think I've another also to be grateful for, one that contained several miles of press translations.

I shall await with bated breath your final note via Kennedy regarding Baron Goto's ultimate attitude.

It seems to me however that in speaking of the reprehensible attitude of the certain Consul and Vice-Consul General, the Embassy missed a chance of setting things straight. You certainly did if you tried to justify Marvin's note on account of zeal for his national interests. You seem to have forgotten that Marvin left the service at the end of December, and from that time on was in the employ of the Chinese and not the American Government. That makes considerable difference, particularly as the Japanese have always held that he was an American official all the time he was conducting his newspaper campaign.

Kennedy's ideas on the future are instructive. I doubt their soundness, although they may foretell the policy which Japan will follow.

I shall be glad to meet him and quite appreciate that he sees red whenever anyone speaks straight on the attitude of his brown brothers. However, I shall have due regard for his susceptibilities.

Ohboun has arrived with us, and seems a nice man who should buy no gold bricks, keep his feet on the ground and his hand on his number. That is a most excellent combination. The time seems to have come now as it did in the spring of 1908, to soft-pedal for a while and the arrival of such a man as Minister is therefore most opportune. I am myself leaving within ten days for home, and will probably be gone for about three months. When you answer this, I wish you would do so pretty fully and address me c/o Morgan, Grenfell & Co., London. (23 Old Broad Street). In case I do not get away I will advise you. I think, however, that there is very little doubt about my going with Fletcher.

Thanking you again for your very interesting letter and with warmest regards always,

yours sincerely,

Give my regards to Schuyler.
April 17th, 1910.

Dear Bland:

Thanks for your letter of March 26th, and for your promise to look up old Hooe Stephens. I don't know where the old boy is at the present time but he must be knocking around the Continent somewhere if you have not heard from him.

Marvin writes that he has seen you much to his heart's good. Before long I shall have the pleasure myself, I hope, for I am now expecting to leave with Fletcher from Harbin on May 2nd, stopping in Petersburg for a week or so and then beating it for Paris and London and all the flesh pate I can find.

Things have gone as far as they can have and we must now see what can be done with the Russias.

I see that Eddie Gray has made another statement in the House about "Spheres of influence" never having been formally repudiated. That will do him no good and I should think particularly on our side of the Pond and out here. But thanks to the footling policy of your Legation. I should think that things could not be in much worse shape than they are now. The handling of the Bredon matter has been very raw and the Chinese are wild about it. The last straw has been the formal intimation from your Government that in case the Lister-Kaye matter, the Bredon affair, the Haiding Mining case, were not settled so England's satisfaction, Tom Shee would not be received in London. Now that's going some. I ask you! This is straight dope, too, and no tommyend. People here are beginning to ask whether the cruiser contract just secured by Donaldson was the price of your hospitality to

Tom Haun. It's a shame really, and ought to be stopped. Not that it makes much difference to us, for our stock, together with the German go up every time Great Britain plays the goat, but I don't like it. It isn't worthy.

You ask for documents. I have none, and as far as I know, the British Legation never put any of its representations in paper. I am not so sure about what Millie is supposed to have said to the Viceregy. The Chinese swear that it is true but the Legation denies it flatly. One doesn't know except that it doesn't sound like Millie at all.

As to our State Department asking your F.O. for bad faith, though I think they might well do so, I doubt if it would do any good, in the press at any rate. A few strong words in Eddie's ear might help some.

Thanks for the Book news. I'm sorry that you're having difficulty about the Dowager stuff. I should think that well illustrated you might get a very good thing for it from some American magazine. Why not try Scribner's.

I hope that all goes well with you. Keep the Ball rolling and we'll soon be with you.

Thine,

STRAIGHT.
Dear George:

Yours of March 23th. I never knew before that I had a penchant for epigrams whatever that may be. I suppose it comes from long life in the East.

As Prather has written you we are hoping to brawl homeward together, leaving Harbin the 2nd of May, due Peterburg the 11th, and Paris I suppose about a week later, for I shall have to remain in Russia for a little while talking to the high and mighty in the hope of showing them the error of their several ways.

My letter of the 16th of March must have given you a fairly clear idea of the situation. If it didn't I can't. Since then nothing has changed much, save that the Changhai riots will render pressure regarding the Hukwang - providing a settlement is reached - in Europe - a very dangerous step. Hence I think we can tuck the dear thing in its cot, and leave it for a while, while the Manchurian show, will, I hope, within ten days, be in such shape that I can safely afford to leave that in the excellent hands of French. Then me for the flesh-pots. As I wrote you I am crazy to get away, for I am much overtrained on this situation, on the Chinese themselves, and everybody else.

We'll have one large brawl in Paris. Speed the days.

I am very keen to know what you are shaping out for yourself and what you expect your next move to be. Of this and many other things we shall talk anon.

My salamans to the Bacons. God luck, always,

Yours,

STRAIGHT.

April 17th, 1910.

Dear Henry:

Your welcome letter of March 7th reached me a day or two ago. Let us forget and fail to answer before the bell rings; here you are.

I am hoping to leave for home within the next twelve days. For a month at least, I should say, I will be playing and working about on the Continent and should reach home somewhere about the middle of June. I shall not be there long and hope that when the time comes you will be able to come east and meet me either in New York or Washington, or perhaps in Ithaca where we can have a chinwag, and get it all of our chests.

With all your prospects in Milwaukee for active constructive endeavor I am not surprised that you sometimes hear the soft whisper of the cloister, but you must not listen Henry. It isn't worthy of you. Far be it from me the son of Teachers to do aught but admire that splendid profession, nor would I belittle the influence which a man like yourself would have in shaping youngsters for the work they must do. Mr. S., is the best example of what influence one man can have on the lives of many. But it seems to me that you are built of stern stuff and too well fitted to lead the battle to go moulding bricks when you can stoke the fire through which they all must pass before they are worth a damn.

Your turning to these luring ways in natural enough, especially when you've been working hard and more particularly if
the Lady of your dreams is unkind or unresponsive. The roads
though, are like Omer, for interest, charm and relaxation, but
not as a text book, or for the ways of a man like yourself.
If I didn't believe in your potentialities so firmly I would be
less decided in my views as to what you owe yourself and the public.

There are a good many things to write but the prospect
of talking them, and the likelihood that they may shift and change
before conversation is possible, deters by full exposition.

I am writing old Morse today in hopes that I may make a
date with him for a little seance in Europe. I want to see the old
boy the worst way, and hope I can.

Give my love to all, and tell Bae or any of the rest of
them that may be going abroad to drop me a line c/o Morgan, Grenfell
& Co., 22 Old Broad Street, London, in order that we may, if possible,
foregather.

Yours ever,

W. STRAIGHT.

April 17th, 1910.

Dear Professor:

Excuse the machine. You know my handwriting well
even though, no doubt, to be quite reconciled to the use of this
modern convenience.

This is written in the hope that I may catch you in
Europe, for I am hoping to leave China for a little trip within
the next twelve days, and shall be playing about London and Paris,
for a week or two on my way to New York. I am at a loss to know
where you are for Bland regarding whom I wrote you tell me he
has not heard from you although he dropped you a line some time
ago in the hope of being able to foregather with you.

B. Wendell and Heinie both write that you have honored
them with letters, so you must be lessening somewhat on your ancient
and time sanctioned silence, and I trust that you'll favor me with
a word c/o Morgan, Grenfell & Co., 22 Old Broad Street, London,
telling me where you're to be found. I should be in London about the
end of May, probably not before, as I shall have to stop at Petersburg
and on the continent, before crossing over.

You're no idea what a pleasure it will be to see you again,
for in the rush of everything last winter, and the hurry when we met
that time in San Francisco I don't really feel that I've seen you
since I left college and there's a lot to tell. One thing I must
tell you again however, as I've told you many times before, that
I've more to thank you for than anyone else, and that you're memory
is just as green as it was the day when I pulled out of New York Harbor after you'd travelled all night to come down and see me off. I hope you've been enjoying yourself and resting a bit. A bientot, and God Bless you.

Yours,

STRAIGHT.

April 17th, 1910.

Dear Freddie: [Emil]

Your letter of February 28th was very closely followed by a second regarding your friend Croaley. I don't know a soul in Hongkong but have turned your letter over to Memonal of the International Bank who was there for some years and he has forwarded it on to the Hongkong Manager who will depute a youngster to meet Croaley and look after him. Memonal will also have some friends of his go up and see what can be done about Mrs. Croaley. That's the best I can do, and I hope that it will suffice. I have no doubt but that these people will do everything possible for him. It's hard luck to have to hustle across the World on an errand of that sort.

Many thanks for attending to the flowers for me. I am more than obliged. We can square up our accounts one of these days, but your very luck to be owing me anything. It's generally the other way around.

Regarding your brother I think that we shall be able to do something for him out here but not just at the moment. I will not therefore go into details concerning engineering in China, as I expect to be at home by the beginning of June and can then go over the whole thing with you in person.

My plans are at present to leave here on the 28th, reach Petersburg on the 9th of May, stop there for a week, then to London, and Paris for three weeks or so, and then bid it across the Atlantic for two or three week visit before coming out here again to settle down for a couple of years. I don't know whether these will carry
or not but have hopes that they may.

In Paris I shall of course see George, and shall be much interested to learn what course he has shaped out for himself. I have always felt of course that he never should have chucked the Group, that in doing so he gave up a splendid chance, but one can never tell. I can't see that his present job will lead him to anything at all, the best that Bacon could do for him would be to put him back in 23 Wall. So there you are.

De Lancy Jay's engagement was not a surprise. As you know by this time of course I at once wrote Elizabeth complimented her on her generalship, a marriage made in Heaven of course, but ably aided and abetted in the Maison Swift.

Fletcher and I are travelling together and will probably all turn up in New York one of these days, perhaps with George tagging on as well.

With warmest regards, always,

Yours,

W. STRAIGHT.
It's the most hopeless day you ever saw—

(Drawing)

All yellow with things blowing about in it— and warm and so very smelly— with the whole earth thawing out its winter's filth. For yours sake I'm glad you're not here, and really too—I suppose— for my own— because this sort of weather always makes me very peevish— which is worse than being bad tempered. However, I'd like to talk to you just the same— and maybe I wouldn't be so bad. You'd probably in fact reconcile me to the weather.

How did you hear that?

Golboom even wife has arrived. Came last night and lunched here today. He solid silent, feet on the ground, hand on the member and Hei-Ya gold bricks— an excellent combination for the situation here has been becoming so acute— what with the general slanging of British Japanese and Russians and the resort cordiale from all sides against us— that its just as well we should shut off the orchestra for a bit, and while standing on the won ground to give the animals a rest and a change of diet.

This, the departure of the Elder Brother and myself should afford.

We're going.

Yes?

Harbin may 2nd for mine— I think.

The Group made a feeble protest by a wire received last night but I handed 'em two very warm ones with a private and confidential message to J.H. Schiff.

By the way it seems to me that you're getting a good deal of inside information. Don't you rather think so? That being the case I must try so to win you're good will that you will not give me away. Please don't.

Besnatahitmany—

I don't think they'll stop me.

Korostovetz, the Russian Minister has promised to give me letters to people in Petersburg, and seems rather to think that I should be able to talk 'em around. I shall probably see Iswolsky and Kokoszoff, though the former's been gallivanting around the continent of late— and several journalists and others.

Fletcher and I threatened Korostovetz the other day that if he didn't get his Government to allow our Railway to go through without further protest we'd jolly well have Feuling & Co and the Group open an office in Teheran and Constantinople and make a little trouble there. He was quite inclined to take us seriously.

I am waiting to know definitely how things stand before I write to you, but the message should go long before you receive this. From Petersburg I shall go to find you— and New York can whistle for a time for their young Representative— So please have full marching orders awaiting us.

I want to see you— Princess—

W.O.
Supplementing my letter No. 95 of March 30th last, and referring to the cabled correspondence which has passed between New York and this office since that date, I beg to report that since the date of my letter, above referred to, negotiations have been conducted in Tientsin by Mr. Backhouse with the Viceroy's representatives. Owing to the necessity of maintaining absolute secrecy it has been impossible for me to be present in person. After many vexatious delays, much quibbling and various minor and unimportant alterations which the Chinese have brought up from time to time, we reached an agreement regarding the Loan Contract on April 18th, on which day I met the Chinese delegates for the first time since their arrival at Tientsin. As stated in my cable No. 73, the Viceroy's representatives have as yet been unable to agree with Mr. Gimmel, who has represented Failling & Company, regarding the contract price of the road or the amount to be devoted to the construction of Harbour Works.

The Viceroy's attitude towards the last named item has been particularly annoying. During the course of negotiations he intimated that he desired to borrow the money for the construction of the Harbour Works from the Houghton & Shanghai, and Deutsche Asiatische Banken. I at once directed Mr. Backhouse to inform the Chinese delegates that the Viceroy's failure to come to an agreement with Failling & Company regarding the construction of Harbour Works or an attempt on his part to construct the Harbour Works with funds other than those borrowed under the present Loan, or any overtures which he might make to rival banks to interest them in the loan for the Harbour Works, would be the signal for the immediate rupture of negotiations. This threat apparently had the desired effect. The delegates, at least, promised to come to an agreement with Mr. Gimmel regarding these Works. It would be useless at this time to enter upon any dissertation regarding the probable motives of the Chinese in assuming the attitude above described.

The procedure contemplated under our Agreement reached on April 18th is as follows.

1. The Viceroy under covering letter to forward to the group the English and Chinese texts of the Draft Loan Agreement.
2. This letter to be supplemented by (a) a letter stating that the price - 93% - at which the Group engaged to take the bonds is tentative only, and must be confirmed, and (b) a letter regarding the disposal of loan funds.

3. The Viceroy simultaneously to address to the Group a letter requesting the nomination of an American as Traffic Manager for the Railway using the currency of the Yuan.

4. The Viceroy to address the Group concerning the joint operation of two coal mines.

Copies of the above mentioned letters are enclosed herewith. These letters will be formally acknowledged by me. The final draft Loan Agreement has not yet been copied out and is therefore not included herewith.

I trust that the procedure outlined above will meet with your approval.

As already stated, I informed the Chinese that my acceptance of this arrangement was contingent on their simultaneously addressing Foake & Co. accepting the construction contract, and in case the Harbour Works contract were not included therein, a separate contract therefor.

Having carried negotiations to this point I felt that (a) in case the Chinese were acting in good faith and honestly desired to proceed with this enterprise they would at once settle with Foake & Co. and (b) in case they did not wish to settle but were merely delaying with us for political reasons they might indefinitely prolong the discussion without concluding.

If (a) were true the next step, as already reported, would be to attempt at least to remove the Russian objections to our proceeding with the line. If (b) were true continued negotiations would be without result, save added anxiety to ourselves and increasing uneasiness on the part of Russia and Japan.

To bring matters to a head, therefore, I informed the Chinese that I would leave Peking on the 25th of April; that in case they came to a settlement I should be able to discuss the question of this railroad in St. Petersburg and possibly to remove the Russian objection. If they did not I should proceed to New York and report regarding the course of negotiations.

I pointed out to them that the Loan Agreement was not satisfactory both to them and to us, and that while I was not an engineer and could not, therefore, judge regarding the price which Foake & Co. asked, it must be obvious to them, as to us, that Foake & Co. would not risk their prospects for future business in China by making an exorbitant charge for their first contract, which was at the same time the first instance of work being done on this basis in this country and which would therefore be subject to searching criticism of the opponents of this contract system.
Letter No. 81.

The query in your cable No. 99 received on the 10th inst. was answered in my cable No. 92. In my reply I took the liberty of suggesting that, if possible, you postpone your negotiations with N. Potelia until my arrival in Europe and until after I had investigated the situation in St. Petersburg. I have made this urgent recommendation because of my conviction that it is vitally important that you be fully acquainted with conditions in China and Russia as well, before discussing this matter with my one closely connected with Russian finance.

H. Karatetsu, the Russian Minister here, has promised to give me letters to high officials in St. Petersburg. From my conversation with him I believe that the time has arrived when it may be possible to come to some mutually satisfactory understanding with the Russians. So delicate is the political adjustment in China, however, that I desire to lay all the facts before you before proceeding with this discussion.

In order to facilitate my activities in St. Petersburg I trust that you will request the Department of State to instruct the American Ambassador, Mr. Rockhill, to assist me in every possible way.

Trusting that you will approve my course in these negotiations, I am

Yours truly,

[Signature]

Copy to F. C. Grenfell, Esq.
Letter concerning the
Tentative Price of Bonds

Their Excellencies the Viceroy of Manchuria and the Governor of Fengtien
To
The American Group.

Gentlemen:

In ARTICLE VII, Section X, of the Loan Agreement for the financing and construction of the Chinchou-Aigun Railway, agreed upon this day, it is stipulated that the BONDS for the FIRST series of said Loan shall be sold to the GROUP for 90% of their nominal value.

In view of the lapse of time which may supervene before the Imperial assent is given to the AGREEMENT, it is incumbent upon us to state that the price quoted above is based and fixed on the conditions of the present moment. It will be necessary before the signature of this Final AGREEMENT, for the GROUP first to confirm this price, but if there should occur circumstances affecting the general situation or an exceptional condition of the market which adversely affects the market rates of Imperial Chinese Government securities with the result that the price arranged in this Loan AGREEMENT thus becomes impracticable, the ADMINISTRATION and the GROUP shall determine upon another price which shall, however, be the most favorable rate procurable at the time.

The formal acknowledgement of this letter by the GROUP shall render it binding on both the ADMINISTRATION and the GROUP.

Letter concerning the Disposal of
Loan Funds

Their Excellencies the Viceroy of Manchuria and the Governor of Fengtien
To
The American Group.

Gentlemen:

Whereas ARTICLE II, Section I, of the LOAN AGREEMENT for the financing, construction, etc. of the Chinchou-Aigun Railway initiated this day stipulates that an amount not exceeding $40,000,000 gold dollars shall be utilized

"for the construction, section by section (i.e. Chinchou to Taomanfu, Taomanfu to Taitsihar, Taitsihar to Aigun) including the purchase of land, equipment, including the purchase of rolling stock, and operation, during such period as the receipts of the Railway shall not be sufficient to meet the charges therefor, the Railway from Chinchou to Aigun and such branches as it may be found desirable to construct simultaneously with the main line, AND such other enterprises as may be agreed upon by the ADMINISTRATION and the GROUP to be simultaneously desirable for the proper exploitation of the Railway."

It is desirable that there should be no misunderstanding regarding the disposition of these funds.

It is therefore understood that

"A" The sum of _______ shall be reserved for the construction of necessary Harbour Works, Breakwaters, etc. at an ice-free port in the vicinity of Chinchoufu.

"B" The sum of _______ shall be reserved for the construction of a light colonization railway and for the encouragement of immigration and agricultural enterprise in the region served by the Railway.

"C" The balance of the LOAN shall be reserved for the services of interest on the LOAN and for commission on such services during the time of construction, in accordance with ARTICLE VIII, Section 4, of the Loan AGREEMENT and for the construction and operation of the first section of the Railway and as much more as it may be possible simultaneously
2-(Letter concerning Disposal of Loan Funds)

to build and for the construction and operation of such branch
lines as it may be found desirable to construct simultaneously
with the main line in accordance with ARTICLE II, Section 1,
of the Loan AGREEMENT.

Requisitions on the Loan funds will be drawn in
accordance with ARTICLE VIII, Section 5, of the Loan AGREEMENT
in amounts to suit the progress of construction of the Railway
and other enterprises contemplated under ARTICLE II, by orders
on the Bank or Banks, signed by the ADMINISTRATION or its duly
authorized representatives and accompanied by

*A* Engineer's certificates for the expendi-
tures on Harbour Works or on the light colonization, or the
main railway line.

*B* Superintendent's certificates for expendi-
tures incident to the encouragement of colonization and the
proper development of the country.

A formal acknowledgement of this letter shall
constitute an AGREEMENT binding upon the Manchurian ADMINISTRA-
TION and upon the American GROUP.

Letter concerning appointment
of General Manager

Their Excellencies the Viceroy of
Manchuria and the Governor of Fungtien
to
The American Group.

Gentlemen:

Desiring to operate the Chinchou-Aigun Railway as
economically as possible and to secure the greatest possible
efficiency in the personnel of the Railway staff, we hereby
request the GROUP to recommend to the ADMINISTRATION an
American who shall, during the currency of the Loan, act as
Traffic Manager of the Railway, subject to the orders of the
ADMINISTRATION or its duly appointed representative.

The amount of the Traffic Manager's salary
and the nature of his functions are to be fixed by the AD-
MINISTRATION or the high official in control of the Line,
in conjunction with the GROUP, and a separate Agreement shall
be drawn up which shall be binding upon the ADMINISTRATION
and said Traffic Manager.

FURTHERMORE, the Manager may report concerning
the conditions of the Line from time to time, and, should
there be any unsatisfactory features, the ADMINISTRATION or
the high official in control of the Line is bound to remedy
them with a view to ensuring absolute efficiency. The
Manager is also bound to conform to the instructions of the
ADMINISTRATION or the high official in control of the Line,
with regard to engaging on their behalf the various foreign
employees, and should necessity arise for dismissal or removal
of such employes, he shall duly report to the high official
in charge of the Line as circumstances shall require to en-
able the necessary investigations to be made.

The various foreign employes selected from person
of American or English nationality, and the positions held by,
and the powers entrusted to them shall be such as to ensure
2. (Appointment of General Manager)

the most satisfactory and economical working of the line in every respect, so that the finances of these Provinces may derive considerable profit therefrom, and any risk or loss or prejudice to the rights of the bondholders may be avoided.

We specially communicate the above and invite you to note the same with our best compliments.

Translation.

Letter concerning the Operation of Two Coal Mines

Their Excellencies the Viceroy of Manchuria and the Governor of Fengtien to
The American Group.

Gentlemen:

We, the Viceroy of Manchuria and Governor of Fengtien, have entered into an Agreement with the American Group for financing the construction of the Chinchow-Aigun Railway and for general arrangements in connection therewith. Our negotiations have been completed, but the working of coal mines in the vicinity of the railroad and of building branch lines therefrom to connect with the main line is certainly a most important element of policy to secure the development of the Line. We recognize this fact and are prepared to sanction the Group's co-operation in exploiting TWO mines in the vicinity of the railroad.

These mines shall be selected by the high official appointed by ourselves with the assistance, in all matters, of the engineer nominated by the GROUP as its representative.

The Viceroy and Governor hereby consent that no other mining concessions sought by Chinese or foreigners in the vicinity of the Line shall have precedence over the joint Chinese-American enterprises which it is proposed to organize as hereunder set forth.

We therefore consent to appoint a high official forthwith who shall have direction over this business, in order that the enterprise shall speedily be covered with success.

We therefore invite the GROUP at once to select an Engineer who shall proceed with the high official mentioned to the region in the vicinity of the railway route, in order to make a detailed survey of the coal deposits there.
2- (Operation of two coal mines)

and determine which mines shall be fixed upon. As soon as
the high official and the Engineer shall have completed their
estimates as to the amount of capital required for working
the mines and building the branch lines to connect with the
trunk road of the Chin-Ai Railway, the ADMINISTRATION and
the GROUP shall, within six months from the date upon which
the AGREEMENT for the financing and construction of the
Chinehsou-Aigun Railway becomes operative, sign a mutually
satisfactory AGREEMENT to provide regulations for the joint
working of these mines.

Under this Detailed AGREEMENT the GROUP shall
secure rights not less favorable than those enjoyed by the
foreign interests associated in the Chinese and foreign joint
operation of the Linchens and Ching Hsing mines.

We specially communicate the above for your
information, with compliments.
Princess!

The wire went this afternoon- and again just before dining with Pu Loo strangely enough, a word to you. It seems almost futile now to write- for soon I shall be able to talk it all with you, but an explanation- and what's more, a perfectly unsuppressible howl of joy that now pervades my liver-ridden and overtrained system. You don't know how glad I am. It seems almost too good to be true, and I only hope that the Providence, so kind thus far, that has brought things to pass even as I had wished them, will not forsake me.

We're off in a bunch- and after difficulties I'll tell you, for then days almost I've been in absolute correspondence with New York about it, and tonight I handed an ultimatum, have my ticket and am really going-D.V.

You see Princess, it's this away. I saw that the Chinese were dilly dallying and would continue do so do so indefinitely if they were let. I saw that once we had babbled them we could go no further until we had either squared or defied Petersburg- and the last course we could only risk as a last resort. Furthermore, our only club to bring the Chinese to terms was a threat to leave them to the sorrows of Japan and Russia. So when things were pretty well settled as they were last Wednesday I announced that I would leave on April 28th. If they closed before I went I should negotiate on their behalf with the Russians- if not, I should return to New York and report that they were not seriously anxious to build a railway, but only using us for political purposes.

This I wired home N.Y. wires they think it unwise for me to leave. N.Y. knows nothing about it, and I promptly told them so. Things here will be at a standstill for six weeks or two months with prospects of trouble on the Yangtze which may delay progress even longer. I told N.Y. too, that I had stated I would go- and therefore must or "lose face". They answered again urging me to stay but saying I might go to Petersburg if I thought it necessary. I told 'em it was, and that I should leave as stated. Voila- They are in a funk because Galhoun is green. So much the more reason for getting away long enough to let him get his bearings. If he tried to do anything he might spoil it all. Better keep him quiet. I know I'm right and hence have no amusing conscience. One learns somehow as one grows older that even one's elders and betters have to be told what to do- and disciplined- particularly when they are attempting to deal with a situation about which their knowledge is remarkable only for its extreme scanty.

I know that, as I've said- but more particularly that I want to see you, and for the sake of the second I am very glad of the first. So there you are.

We're a crowd of eight- The Elder Brother-Three Beautiful Ladies-Three-to will Peak Sisters- very attractive, young, and quite charming- friends of the Elder Brother and also of George Ball and Peter Bowditch- Warwick Greens also of Philippine fame and your humble and devoted servitor make up the list. Perhaps we won't own that train!

How do you think of that?

In Petersburg as I've written you I shall have to see Ministers and Things but it went last long, and the Group will be unable to hold me there, for I can surely get away for ten days or a week even though they won't let me stir further west than London. They apparently think that things are going to develop so fast that I must be prepared to return to China on a moment's notice to hold Mr Galhoun's hand. That may be complimentary but it isn't sense. Why don't they name either the Elder Brother or myself Minister if they want us to take the responsibility of breaking in their political appointees. It's really rather sickening, and the sooner our people learn that they can play either local or world politics but not both, the better it will be for all concerned.

On the 23rd we have a polo match- cups presented by the Elder Brother- and since it's the lucky number I hope that our side wins. The teams are fairly evenly matched and the ponies equally bad, so it should be good fun anyway.

It's a funny world- here you have politics and polo and not- all in the day and today for me has been a strange one- for I have been muddled in a tragedy- one that you see so frequently- so frequently that one sometimes wonders what people
are thinking of when they enter into the most sacred of human relations. I don't know the story even. I suppose I could have had it had I been curious—nor did I advise—far be that from me. I've merely tried to help a sad and troubled soul and I hope that I can. Perhaps I've been wrong but I don't think it. Someday I'd like to ask you and see what you think.

The charm didn't work tonight. I hoped that I might return to find a letter from Cairo, but none came.

Goodnight Princess—bientôt.

W.S.
Dear Mr. Schiff:

Very many thanks for your letter of March 11th. I was greatly interested in reading about your speech, and again congratulate you on having said exactly what should have been said at this time. The "Times" editorial was most able and set forth the situation. I have had it reproduced in the local press. The resume of your former speech at the banquet to Baron Uchida was also highly appreciated.

A day or two ago I took the liberty of telegraphically addressing you personally regarding the situation here and my conviction that my presence in Peking at this time is not necessary, while it is possible that by making a thorough investigation of conditions in St. Petersburg, meeting the officials charged with the direction of Russia's Far Eastern policy, and either reporting directly to the Group in New York, or conferring with Messrs. Grenfell and Warburg in Europe, I may be able to advance the projects which we have completed our negotiations with the Viceroy's representatives regarding the Detailed agreements, might otherwise remain blocked for some time to come.

The Chinese will do nothing regarding the Chinchou-Alcun Railway until we attempt at least to remove the Russian objection. This cannot be done by negotiation with the Russian Minister here, and I believe that by personally discussing this problem with men in Petersburg I may be able to remove some of the apprehensions regarding the American attitude which they entertain at this time.

As to the Hukuang Loan, even if the Bankers reached an Agreement in Europe it would be the veriest folly to attempt to force the Central Government to coerce the Provinces now, when the whole Yangtze Valley is in a state of active or suppressed excitement.

In informing the Viceroy's representatives that in case they wished me to advocate their cause with the Russian Government they must close with Pauling's and the Group before my departure on the 28th. I took what seemed the sole course by which they could be forced to cease their quibbling and dallying. A continuation of such tactics would have prolonged the negotiations indefinitely. The Japanese and Russians would have become aware of their progress, and would have taken strong action to prevent further discussion. China has not as yet replied to the representations made by the Russian and Japanese Ministers regarding the Chin-Ai line, nor will she do so unless forced to commit herself. This eventuality is what I believe, must be avoided for the present, until our own position is more secure.

Therefore feeling that if a settlement could be reached my presence in Europe would be more valuable than in Peking, and that if a settlement were not reached my absence would not be inimical to the interests of the Group, I decided to attempt to bring matters to a head. Once having stated that I should leave Peking on a certain date it became necessary for me to act accordingly, and I shall leave here not on the 28th as announced but on the 30th instant. From present indications I hope that we shall have settled with the Viceroy's representatives before my departure.
I place implicit confidence in Lord ffrench who will protect the Group's interest as he would those of his own principals. For political reasons it seemed desirable that Mr. Memmel as an American, should nominally represent the Group. He will do so but no letters or telegrams sent from this office will be sent without Lord ffrench's initials thereon, and Mr. Memmel will take no action without consulting with that gentleman. Mr. Memmel has an excellent address and has made a good position for himself in Peking. He is young, however, and has not Lord ffrench's experience in dealing with political problems. I think that you may feel quite assured that the Group will be well and satisfactorily represented during my absence.

It is but natural that I should wish to return to America if possible, not only because I should like to go over the entire situation with you, but for personal reasons as well. In this regard, however, I place myself wholly in your hands, and shall, of course, follow your instructions.

The Group has now been organized for nearly a year. You have no idea of the difficulties of conducting business in this political hotbed, and you have as yet no profits to offset your outlays. At the same time, while I can not pose as a prophet, I do believe that you will eventually find this field a highly remunerative one. In suffering these initial delays you are treading the same valleys which your predecessors have traversed and considering the length of time you have been on route you have made better progress than any of your rivals. The American political position is strong; the Chinese are less suspicious of us, and more inclined to rely upon us than on any other Power, and I believe that your continued effort will surely have its reward.

These are considerations however which you must weigh for yourself, and regarding which you must of course decide. In the meantime I trust you will not think it indecent of me to ask you to consider what arrangements you wish to make regarding representation here. You know of course that my agreement with the Group is terminable on three months notice. I do not wish to press for a different arrangement at this time but feel that in fairness to myself I must ask you to consider whether it is going to be worth your while to maintain an establishment in China, and if so what arrangements you wish in regard thereto.

In bringing this to your attention, pray do not think me impatient or unreasonable or unmindful of the most considerate treatment which I have always received at your hands.

Trusting that I shall have the pleasure of seeing you before long, and with the kindest regards to yourself, to Mrs. Schiff, and to your partners, believe me,

Sincerely yours,

WILLARD STRAIGHT.
PRINCESS;

There'll not be much use in writing you after tonight. In fact even this may not reach you before I do, for I suppose you'll be hard to catch these days. Your telegram came tonight; you're quite right the "sacspe can go hang". Thank you for saying so.

To tell you the truth I'm somewhat surprised at myself, but I really believe it, and they may for all of me. I want to see you. That's all.

I hope that e shall settle on Tuesday. If we don't am off anyway. The Elder Brother and myself leave on Saturday next and I don't think I shall even stop at Mukden. If we close, well and good- if we don't, never mind. The Chinese are losing a great chance that's all- but they have been so vacillating- so weak- so small and petty, so suspicious during this past six weeks that they are going to the devil their own way if they wish. All desire to help them for their own sake has pretty well gone. If it were not after all good policy to play the altruistic game which I began with high hopes and good faith in the people for whom I thought we could work- I should say that the Japanese big stick diplomacy was the best. It may be the most effective- probably is- but it is not ours. But my advocacy of the higher course is not prompted by any consideration for these people but merely by a belief in our own ideals, by self respect and not by love for these folk. Princess, Princess- its not discouraging nor disheartening but it's disgusting.

I am sending you some pictures of the House Beautiful. Your House- as I've told you many times. Some were taken quite a time ago, but I wanted to send you all together and the balance have just been finished. You'll notice if you look carefully, the "Shou" character on the rugs and on the curtains also with the Guardian figure on the table in the entry way- just in front of the fire place. I had some taken of the Sanctuary.

I should have written you last night, for it was the 23rd, but I couldn't. I was dead beat, for after the polo, in which we lost by one good (and I was very glad because the others were so keen on getting cups) and a dinner to the Elder Brother, I had to come back and typewrite until after one to send a messenger to Tientsin by the early train.

After the game too I was pretty well crooked up, and a chill came on- excuse these details- and I really couldn't sit up any longer.

Perhaps if you read twixt the lines here, you'll see that I am none too cheerful, for I'm rather achy and overtrained- and my one glimmer is the thought of getting away- for the one thing I care about Princess is to see you, again- as soon as ever I can- as soon as ever I can. Goodnight, and Thank you for your telegram.

God speed the day-
April 25th, 1910.

Dear Davison:

Hearing through Kerfoot that you were not expected in New York until the 1st of May I wired Grenfell to see if you could not wait until my arrival in Europe before you departed. I received a reply which though undecipherable leads me to believe that you are now on the briny.

In the Group's telegrams there seems to be a note of apprehension about my leaving Peking at this time. I may have been wrong in my premises of course, though I doubt it and I have figured out that there would be nothing doing in the Hupeh, even if an agreement were reached between the Bankers, because of the Changsha riots and the general unrest on the Yangtze which would render any attempt to force the loan down the Throats of the People a very grave and dangerous mistake.

As to the Chin-Ai, I have believed that if the Chinese were in earnest they could be forced to close by my threat to leave China on a certain date. I did not put it baldly that I should go if they didn't close, but said I should go anywhere. If things were settled I could plead their case in Petersburg. If things were not settled, I should be obliged to report to New York that they were not serious in their expressed desire for the railway but were merely trying to make political capital out of the whole affair. I became convinced moreover that if they did close there was nothing to be accomplished here; that Petersburg was the place to strike; that if they didn't close settle with me they could do so with Frenzech or Kerfoot, equally well, for we had reached an agreement regarding the loan contract - the construction contract being the great difficulty - and that therefore my continued presence here would do no good while my departure might.

I know that the Department has addressed a fresh Memorandum to Petersburg, but unless I am mistaken there will be no reply from Russia for some time, and that reply might be more satisfactory in case I could explain a few things to the Ministries of Foreign Affairs and Finance. I have absolute confidence in Lord Frenzech, and although for American "face" I thought it wiser to have Kerfoot as the nominal representative of the Group he will do nothing in either Hupeh or Chin-Ai without consulting Frenzech who will initial all despatches, both cable and mail. You can therefore, I think, rest easy on that score.

The final reason of course for my departure, is that I have said the word and it would not do to remain here. One could never work a bluff on the Chinese again.

Had I felt that your interests would suffer by my departure I should never have acted as I have done. If I am wrong I shall be quite prepared to take my medicine.

In addition to all that has been said above, I am anxious for personal reasons to go to Europe now. My only wish to visit America is due to a desire to go over the situation with you, and to see my aged Aunt. If it cannot be arranged I shall be sorry, but shall be quite ready to return here if you think it unwise for me to be away too long from China.

The strain has not been a light one. I do not object to work, but this business of navigating in an uncharted region of hot air, where there are constantly new counter currents, where the clouds lift only to gather thicker and darker, and where one is always in danger of the supineness, inefficiency and ignorance, the obstinacy and suspicion, with which one has to deal, gets on one's nerves. I want a change, or I am likely to bite someone's head off.

With all my cursing of these people however I believe they are a good lot and that there will be great business to be done here in the next few years. That business I think we will be in the best position for political reasons, to secure. I know how annoying all those delays and complications must be for you, that you will feel "that it's all goin' out and nothin' comin' in", but nevertheless I hope the Group will stick it out as everyone else has had to do, to take the waiting in hopes that business will turn up, and be good when it comes.

I do not want to press this matter on your attention but now that you have had these months of trials and tribulations and can see to a certain extent what you are up against, I hope that the Group will begin to consider
consider whether or not it intends to maintain a permanent establishment here. My agreement as you know is terminable on three months' notice, and in justice to myself, now that you have had a try at the Far Eastern trade, I hope that you will weigh the pros and cons, and determine whether the pleasure of making Japanese and Russian uneasy, with business prospects in the offing, is worth while. I shall of course be prepared to come back, and to stick to it as long as you like, or will hand over house and files to a successor with my blessing, and a bottle of nerve food, but I should really like to know where I am to be at the end of something somewhat longer than each quarter.

Please do not think my unkindful of all your kindness and consideration, or deam upbarring this matter up an indication of impatience, or unwillingness to go ahead to do what I am told. I am merely hoping that before very long the Group will take these matters up for consideration. If you think it unwise to say anything about the matter now, pray do not do so. I have written Mr. Schiff, personally, and more or less in the same sense.

Trusting that you had a pleasant trip to Europe and that things will shape so that I can go to New York to see you, believe me,

With kindest regards,
Sincerely yours,

[Signature]

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Translation

Viceroy's Yamen
Beijing

Sir:

With reference to the Ch'üeh-ch'ü railway contract, now completed, Article 2 of the loan agreement of which provides for other enterprises which may be mutually regarded as satisfactory aids to the development of the line, we herewith set forth our understanding in respect to the following two such enterprises:

1. We desire to underwrite agricultural and colonization projects in the vicinity of the railway. Arrangements may be made to meet expenditures connected therewith by the transfer of funds from the railway loan.

2. We desire to open an ice-free port near to Ch'üeh-ch'ü. Funds to meet the cost of harbour works are at present being collected by ourselves. Should our own funds prove insufficient and outside money be necessary, it may also be appropriated from the funds of the railway loan.

We further confirm to the Group that if the harbour works are eventually built by the contract system the Group has the right to recommend contractors on the understanding, however, that the method of tenders will be employed, and that
Upon equal terms the contractors recommended by the Group shall be exclusively employed.

Compliments, etc., etc.,

Cards enclosed. 

He Liang, Vice President of Manchuria

April 30, 1910

Letter concerning the Tentative Price of Bonds

Their Excellencies The Viceroy of Manchuria and the Governor of Fengtien

to

The AMERICAN GROUP

Gentlemen:

In Article VIII, Section 25, of the Loan Agreement for the Financing and Construction of the Chinchou-Aigun Railroad, agreed upon this day, it is stipulated that the Bonds for the FIRST series of said loan shall be sold to the GROUP for 95% of their nominal value.

In view of a lapse of time which may supervene before the Imperial assent is given to the AGREEMENT, it is understood that the price mentioned above is based and fixed on the conditions of the present moment. Therefore before the signature of this Final Agreement, the GROUP shall first confirm this price, but if any political or financial crisis should occur affecting the prices of existing Chinese Government securities, with the result that the price arranged in this Loan Agreement thus becomes impracticable, the ADMINISTRATION and the GROUP shall determine upon another price which shall, however, be the most favorable rate procurable at the time.

The formal acknowledgement of this letter by the GROUP shall render it binding on both the ADMINISTRATION and the GROUP.
Letter concerning appointment of Traffic Manager

Their Excellencies the Viceroy of Manchuria and the Governor of Jilin

The American Group.

Gentlemen:

Desiring to operate the traffic of the Chinchou-Aigun Railway as economically as possible and to secure the greatest possible efficiency in the personnel of the Railway Staff, we hereby request the GROUP to recommend to the ADMINISTRATION an American who shall, during the currency of the LOAN, act as Traffic Manager of the Railway, subject to the orders of the ADMINISTRATION or its duly appointed representative.

The amount of the Traffic Manager's salary and the nature of his functions are to be fixed by the ADMINISTRATION or the HIGH OFFICIAL in control of the Line, in conjunction with the GROUP, and a separate AGREEMENT shall be drawn up which shall be binding upon the ADMINISTRATION and said Traffic Manager.

FURTHERMORE, the Manager may report concerning the conditions of the Line from time to time, and, should there be any unsatisfactory features, the ADMINISTRATION or the HIGH OFFICIAL in control of the Line is bound to remedy them with a view to ensuring absolute efficiency. The Manager is also bound to conform to the instructions of the ADMINISTRATION or the HIGH OFFICIAL in control of the Line, with regard to engaging on their behalf the various foreign employees, and should necessity arise for dismissal or removal of such

2- (Traffic Manager)

employees, he shall duly report to the HIGH OFFICIAL in charge of the Line as circumstances shall require to enable the necessary investigations to be made.

The various foreign employees shall be exclusively selected from persons of American or British nationality, and the positions held by, and the powers entrusted to them shall be such as to ensure the most satisfactory and economical working of the Line in every respect, so that the finances of these Provinces may derive considerable profit therefrom, and any risk or loss or prejudice to the rights of the bondholders may be avoided.

We specially communicate the above and invite you to note the same with our best compliments.

I have the honor to be,

Your Excellencies' obedient servant,

For the American Group

[Signature]
April 26th, 1910

Their Excellencies
The Viceroy of Manchuria and
The Governor of Fengtien,
Mukden.

Their Excellencies,-

I have the honor to acknowledge
the receipt of Your Excellencies' letter of even date
in which you transmit the Chinese and English texts
of the Final Draft of the Agreement to be entered
into, and now definitely fixed between Your Excell-
cencies on the one part, and the American Group
on the other part, in which the Group agrees to
issue on behalf of the Administration and the
Administration agrees to offer for issue to the
Group, upon the conditions therein stated, a Loan for
the construction, equipment, and operation of the
Railway from Chinchou to Aigun, and for other enter-
prises in connection therewith.

In this letter Your Excellencies state:

"We respectfully beg to state
that with regard to the Loan Agreement for
financing and constructing the Chin-Ai
Railroad and other enterprises, the terms
of which have, on this day, been satis-
factorily fixed, it is hereby acknowledge-
ed by both parties thereto that this Agree-
ment, the English and Chinese texts of
which are transmitted herewith, constitutes
the Final Draft entered into and definitely

Straight
fixed between the Viceroy of Manchuria and the Governor of Fengtien on one part, and the American Group on the other part.

As soon as ever we, the Viceroy of Manchuria and the Governor of Fengtien, shall have memorialised the Throne and obtained the Imperial assent thereto, the signatures shall thereupon be fixed and the Agreement be made operative.

We accordingly draw up this letter in order to apprise you specially thereof."

This letter is supplemented by a letter stating that the price at which the Group, in the Draft Loan Agreement, agrees to take the bonds of this issue must be confirmed before the final signature of the Loan Agreement, which letter reads as follows:

"In Article VIII, Section 1, of the Loan Agreement for the financing and construction of the Chihshou-Algun Railroad, agreed upon this day, it is stipulated that the Bonds for the First series of said Loan shall be sold to the GROUP for 92% of their nominal value.

In view of a lapse of time which may supervene before the Imperial assent is given to the Agreement, it is understood that the price mentioned above is based and fixed on the conditions of the present moment. Therefore, before the signature of this Final Agreement, the Group shall first confirm this price but if any political or financial crisis should occur affecting the market for, and prices of existing Chinese Government securities with the result that the price arranged in this Loan Agreement thus becomes impracticable, the Administration and the Group shall determine upon another price which shall, however, be the most favorable rate procurable at the time.

The formal acknowledgement of this letter by the Group shall render it binding on both the Administration and the Group."

In reply I have the honor to assure your Excellencies that the Final Draft of the Loan Agreement, as supplemented by the letters above mentioned, is satisfactory to, and must be regarded as binding upon, the Group, as upon the Administration.

In conclusion I have the honor to congratulate Your Excellencies upon having reached this stage of these difficult negotiations, to trust that Your Excellencies may at an early date memorialise, and secure the sanction of the Throne, to the consummation of these projects, and to express my high appreciation of the character and conscientious abilities of the Representatives whom Your Excellencies have charged with the conduct of the negotiation now so happily concluded.

I have the honor to be,

Your Excellencies' most obedient servant,

For The AMERICAN GROUP,

Agent.

The Willard Straight Papers at Cornell University
April 26th, 1910.

Their Excellencies,
The Viceroys of Manchuria and
The Governor of Peking,
Shumen.

Your Excellencies:

I have the honor to acknowledge
the receipt of Your Excellencies letter as follows:

"Desiring to operate the traffic
of the Chinchow-Ailgun Railway as economic-
ally as possible and to secure the great-
est possible efficiency in the personnel
of the Railway Staff, we hereby request
the GROUP to recommend to the ADMINIS-
TRATION an American who shall, during the
currency of the LOAN, act as Traffic Manager
of the Railway, subject to the orders of
the ADMINISTRATION or its duly appointed
representative.

The amount of the Traffic Managers
salary and the nature of his functions are
to be fixed by the ADMINISTRATION or the
HIGH OFFICIAL in control of the Line, in
conjunction with the GROUP, and a separate
Agreement shall be drawn up which shall be
binding upon the ADMINISTRATION and said
Traffic Manager.

FURTHERMORE, the Manager may re-
port concerning the conditions of the line
from time to time, and, should there be
any unsatisfactory features, the ADMINIS-
TRATION or the HIGH OFFICIAL in control of
the Line is bound to remedy them with a
view to ensuring absolute efficiency.
The Manager is also bound to conform to the
instructions of the ADMINISTRATION or the
HIGH OFFICIAL in control of the line, with
regard to engaging on their behalf the
various foreign employees, and should
necessity arise for dismissal or removal

of such employees, he shall duly report to
the High Official in charge of the Line as
circumstances shall require, to enable the ne-
cessary investigations to be made.

The various foreign employees shall be
exclusively selected from persons of American or
British nationality, and the positions held by,
and the powers entrusted to them, shall be such
as to ensure the most satisfactory and economi-
cal working of the Line in every respect, so
that the finances of these Provinces may derive
considerable profit therefrom, and any risk or
loss or prejudice to the rights of the bond-
holders may be avoided.

We specially communicate the above and
invite you to note the same with our best
compliments."

In reply I have the honor to state that the
American Group will take pleasure in recomending to
the Administration an American who shall assume the
office and perform the functions above mentioned,
and furthermore to assure Your Excellencies' that
the greatest care will be exercised in making the
selection of the person who shall be thus recomended,
in order that the Administration may feel itself
fully justified in the confidence which has been
shown in requesting the GROUP to recomend an Ameri-
can for such an important position.

I have the honor to be,

Your Excellencies' most obedient servant,

For the AMERICAN GROUP,

Agent.

The Willard Straight Papers at Cornell University
Letter concerning two coal mines

Their Excellencies the Viceroy of Manchuria and the Governor of Fengtian,

to

THE AMERICAN GROUP,

Gentlemen,

With reference to the coal mines which may be opened in the vicinity of the Chin-Ai Railway for the construction of which a Loan Agreement has been concluded with the American Group the Viceroy of Manchuria and the Governor of Fengtian agree to send an official with the engineer appointed by the American Group to survey and select two places after which arrangements may be drawn up for working them in cooperation.

Regarding

The Regulations for the operation of the said mines and the profits to be derived therefrom shall conform to those for the Chingshing and Linheng mines, and must be mutual in satisfactory to both parties.

Moreover no work shall be commenced until after the Loan Agreement has become operative.

Muntenung, Second Year;
Third Moon, Twenty-first Day.

(April 22nd, 1910.)
Letter Concerning the Negotiations For the Construction Contract, Addressed by Their Excellencies the Representatives of the Viceroy of Manchuria and Governor of Peiping, to Mr. Willard P. Straight, Representing the American Group in China.

Sir:—

We beg to inform you with regard to the Construction Contract with Messrs. Pauling & Co. Ltd., negotiations in respect of which are not yet completed that we herewith confirm the specifications and price of the railway which have already been decided upon with Mr. James Sinnell and approved by Their Excellencies the Viceroy of Manchuria and the Governor of Peiping and these may not be altered. But as regards certain of the clauses and the wording of the same there are some points not entirely satisfactory which require further careful consideration which will probably take a few days to complete.

As soon as the Contract has been settled and submitted to Their Excellencies the Viceroy of Manchuria and the Governor of Peiping and has been approved by them they will append a letter accepting the same as was done in the case of the Loan Agreement.

Nuantung, Second Year, Third Month, Twenty-first Day.

(April 30th, 1920.)
Princess:—

The hour waxeth late. It's lucky there's something besides wax as an illuminant. However, for otherwise we'd be badly off—William and I.

For a whole week I've been going at top speed—no sleep, and now this is the last lap. Everything, thank heaven, is in good shape,—the sculpture, such as they are, I think we have—so far as we can get 'em here. Much is left—my typewriting practically finished—these papers and documents ready for tomorrow. At half after eight we leave Peking—frenchman, George the yellow-haired stenographer, myself—all together in one car—the Elder Brother very swell in another. At Tientsin the Viceroy's representatives board the train and go down the line for two hours till they meet the up-train from Hankow. During that time we expect to put the finishing touches on the work—all save one letter which is to be handed me at Hankow. Then the Chinese will be hobbled and we can go after the Russians.

It's been pretty strenuous but I think that my bluff worked after all,—and I am very glad for otherwise I should have lost much face.

This is the last word from the Sanctuary. I shall carry the letter along and mail it in St. Petersburg, but I could not have (left) without a word to you—without this House is so intimately associated. I shall never forget the first time you came here Princess, when I asked you your idea—nor shall I ever forget that Monday morning when I had to break down the door to let you in.

This will probably reach you after I do myself—though the week in Petersburg may make a difference. I should like to precede the letter, as I wired you yesterday in response to your able saying that you reached Paris on the 26th of May. I do not think Princess, that I can wait till then to see you when I am really within striking distance on the twelfth.

I am crossing half the world to see you Princess. I want to see you more than I want anything else. Goodnight, from the Sanctuary. I bring you a Guardian and the Buddhist scroll. Goodnight and God Guard you. I shall turn in for a moment, and though very tired I am very glad for I feel that I am bound toward you, at last.

W.S.
Dear Straight:

May 4, 1910.

Your welcome letter was received, intact and read with great pleasure. I must apologize for not sending you the promised letter by Kennedy, which I failed to do on account of not meeting him the day before his departure (I still do things at the last moment), but anyway I had nothing to say, as Goto had not yet replied to the Ambassador's memorandum. I should sometime like to hear how Kennedy impressed you, and what he said or didn't say.

I am interested to learn that you are taking a short vacation. You certainly must have led a strenuous life since your arrival at Peking and I am surprised to you have not yet had a physical breakdown, for you ordinarily do more than two average men could do with safety. Then I suppose you will also have an opportunity of refreshing connections at the other and incidentally en route make an attempt to get Russia down off her high horse.

According to telegrams received yesterday President Taft has made a speech in
decided. In short, it has apparently been the intention of Baron Goto to leave the question open, and this he has done in his memorandum. While he stated that the nationality of the loan did not limit the countries of purchase, the Foreign Office seems inclined to take that view, especially Dennis, and when the time comes for placing the orders, this will probably be the reason advanced for leaving America out in the cold. I forgot to say, but your doubts as to what the loan is to be floated in England.

In your letter you say that the Embassy missed a chance of getting things straight by not interpreting Baron Goto that Marvin had left the consul service and was in the employ of the Chinese government at the time he so unkindly trod on the toes of the Directors of the S.M.R.R., and that the Directors are prone wrongly to imagine. I am glad, however, to be able to tell you that that important point was not overlooked. My last letter in giving that impression was ill put. In fact, the Baron mentioned the point himself in telling the sad tale the Directors had whispered into his ear. He recognized that Marvin was not acting in a consular capacity, but his previous consular connections as well as personal relations with Mr. Roosevelt were sufficient, said the Baron, to make the Directors attribute to him deeper motives than appeared on the surface. The Baron stated that he was not saying that which he said that the Chinsow-Aikun Railway negotiations were progressing smoothly, and since Japan had consented to participate, America did not care what Russia said in the matter. The speech has caused some stir in Japan, and doubtless has raised a tornado in Russia. This is China's opportunity to assert her rights under the wing of active support.

I enclose a translation of an article elicited in the Yorese Ocho by the President's speech. However, it represents the attitude of the Yorese and not of the Japanese press. The Yorese is proverbially as yellow as sulphur.

As for Goto's answer, it was wholly beside the question. Instead of telling us whether American manufacturers might expect future orders from the S.M.R.R., he related the history of an unimportant past transaction in which an American firm had failed to get an order because it withdrew its bid before the order was placed. He also reemphasized the fact that the statements he had made about American newspaper criticism and the action of American consular officers in Manchuria did not represent his own attitude but that of the Directors of the S.M.R.R. He said that he was confident that the majority of Americans were friendly, giving some specific instances, and that he truly reciprocated their friendship. We asked the secretary who brought the Baron's memorandum when and where the rolling stock for the Antung-Hakden line was to be purchased, and he said that, as it would be some two years before the line was constructed, the question had not yet been
the Director were right in their view, that ether right to

were their view, and that it was the

view which was endorsed, that the views in

the treaty revision and effectuated thereafter. However,

the government kept it mouth sealed, and any conclusions reached in secular

the Embassy that he may never leave. To

left without exaggeration, he is the

left for Cairo, and Schuyler has arrived

in his place. Captain Summerlin, whom

O'Brien, the J. of Arms, and I trust for

the Embassy that he may never leave. To

the most erudite gentleman whom it has

been my pleasure to see, or even to know.

he is truly born an Alphonse and
distinctly

Mr. O'Brien is just a charming. This week

they're off for a yacht. A tour in the

Inland Sea. Mr. O'Brien expects to take

a two month trip to China, possibly

covering Manchuria in the same date,

government kept it mouth sealed, and any conclusions reached in secular

their view, that ether right to
Well, enough for this time. When you reach Washington, pray give my regards to all my friends, Mr. Wilson and Mr. Miller, especially. Also of course to their noble wives. And please remember me to Marvin and ask him to forgive me for my silence, if I could get his address, I should be delighted to write to him.

Assuring you that I am always at your service in either word or deed, and with the kindest regards,

Yours very sincerely,

[Signature]
Princess,-

Herein lies the last word from Peking. Yolla from Europe, for I've been no
own mail train. In fact I am still, for I'm dizzy as can be and my hand rubbles after
having let all pens strictly alone for ten days—save only a few post cards, scratched
en route, to cheer the disconsolate Fekindis.

Word from you should come down this afternoon from Petersburg. The Elder
Brother and I having ordered a messenger to bring letters and telegrams—for unless the
Chinese have settled with French as they promised to do, I shall not go to the Capital
at all, but—D.V., depending on your letter and the telegram from New York and Peking,
city bag and luggage to wherever you are to be found. To catch this afternoon's schnell
zug or whatever it is, this goes now.

We've had a sort of a circus trip. The Elder Brother collected three Pek
Sisters—beautiful young and charming—who had a large: two sparrows of sorts—a chum dge.
two Peking-pugs and an English maid. Then there was Madame Pastor-wife of the Spanish
Minister—the two Manilites, Swish and Greene—and Georgie Hall—Us and Williams, who
have come along to watch documents in these infernal Russian Hotels.

I've been counting the hours, and now we're here at last I'm a little
dazed—and until I hear from you—as I hope to this afternoon—it is hard for me to
believe that I am actually on the same continent again—and that instead of being six weeks
you are not more than four days distant. Princessse, it seems to go too good to be true—and
I'm only hoping that I shan't wake up suddenly and find that all this that I have schemed
for so long and wished so greatly, is not true after all.

I'm bringing you—not frankincense and myrrh—but a trinket or two that I
hope you will like—and which I trust will mean something to you. In addition I have
three copies of "House Boat Days" dedicated by Bland and limned but not yet illuminated
by me. Would it not be fun—if when Reunioning we have a quiet morning to do them to-
gether? The ink lines are in, but the colours not been put on, save for a little bit in
Anna Bento's volume.

In the Paris "Herald" which I found here this morning, I found the news of
Mary's engagement. Ramsey I do not know at all, for I've not met him but two or three
times. He seemed a very nice fellow and I am sure since she has chosen him, that he is
must be a fine man. I cannot tell you now glad I am for her—She has borne so much—and
done it so splendidly, that she deserves the Greatest Thing the World holds—and
I am sure she has found it. It's fine. I hope with all my heart for their happiness—and
that he is the man to give her the great tenderness and care that should be hers.

Princessse, there's much more to say to you, but paper and pen are poor
things at best—and soon I hope I shall see you—and we can discuss the "Open Road"
and the thousand and one things that I've been thinking to you all these months, since
you left Peking nearly six months ago. I am glad—so very glad, to think that now it
cannot be very long—though sometimes the last days of waiting are harder than all the
rest.

God Guard you-Princessse.

W.B.

Original in private hands.

The Willard Straight Papers at Cornell University
COPY.  Peking; May 16th. 1910.

Translation of letter from H.R. The Viceroy of Manchuria to Messr. Pauling & Co Ltd.

Messrs Pauling; & Co Ltd.
26 Victoria Street,
London. S.W.

Dear Sirs,

Besides having on this day made a definite Agreement with The American Group, for the finance of the Railway from Chenchow fu to Aigun (Hei Ho), we, the Viceroy of Manchuria and Governor of Fungtien hereby declare that the final Agreement for the construction and equipment of the railway simultaneously made with yourselves, copy attached hereto is hereby accepted and will become operative in ratification by Imperial Decret simultaneously with the financial Agreement.

We remain,
Dear Sirs,
Yours faithfully,

P.R. See
Encl
T.J. Catrell  
signed.

Mem. There is no date on this letter in either Chinese or English version - the Chinese version has only got the date marked on the envelope.

COPY. Peking: May 16th. 1910.

Letter from Pauling & Co Ltd, in reply to letter from H.R. The Viceroy of Manchuria.

His Excellency,
The Viceroy of Manchuria.
Fungtien.

Your Excellency,

We beg to acknowledge the receipt of your Excellency's letter dated 5th day of the 4th Moon of 2nd year of Mann Yung, corresponding to the 16th day of May 1910, with copy of approved Agreement between us for the construction and equipment of the Railway from Chenchow fu to Aigun (Hei Ho ) attached thereto: in confirmation of your Excellency's definite acceptance of same.

We have the honour to be, your Excellency's most obedient servants.

(sgd) on behalf of Pauling & Co Ltd.

Yours,
James Ginnell.
Employees shall construct and equip the aforesaid railway upon terms to be arranged, and now having on even date ratified and signed a financial agreement with the American Group, providing the funds to pay for the construction and equipment of the railway hereby agrees with the employees as follows:-

1. THE works to be performed under this Agreement are: the construction of the railway and the equipment of same with Rolling Stock (hereinafter called "the equipment") that is to say:- Locomotives, passenger cars, open and covered goods wagons, coal and ballast wagons and vans, the whole of the railway and the equipment complete with stations and station buildings, sidings platforms, water supplies, turntables, signals, telephone and telegraph workshops, machinery, tools, residential quarters for officials and for labourers, and generally the complete outfit of a railway for traffic working but more particularly as specified and detailed hereinafter.

2. THE Engineer-in-chief for the Administration (hereinafter called "the Engineer-in-chief") shall be a Chinese Engineer and shall be of high repute and extensive railway experience such as either His Excellency Jene Tien Yow or His Excellency Kwang King Yang and shall be reasonably satisfactory during the period of construction to both parties hereto, and shall represent and act on behalf of the Administration giving all technical instructions to the employees.

3. THE employees shall locate the railway and make all the surveys, working plans and section which they may require for the purposes of construction, following generally the reports of inspections made by Mr. James Ginnell Civil Engineer for His Excellency the Viceroy of Manchuria, and in accordance with the general instructions of the Engineer-in-chief.
4. THE Engineer in charge for the employees shall be Mr. James Gunnell, Civil Engineer (hereinafter called "the Agent") or his failing such other Engineer as shall be reasonably satisfactory to the Administration, who shall represent and act on behalf of the employees in all matters relating to this Agreement.

5. THE employees shall construct and equip the railway in a first class manner in accordance with the working plans and sections prepared as above mentioned, under the supervision of and approved by the Engineer-in-Chief, which approval shall not be unreasonably withheld after due submission, and with the Specification and provisions contained herein.

6. ALL the lands required for the railway and for all the purposes of construction whether permanent or temporary, with all right of way, facilities and access to same, shall be provided by and at the expense of the Administration and shall be placed at the service of the employees in due and proper time for enabling all the works of construction to proceed without delay or hindrance, and as and when requisitioned by the employees.

7. THE railway shall be constructed of the same gauge and carrying capacity as the 60 lb. track of the "outside wall" section of the Peking Mukden Railway and of the equally high standard and character of work of the Peking Kalgan Railway.

8. AS soon as the Administration or the High Official shall have fixed upon the exact northern and southern terminal points of the railway the employees shall be notified and shall act accordingly. But the southern terminus shall be established at a point situate on the sea in the neighbourhood of Chinshow.

9. THE employees shall have the full and free use of all the railway and works under construction and the equipment as well as of all the land including quarries, ballast pits, brickfields, etc. required for the purposes of the railway, sidings, stations buildings, workshops, water supplies etc. during the period of construction, and shall hand over same, in good and proper condition to the Administration on completion and the fulfilment of this Agreement.

10. THERE shall be no tax, customs' duty, like or Chinese charge whatsoever levied upon any materials or requirements for the construction of the railway or the equipment or for any temporary operation of same during the period in which this Agreement shall be in force. The Employees, in all cases on the arrival of invoices of the above defined materials or requirements shall apply for certificates to the High Official, who, upon examination of same shall issue the necessary certificates in accordance with the Imperially sanctioned regulations.

11. THE Imperial Government Railways of North China (hereinafter referred to as "the I.C.R.") shall afford to the employees the same rates for haulage, wharfage, stores and workshop facilities and privileges, including the construction (optional to the employees) of the equipment and of steel bridges, at current prices, same as those afforded to the Imperial Peking Kalgan Railway (hereinafter called "the Kalgan Railway") or its extensions, during the construction and temporary operation of same; and shall give convenient access for the delivery of materials at points along the line.

12. THE free use of the unconstructed harbour in the vicinity of the southern terminus shall be made available to the employees for the purposes of the railway.

THE employees shall make available the temporary track, while under construction, for public traffic, as far as possible consistent with the requirements of
construction, and traffic carried over the same shall be in accordance with the schedule of rates and terms forming a part hereof.

13. The materials for the construction of the railway and the equipment shall be obtained from the best sources so as to insure the best quality, but a preference shall be given to the steel rails manufactured at Han Yang Steel and Ironworks and to any other goods manufactured and produced in China of equal price and quality.

14. There is no fencing included or provided for in this Agreement.

15. The employees shall commence the location and surveys not later than two months after the signature of this agreement, and shall from time to time submit instalments of the completed plan and section as prepared to the Engineer-in-Chief for approval as per Clause 5.

16. The employees shall commence the work of construction not later than three months after the signature of this agreement (subject to clause 34 herein) in accordance with the plan and section submitted to the Engineer-in-Chief and approved by, as per clause 5, and shall procure and supply a sufficient quantity of the equipment in time for use in carrying on the work of construction.

17. The general specification of the work shall be of the same character as that of the I.C.R. (outside wall) or of the Kalgan Railway, but more particularly as follows:

18. Curves and Gradients: The line shall be laid out so that the minimum curve shall not be less than one thousand feet radius, and the gradients shall not exceed one and a half per cent unless the Engineer-in-Chief for economic reasons shall sanction a modification of these. In crossing the Lesser Kihang mountain range for a special section of the line, it will be necessary to use 700 feet radius curves and two and a half per cent gradients.

19. Cuttings and Embankments: Cuttings shall be excavated to a bottom width of sixteen feet and to such slopes as the nature of the ground will warrant. Embankments shall be built to a top width of eighteen feet and to such height as will insure permanent slopes of one and a half to one.

20. Culverts and Bridges etc: The culverts and bridges shall provide for an estimated sufficiency of waterway. The smaller culverts, bridges and flood opens may be of economic spans up to forty feet in the clear and spanned by steel rolled beams (Differdangé) of the I.C.R. standard with concrete and for masonry piers and abutments as per the I.C.R. type drawings or as built on the Kalgan Railway. The larger spans (forty to sixty feet) shall be of plate girders of I.C.R. standard or of equal carrying capacity, with like piers and abutments or as per the Kalgan Railway.

The one hundred foot spans shall be of the I.C.R. standard with the option of adopting steel piers and through girders of the type used on the Peking Hankow Railway (Yellow River Bridge). Any other modification in the bridges will be as approved by the Engineer-in-Chief. The steelwork shall be of the same standard as that of the railways above referred to.

Where the railway crosses mountain torrents at a high elevation and having beds which are only subject to a small normal flow of water, these torrents may be crossed by means of a low, protected track with openings sufficient for the mean water discharge, allowing the temporary abnormal discharge to pass over the track.
In portions of the flood sphere of the Liao Ho and other flood river valleys where the flow of water is uncertain, a low protected track may be used.

21. 60 lb. track, 4'-8" gauge: The rails, fastenings, sleepers and ballast shall be of the I.O.R. or the Kalgan Railway standard as per the I.O.R. type drawings for 60 lb. track. Ballast shall be of the quality obtainable on the Railway at a distance not exceeding thirty miles. The track for the whole length shall be put into capital running order and shall be consolidated by the construction trains before being handed over.

22. Masonry: Masonry may be used in culverts, bridge-piers and abutments wherever stone is available along the line and shall be set in cement mortar.

23. Concrete: Concrete shall be according to the I.O.R. specification, and, owing to the great scarcity of stone may be used in substitution for masonry throughout the railway.

24. Brickwork. Brickwork shall consist of the ordinary native bricks, which may be used wherever necessary (in wells, for bridges, piers etc) and set in lime mortar.

25. Cement. Cement shall be of Tongsha or other approved Chinese brand if available and of equal price and quality to foreign cement, all subject to Kalgan Railway tests.

26. The contract price includes a provision of rails, fastenings and sleepers equivalent to five per cent of the point to point mileage of the railway for use in station sidings, passing places, sidings to ballast, pits, quarries, brickyards and for other accommodation lines. The rails, fastenings and sleepers shall be delivered at the depots only and do not include labour charges when required for places of permanent use. In these cases, labour and haulage charges will be included in station expenditure under Clause 27 hereinafter.

27. The contract price includes a provision of two per cent of the price per mile of Railway (point to point mileage) set apart to cover the expense of all buildings, workshops, tools, machinery, telegraph and telephone stations, living accommodation, water supplies, tanks, points and crossings, the laying and completion of sidings, signals, engine houses, pits, turntables and all other requirements for the efficient and safe working of the traffic as recommended by the Engineer-in-Chief. This sum which shall include the cost of all the works within the station limits save and except the single line of railway passing through, and the rails, fastenings and sleepers for sidings, shall contain a provision of twelve and a half per cent of the amount (of two per cent as above) as a remuneration for the employees for all the works included in this clause, over and above the expenditure on same.

28. The Engineer-in-Chief shall determine and allocate the sum provided under clause 27 and the employees shall have general instructions at the commencement of the works as to the disposal of same, so as to facilitate the works and to have the matters proceeded with and made available in due and early course for the use of the employees in completing the railway.

29. The contract price includes the supply, delivery erection and completion of the equipment fit for traffic working, and the employees shall procure same from Chinese American, European or other sources. The equipment shall be of a quality, manufacture and finish suitable to the line and of equal capacity to that of similar denominations now in use on the I.O.R. The wagons, third class passenger cars and vans shall be of timber of the I.O.R. type before the year 1900. The sleeping, dining and first and second
All matters in connection with the work shall be arranged between the Engineer-in-Chief and the Agent in accordance with the proper interpretation of the clauses 17 to 29 inclusive.

30. THE Engineer-in-Chief shall at all times have access to the works, and should the railway not be constructed in accordance with the plans and specifications he shall give due notice to the employees to make the required alterations.

31. THE Administration and the High Official shall prevent any interference with or hindrance or molestation of the employees and shall take such precaution as may be necessary to insure the safety of the employees' men and property.

32. THE employees undertake on their part that their foreign staff shall observe the usages of courtesy together with due respect to the established institutions of the country (China) and loyalty to the Treaty regulations and to the rules of the Imperial, Viceroyal and Gubernatorial governments recognised as applicable to foreign residents in China. Should any of the above foreign staff misbehave or not submit to restraint or show disrespect for the Chinese local authorities, they shall, on bringing the above to the notice of the employees be forthwith impartially dealt with according to the circumstances of the case.

33. SHOULD any complaint be made at any time by the High Official against any of the staff of the employees Chinese or foreign about his or their improper actions or bad character and manners, the matter shall be at once investigated so that justice may be equitably and impartially administered. Should the complaint or charge be proven the objectionable person or persons shall be removed on the spot.

34. THE entire length of the railway from Chin Chow Fu to Aigun (Hei Ho) shall be constructed complete with the equipment fit for the operating of traffic on the day of the month of the year of Hsuan Tung, being the thirtieth day of June anno domini nineteen hundred and seventeen (if
this agreement is sanctioned before August 10, 1910, and so that works can be commenced with full labour force in mid March 1911). Provided always that in case the employees have been prevented by force majeure of any kind such as default of the High Official, delay in instructions, plans or approvals, want of land for the commencement or for the continuation of construction, the act of God, war, plague epidemic, floods, tempests, or other catastrophes, burned or shipwrecked materials or stores unused or in transit, strikes or combinations or the excessive sickness of employees, delay due to any work or operation not included in this agreement or to the supply and delivery of the equipment or other materials: stoppage of the work from any unforeseen cause or circumstance outside the control of the employees, or which would reasonably hinder the completion of the works and the fulfilment of this agreement, then in such event the employees shall be entitled to have the time for completion of the railway and the equipment equitably extended. In case of stoppage of the works due to war or insurrection the Administration shall make good to the employees any consequent damage which they may have suffered owing to the suspension of works.

35. THE property of the employees' staff and all matters and persons in connection with the works shall be protected by the Administration who shall see that the place is at peace without any organized hindrance. In case of any difficulty as to labour affecting the works, the High Official shall use his official power in co-operation with the employees to equitably adjust the same.

36. THE Engineer-in-Chief and the Agent shall from time to time meet and confer upon any necessary matter in connection with the execution of the works and acting harmoniously together in the interests of their respective principals shall determine a mode of operations and a line of action to their mutual satisfaction but in case of and as often as any difference or dispute concerning or relating to the railway or the equipment or to anything appertaining to the fulfilment of this Agreement (except where otherwise provided for herein) shall arise, the subject of such difference or dispute shall be at once referred to the High Official by the complainant party, and the High Official shall promptly and equitably adjudge upon same. But should either party feel aggrieved or be not satisfied with this adjudication, then the matter in question shall be at once referred to two independent arbitrators mutually appointed by the parties (who shall act in accordance with the Arbitration Laws in force in England) and who shall investigate and decide the matter or matters equitably. Should they fail to arrive at an unanimous decision they shall then refer the matter or matters in question at once to the decision of a third person to be chosen and appointed by the above mentioned arbitrators, and whose decision shall be final and binding upon both parties hereto.

37. THE employees engage on their part that they shall in accordance with first class methods, complete the construction and equipment of the railway in a fit and proper condition for opening for public traffic, at the contract price of seven thousand eight hundred and eighty-five pounds sterling (£7,885) per English statute mile of railway between Chin Chow fu and Aigun (Hei Ho) and the employees further agree that they shall receive the above mentioned sum in full and final discharge of all their claims and demands under this agreement.

38. EVERY two months as the works proceed the Engineer in Chief shall prepare a certificate of the value of the works executed, materials and the equipment supplied (taking into account shipments from abroad as per clause 39 herein following) and such Certificate
shall be issued to the employees within seven days after the end of the second month and similarly every succeeding period and payment of the amount of same shall be made in sterling in London by the High Official within fourteen days of the presentation of the said Certificate to the High Official.

39. MATERIALS the equipment etc. purchased abroad or in China for delivery to the employees shall be paid for in sterling if abroad and if in China in the currency of the place at the telegraphic transfer rate of the day, against the inspection certificates of the Inspectors appointed by the High Official, and Bills of Lading at place and date of shipment by telegraphic notification of the Inspectors to the High Official and the High Officials telegraphic acceptance of same.

40. THE final Certificate shall be deemed to be due and the final payment thereon to be payable as soon as the railway and the equipment have been completed and made fit to be opened for public traffic.

41. IN forest country the employees shall have the right to timber for railway purposes at reasonable rates to be fixed by the High Official.

42. THIS agreement is signed in quintuplicate in English and in Chinese, and should any doubt arise as to the interpretation, the English text shall be accepted as the standard.

SIGNED AT this day of the moon of the year of Hsuan-Tung being the day of anno domini one thousand nine hundred and

On behalf of the Imperial Chinese Government.

On behalf of Pauling & Co. Limited.
Princess, dear

You are speeding now through the mountains on your way to Turin and I follow you and wish that I were by your side as yesterday. Tonight I hope you will have my letter. It—mer this—cannot tell you all that you have brought me. What your “Goodnight Willard” yesterday meant to me. The world seems brighter with the Great Hope that I have that you may come— that you will tell me that you love me— that we shall be together always, in body and spirit. Dear Heart, sweetness, if ever I had any, has been for you, but today somehow, with you filling my every thought, with the thought of those last precious moments to cherish, to help me to give me Hope.

Princess, for that, I may do. Mayn’t I—it is all different. I have breakfasted with George and I have told him that I was sorry that I was nasty and curt. I shall no longer be intolerant if I can, but try to do as you do— see all the good in people, and there is always so much if one can only overlook and sympathize with the rough places. People, I know, are sensitive to their own defects, and so appreciative when they are overlooked— and that is why everyone loves you so. You are so wonderful, Princess. Come to me and teach me to be like you. I shall try, really, though a bad pupil always, I’m afraid.

You have asked me to wait. Do you know how hard it is. Do you know that I can’t wait long and that at any moment I am apt— very apt— Princess, to let the spirit of the Mayor age sweep me away— to ride for you and swing you on the saddle before me. I shall be quite terrible then— on a very big horse— and all in tin clothes. Are you not afraid?

This is written in a moment between conferences. I’ve just left Davison with Mr. Morgan and am here waiting for him to come in. Plans are yet nebulous— and I shall have to telegraph them to you later. It looks, though, as if I might have to go to St. Petersburg— almost at once— then return here or to London, or both— and almost surely as if I could not join you again in the south of France, for Davison is very keen to finish things up and go home again. Perhaps I could run out to meet you and motor in the last stage, or something like that— we’ll see. But I shall go to you again-—see you again before I start off for anywhere. The Elder Brother comes over the first of the week and is waiting news from me, which I’ll give him tonight.

Thank you again and again for these hours— that we have spent together. They are the most precious I have known— the little Saloon, the Cathedral, the Certosa, the ride through the city— the dinner at Ova— the dark room and the street noises— with you Princess, silhouetted against the window’s dim light, the breakfast yesterday and the ride— the wonderful scene from Orta and Isola Bella, Princess— and then you on the platform. Someday I hope that we shall always be together on the platform, going or coming, but never saying even au revoir, and that the train we take together shall be for life— Princess, dear, with all my heart and soul and mine (mind) — that all are yours— I love you.

Willard.
Princess dear,

The day has gone and not much new, save that I have thought of you during it all— a few more hours added to all that has gone before, for this is surely not new. Nor do I know much more clearly where I stand. There seem to be three possibilities—one, the most important, that I may be able to go to you on Wednesday— Two, that I may sail with Davison on Saturday for home— and Three, that I may go at once to St. Petersburg that is on Wednesday, Thursday or Friday for I shall not go until I have seen you and then return to Paris immediately.

Today I have lunched and dined with Davison, who is very busy with other matters and tomorrow before the conference, Davison, Harjes, Grenfell and myself all breakfast save the two— together and go over the papers.

Tonight after dinner, Davison asked me what my plans were— personal he insisted. I told him that of course I was here to do what I was told, but that if I could, I wanted to go to the south of France on Wednesday night or even Tuesday. I told him that it was "the same reason that I had gone to Italy"— that I hoped to win and that if I did my plans would perhaps be considerably changed— but that always of course I was under orders— was not that right. He did not of course know the I wanted to see, but he was very nice— splendid in fact— He said that officially he really didn't know whether if I did win out it would be a good thing for the Group or not, but personally he thought I could serve the Group better, and do this too. He was pulling my leg a little, I'm afraid. So he said: "Go ahead and Good Luck to you". I told him that she when I hoped to win would be the last person in the world to wish me in any way to shrink my duty or to be false to a Trust.

Was I right in saying as much as I did, Princess dear. I think I was, because it is better to be frank and Davison will now understand my wanting to go, and be glad to let me if he can, while otherwise he might have thought me merely foolish and chasing butterflies.

There are many other funny things to tell you— Mr. Bacon asked George where I was. He didn't know. Mr. Bacon looked at him slyly and asked when you would reach Paris. And last night— but that I shall tell you when I see you.

Tomorrow I shall write you to Aix, and let you know how things have gone— and by Tuesday I shall be able to tell you more. In case it is impossible for me to go to you, I hope it will not be— could you come here on Wednesday. Then at least we could have a ride or two. It is wonderful in the Beis. George and I rode today in the rain after I had seen Davison in the afternoon. There was the freshness of spring and the scent of the flowers—the odor of the damp earth— all thrilling with a new life. There came a great change in mine, Princess, on the first of November, and you can make it all new, and better and nobler if you will— and for always. It is in your hands— yours to do with what you will.

Goodnight—Dear Heart. God Guard you always, and bring you to me.

Willard.

I should rather go to you at Aix, because it seems cleaner somehow, than Paris— more country, a smaller place. This is the way it goes, frittering, effortlessness— save for the Beis and its long green reaches. So if I can, I shall come, and I hope I can. It is lovely without you, Princess dear. I want you so. Goodnight.

Willard.

"You set the pattern for me. Along the world you wandered through. Lost, mazed and weary, I might be and miss the way that led to you.

Now soft at open doors aglowe. Have I delayed my roving feet. And wandered— shall I further go? For just a hungry hearts' quick beat."
When on the threshold I have seen
Your woodland signal were it lay-
With arrow pointing finger green,
To warn me that I might not stay.

The gypsy knew the gypsy's call,
It led the wayward heart aright-
Together as the shadows fell
We kneel our roadside fire to light.

The fire we kindle hand to hand
Shall cheer the way for weary men-
Till our Great Chieftain gives command-
"Break camp, and take the road again."

Then love--whosoever goes before,
If it be you, if it be I,
Shall set the pattern once more
Across the spaces of the sky."

Princess--I cannot stop--and back again to you, you see. George read me this tonight.
Mrs Roosevelt gave it to him;by Amelia Josephine Burr--is it not nice.

There's a wonderful moon tonight, and last night it shone over the mountains, while I sat and smoked and dreamed of you on the Balcony, with the soft light on the Lake and over Isall Bella.

Princess dear--all the world to you--all, all. I am so glad that I told you all that day, in the car. I am not sorry, for these things have been real, but I never knew before. I thought I did, but I didn't. The book is torn a little and I'm afraid soiled--and I know that it were clean and new and fresh. But won't you take it dear--as one that has been read and cared for--one that is sent you marked--won't you take it as all that I am and hoped to be--with the marked passages noted, as precious--because they are to you and for you--things that have meant something to me, and

which I now send to you as messages, from a heart that has felt in marking, but which
never until now has wished that all might be for one--that one is you. Will
you dear.

Together hand in hand
Let me lead you through Borderland
Across the River-I-Forget
And tell me that my Dream's come true
A Kiss from Thee, and one for you
And watch the Red Suns sink and set
Across the River-I-Forget.

Will you Princess dear.
Again Goodnight and God Guard you.

Willard.
Memorandum regarding Settlement of Inter-Group Differences over Hukuang Lean, Paris, May 23rd, 1910.

The settlement reached at Paris covered two distinct, though closely allied, matters:

1. The so called Hukuang Railways, &c.
   a. Hubei-Hunan sections of the Canton-Hankow R.R.
   b. Hubei section of the Hankow-Szechuan R.R.
2. Possible extensions of the Hankow-Szechuan R.R. into the province of Szechuan.

The British, French and German Groups under an Agreement with the Chinese initialled on June 6th, 1910 had made the following arrangement:

a. A Lean of £5,500,000 for the redemption of certain outstanding obligations on the old Hankow-Canton concession, and for the construction of R.R.s (1) and (2) to be divided equally between B, F, and G Groups.

b. British Chief Engineer, British Purchasing Agent, and British Bank to handle the construction accounts for Railway (1)

c. German Chief Engineer, German Purchasing Agent, and German Bank to handle the construction accounts for Railway (2)

d. British, German, and French materials to be assured nominal equality of treatment.

The practical effect of 'b', however, would have been that Railway (1) would have been built with British materials, Railway (2) with German, and that the French would have had nothing but a third share in the finance. This fact was recognised by all and the French "face" was saved by

The INTER-GROUP ARRANGEMENT to which CHINA WAS NOT A PARTY and which provided that in Case the Hankow-Szechuan R.R. were extended from Ichang, the terminus contemplated for

Railway (5), the estimated 1600 kilometres of extension from Ichang to Chengtu, in case the road were built with funds borrowed from the tri-partite Banks, should be treated as follows:-

1. The financing to be shared equally by British, French and Germans,
   a. The French to have a Chief Engineer for the first 600 kilometres, presumably with rights as to Purchasing Agents,
   b. The British to have similar rights for the next 600.

2. The entry of the American Group necessitated a general readjustment.
   a. This was arranged on the 23rd of May as regards sub-head "A" mentioned above as follows:-

   1. A Supplementary Lean Agreement to which the four Groups as well as the Chinese Government should be parties and which should supplement and interpret the Original Lean Agreement of June 6th, 1910 was drawn.

   2. This Supp. Lean Agt. provided that the lean should be increased to £5,000,000 for the construction of Railways (1) and (2), and the redemption of the old obligations (said lean to be international) and that the financing should be shared equally by British, German, French and American Groups.

   3. The provisions of the Original Lean Agreement regarding British Chief Engineer, Purchasing Agent, and Bank for the construction accounts of Railway (1), and German rights for Railway (2) was allowed to stand, save that the German Group agreed that an American engineer should be appointed for a 200 kilometer section on Railway (2).

   4. British, German, French, and American materials to be assured equality of treatment.

   American materials can compete in China with British and German, French cannot. It was there fore necessary to make some arrangements.
whereby this equality would be actual and not merely theoretical.

In the past the nation securing the Chief Engineer and Purchasing Agents for a railway have, through the manipulation of specifications, bids etc., managed to sell their own materials to the exclusion of those manufactured by other nationalities. For this reason the nomination of Chief Engineers and Purchasing Agents has been a valuable perquisite of the leaders.

In paragraph 6 of Article three of the Supp. Loan Act it is agreed that equal facilities for the receipt of tenders shall be given in the markets of England, France, Germany and the U.S.A. This is implemented by the arrangements set forth in the Minutes of the Committee meeting of May 23rd, Section 2, under which the British and German Purchasing Agents for Railways 1 and 2 respectively are bound to acknowledge their responsibility to the French and American, as well as to the British and German, Groups.

If the spirit and letter of this agreement is observed the Chief Engineers will no longer be able to throw any contracts to manufacturers of their own nationality.

The right to nominate a Chief Engineer who, under those Loan terms shall be an employee of the Chinese Government becomes therefore merely the privilege to secure employment for a friend and is stripped of its former advantages. The settlement reached between the four Groups regarding sub-head "E" therefore the arrangement for the right to nominate Chief Engineers and Purchasing Agents for the prospective extensions of the Hankow-Szechuan R.R., if built with funds secured from the four Groups, is robbed of much of its significance.

The real right for equality of treatment was won in securing the arrangement outlined above regarding the responsibilities of the Purchasing Agents. This arrangement as to Chief Engineers however is as follows:

The estimated 1600 kilometers, to be divided as follows,

- English Chief Engineer (and Pens) 600 kilometers.
- French " " 600 " .
- German " " 400 " .

Should an additional 600 kilometers, or portion thereof, be constructed with funds secured from the Four Groups, such additional construction to be divided equally between the Chief Engineers of the three nationalities in the order named. Any additional construction over and above the said 600 kilometers to be divided equally between British, French, German and American Chief Engineers.

I am inclined to think that these arrangements have but little practical value. Sign an allocation of engineers for arbitrary divisions of mileage without reference to the actual requirements of the situation is obviously impractical. This moreover are not apt to consent to such a parcelling of engineering rights made without any reference to their own prejudices or preferences.

The steps now to be taken, would seem to be as follows:

1. To advise the State Department of the settlement effected, and to request that when such action seems politically advisable the American Minister at Peking be instructed to act with his British, French and German colleague in pressing the Chinese Government to sign the Original and Supplementary Loan Agreements and proceed with construction.

2. This should be provided for, to float the loan, placing the funds on deposit in New York ready for transfer through the International Bank to, and to that institution in China, in accordance with the terms of the Original Loan Agreement.

3. 2º Construct your Agent in Peking in cooperation with
the U. S. Steel Products Export Co. or similar organization, and with the Hankow, and Shanghai Branches of the I.M.C. where necessary, to watch the calls for tenders and to insist that American bids be treated with absolute fairness in accordance with the provisions of the Supplementary Loan Agreement and Section 2 of the Committee Minutes of May 23rd.

Bids will be called for in China. American manufacturers must tender there. The Group's representative could of course present such tenders but it would be better to leave such matters to those trained to deal with them. No other organization would seem to be required to meet the present situation or that to be created by the signature and ratification of the Hukuang Loan Agreement, and the commencement of construction work.
Hankow—Canton and Hankow—Chengtu
Railway Loan Negotiations.

MEMORANDUM

of terms of Agreement come to at a Meeting at

on 29th May 1910.

Parties:

THE BRITISH & CHINESE CORPORATION, LIMITED,
CHINESE CENTRAL RAILWAYS, LIMITED,
Representing the British Group.

THE DEUTSCH-ASIATISCHE BANK,
Representing the German Group.

THE BANQUE DE L'INDO-ChINE,
Representing the French Group.

MORGAN, GRENFELL & CO.,
Representing the American Group.

1. The British, German, French and American Groups agree to enter into an Agreement with the Chinese Government for a loan of £6,000,000, and any supplementary loans to be issued in connection therewith for the above railways on the basis of the two draft Agreements approved by the parties hereto and initialled by them being the draft original Loan Agreement and a draft Supplemental Loan Agreement.

2. This loan to be divided equally between the four groups, and to be issued simultaneously.

3. All orders for materials to be divided as far as possible equally between the four groups.

4. The Chief Engineer for the Hankow—Canton Railway is to be appointed by the British and Chinese Corporation, Limited; the Chief Engineer for the Ichang-Hsiaoyang-Kuangchui Line and the Ichang-Hanyang Line, to the length of about 800 kilometres, is to be appointed by the German group, which is to provide for the appointment by the American group of a Sub-Engineer for a section of three lines to the length of about 260 kilometres. With regard to the proposed extension of the line from Ichang or Hsiaoyang to Chengtu, which is estimated to be 1,600 kilometres in length, the Chief Engineer for the first 400 kilometres is to be appointed by the American group; the Chief Engineer for the next 600 kilometres is to be appointed by the British group, and the Chief Engineer for the remaining 600 kilometres is to be appointed by the French group. If the extension of the line above referred to should be less than 1,600 kilometres in length, then the above mentioned lengths of 400, 600 and 600 kilometres shall abide proportionately. If the extension of the line above referred to should exceed in length 1,600 kilometres, then the appointment of Chief Engineers of the excess between 1,600 kilometres and 2,200 kilometres shall be apportioned equally between the American, British and French groups. If such extension should exceed in length 2,200 kilometres, then the appointment of Chief Engineers of the surplus over 2,200 kilometres shall be divided as nearly as possible equally among the four groups.

5. Each of the Groups to apply to their respective Bourses for the internationalization of the above loans.

6. The stamp duties on the Bonds to be pooled and divided equally between the four groups, but this is not to be treated as a precedent for future loans. All other expenses of issue to be borne by the respective groups.

7. The preliminary expenses incurred by the 4 groups prior to the signing of this agreement shall be shared by the 4 groups upon an equitable basis.
FRENCH, BRITISH, GERMAN AND AMERICAN GROUPS

Minutes of Meeting at the Office of the Banque de l'Indo-Chine, Paris, on the 23rd June.

Present:

Mr J. Caillaux,
Mr E. Castenave,
Mr G. Simon,
Mr E. Ullmane,
representing the French Group;

Mr C. S. Addis,
Mr G. Jameson,
Mr Carl Meyer,
representing the British Group;

Mr H. Hendry,
Mr Franz Urbig,
representing the German Group;

Mr F. P. Davison,
Mr R. C. Griswold,
Mr H. Harriss,
Mr W. D. Straight,
Mr Max Warburg,
representing the American Group.

Mr Caillaux in the Chair.

Mr Addis at the request of the Chairman stated to the meeting the present position of affairs and referred to:

(a) the draft original loan agreement and the accompanying despatch;

(b) the draft supplemental loan agreement;

(c) The Memorandum of the 12th May 1910 between Mr C. S. Addis & Monsieur S. Simon,

and observed that these documents having been discussed and settled the same remained only for discussion the new draft agreement between the 4 groups and certain questions of detail e.g., the question of Purchasing agents and preliminary expenses which might be conveniently left to a committee of the 4 groups to settle.

The meeting thereupon agreed that such a committee should be appointed.

The new draft agreement was then read in extenso to the meeting with the following result.

Clause 1 was approved without discussion but with slight verbal addition.

Clauses 2 & 3 were approved without discussion.

Clause 4 was discussed and a verbal addition made.

Clause 5 was approved without discussion.

Clause 6 was fully discussed and accepted upon the understanding that the whole loan should be offered for subscription, that any of the 4 groups desired to give up any part of their share of £1,500,000 each group should give prior notice of such desire to the other groups.

The meeting thereupon agreed that such notices be in writing and to be given at least 1 month prior to the issue of the loan.

If any group shall give up any one or more of the groups any part of its share of £1,500,000 and such cession shall result in an increase of stamp duty, then the group making such cession shall defray such increase of stamp duty.

Mr Carl Meyer suggested that the issue price should be the same for each issue made by the 4 groups.

Mr Jameson pointed out that in the Agreement which had been accepted by the representatives of the 4 groups no mention was made of the position of the Central Railways in regard to its participation in the profits of the loan & in order that this should be made clear, he proposed that the following terms should be adopted:

1. Of the total loan of £6,000,000 the portion appertaining to the Hankow-Canton section is £3,000,000, and the portion appertaining to the Hankow-Szechwan section is £3,000,000.

2. The Chinese Central Railways, Limited, takes no participation in the Hankow-Canton Section, the profits of which, whether from flotation or commission on materials are divisible equally between the British and Chinese Corporation Limited, the German Group, the French Group and the American Group.
3. The British and Chinese Corporation, Limited, and the French Group take no participation in the Hankow-Szechwan Section, the profits on which, whether from flotation or commission on materials, are divisible, two-fourths to the Chinese Central Railways, Limited, one-fourth to the German Group and one-fourth to the American Group.

4. For facility of division it is agreed that of the portion of the loan to be floated in London £750,000 shall be deemed to be floated on account of the British and Chinese Corporation, Limited, and £750,000 on account of the Chinese Central Railways, Limited.

5. Similarly of the portion to be issued in Paris by the Banque de l'Inde-Chine £750,000 shall be deemed to be on account of the French Group, and £750,000 on account of the Chinese Central Railways, Limited.

6. The one-fourth of the loan to be floated by the Deutsche-Asiatische Bank in Berlin shall be deemed to be wholly on account of the German Group, and no account of flotation profits need be rendered to the other Groups.

7. The one-fourth of the loan to be floated by in New York shall be deemed to be wholly on account of the American Group, and no account of flotation profits need be rendered to the other Groups.

These provisions were accepted as correctly settling out the principle of the division of profits subject only to any elaboration which might be found necessary on further examination.

An understanding was arrived at on the following points:

(1) Each group should on the completion of the new agreement communicate to their respective Governments the result of the conference with all necessary documents;

(2) The 4 groups should approach their respective Governments & request them to address an identical note to the Chinese Government calling upon them to complete the Loan & Supplemental Agreements;

(3) The 4 groups to advise their respective representatives in Peking of the result of the Conference & to instruct them to take action accordingly;

(4) No communication to be made to the Press for the present;

(5) With regard to the printing of the Bonds the form to be such as almost satisfy the reasonable requirements of the New York Stock Exchange.

The following persons were then appointed to be members of the Committee to consider questions of detail & to report to the Conference:

Mr. W. Meetnave
Mr. O. Stracke
Mr. G. Jameson
Mr. J. C. Kinnell
Mr. W. D. Straight.
Minutes of a Meeting held at the Banque de l'Indo-Chine on 23rd May 1910 of the Committee appointed at the Meeting of the four Groups held that day.

Present:
Mr. W. URBIG, in the Chair,
Mr. W. D. STRAIGHT.

The following resolutions were passed:

1. PURCHASING ARRANGEMENTS.

That the existing arrangements of Art. 16 of the original Loan Agreement be allowed to stand provided that the two purchasing agents give to the French and American groups a letter in the following terms:

To Messrs. Morgan, Ansfield & Co. representing the American Group.

We beg to inform you that we have been appointed purchasing agents for the Hankow-Canton, Hankow-Szechuan Railways, in accordance with article 16 of the Hukuang Loan Agreement initialled on the 6th June 1909.

In view of the terms of said Loan Agreement with accompanying despatch and the agreement supplementary thereto providing for the admission to participation of the American group and securing equal consideration for British, German, French and American materials and equal facilities for the receipt of tenders in the markets of the four countries and in view of the receipt by us of a purchase of materials made abroad which change is charged equally by the four groups, we beg to state that we will take all steps necessary to assure the above mentioned consideration for American Materials and make all proper provision for the receipt on an absolute basis of all tenders from British, German, French and American Manufacturers.

2. NOTIFICATION OF PURCHASING AGENTS.

It was also resolved that upon any new loan being negotiated for the purposes of the extension referred to in Art. 4 of the Agreement of the 26th May 1910, the group which is entitled to the appointment of Chief Engineer shall be entitled to nominate the Purchasing Agent.
Princess dearest,

Thanks for your telegram. It came this morning but I did not get it until after a hard morning's conference—and a lunch which was but the continuation thereof. Eight to six and eight to twelve—my record today. But Princess, you have been with me through it all—always my thoughts have turned to you, and now it is very late or early rather—and I am just back from a long talk with Grenfell and Harjes. The moon is too wonderful. It must be too, in Aix—and I look at it and dream, and think that you, too, see its great soft mellow light.

At the conference this morning there were five Englishmen—five Frenchmen—led by an ex-Minister of Finance, one Gailliaux, a wurm—two Germans—and five of us—Davis, Harjes, Grenfell, Warburg and myself. We fought, and the child, called a strong man to time and made much noise. Then this afternoon we had a committee meeting—Grenfell being No. 1 for us—but not turning up, leaving me to fight the rest and make myself unpopular. But the result I think is wholly satisfactory—and as I telegraphed you when it was all over—we have finished as far as Europe at least is concerned, the Mackung Loan. I am very glad—and I know it was because the conference was on the 23rd. All that really matters, somehow, makes a combination of the two, 2 and 3.

Tonight I dined with Mr. Morgan, Mr. Bax, Davis, Harjes and Grenfell. It was fine because Mr. Morgan really took an interest in things—like an indulgent parent—and I rather felt that with Davis and Harjes and Grenfell—New York, London and Paris—I was part of the show, and belonged.

But Princess, these things only mean something because of you—because I want so to bring something to you—to do something—and to be something—to be worthy—to justify my having asked you the Great Trust that I have asked.

I am weary to death, as this writing must show you. I can hardly make the pen move—but I could not go to bed without a word to you—my life, my soul, my All—Princess dearest—love you as God God you always and bring you to me.

The Willard Straight Papers at Cornell University
Minutes of Meeting at the Office of the Banque de l'Indo-Chine, Paris, of the 23rd May, 1910.

Present:
Same Parties as on 23rd May 1910.

The minutes of the meeting of the 23rd May 1910 were read and approved with certain modifications and signed.

The Minutes of the Committee Meeting of the 23rd May 1910 were read, approved and signed and the Report of the Committee was adopted. It was agreed that the four groups should ratify the Agreement of the 23rd May 1910 as between themselves.

The proceedings terminated with a vote of thanks to the Chairman proposed by Mr. Addis, Mr. Urbig and Mr. Davison, which was carried unanimously.

(Signed) J. Caillaux, M. Cassonave, M. E. Simon, M. Ullmann, Mr. Addis, Mr. Jameson, Mr. Carl Meyer, Mr. Hecker, Mr. Urbig, Mr. Davison, Mr. Grenfell, Mr. Harjes, Mr. Sarburg, Mr. Straight.

Memorandum Regarding the Peking Loan

The following Memorandum beginning with the Draft of the Agreement prepared on September 16th, 1909, which it was proposed by the Peking Representatives of the Hongkong & Shanghai and Deutsche-Asiatische Banks and the Banque de l'Indo-Chine should be concluded between these banks, the American Group and the Chinese Government, contains in addition to this Draft, certain supplementary memos, etc., which have from time to time been the subject of discussion among the Representatives in Peking, of the above mentioned banks and the representative of the American Group.

This Memorandum makes no attempt to review the various discussions, or note the various points taken up in Europe and America between the respective Governments and/or Groups.

Draft of September 16th, 1909.

This Agreement made between His Excellency Chang Chih Tung on behalf of the Imperial Chinese Government, of the one part

AND

The Hongkong and Shanghai Banking Corporation, The Deutsche-Asiatische Bank, The Banque de l'Indo-Chine, and

Messrs. J. P. Morgan & Company, Messrs. Kuhn, Loeb & Company, The First National Bank, and the National City Bank, all of New York, constituting the American Group, hereinafter called the Banks of the other part, witness as follows:

WHEREAS an Agreement initialed on the 6th of June, 1909, between the Imperial Chinese Government and the Hongkong and Shanghai Banking Corporation, the Deutsche-Asiatische Bank, and the Banque de l'Indo-Chine, copy of which is attached hereto and made part hereof, hereinafter referred to as the Original Loan Agreement, authorizes these Banks to issue a five percent GOLD LOAN for the sum of 25,500,000 to be call-
ed the "Imperial Chinese Government five percent Hukoung Rail-
ways Loan of 1909," it is now agreed by and between the Imperial
Chinese Government and the Banks as follows:

I. The Amount of the said Loan shall be increased
to £6,000,000 of which the sum of £5,000,000
shall be allotted to the Hupeh section of the Szechuan-Hankow
Line.

II. The American Group shall have a participation of
one half the amount allotted for the Hupeh Sec-
tion of the Szechuan-Hankow Line, namely a participation of
£2,500,000 with corresponding banking privileges and advantages.
It is further understood that American materials shall be
entitled to the same privileges and preferences as are re-
served in Article 18 of the Original Loan Agreement to British,
French and German materials, plant and goods, and that the
said American Group shall have equally in the commission on
the purchase of materials, plant and goods, allowed by
the terms of aforesaid Article 18.

III. It is understood that the Articles of the Orig-
inal Loan Agreement shall be affected by the
terms of the preceding clause in the following manner:

In Articles 1, 5, 6, 7, 8, 9, 10, 13, 20, 21,
the words "the Banks" wherever they occur, shall be under-
stood to include the American Group and/or its agents or
nominees in China or elsewhere.

In Articles 10 and 12 the words "Berlin, London or
Paris" where reference is made to the Chinese Minister, shall
be understood to include "Washington," and where reference
is made to the Banks shall be understood to include "New York."

In Articles 7 and 13 the word "Europe" shall be
understood to mean Europe and America, and in Articles 13 & 17
and in paragraph 4 of the latter covering the working regula-
tions, the word "Europeans" shall be understood to mean
"Europeans and/or Americans."

In Article 14 wherever "Berlin, London, Paris" are
referred to such reference shall be understood to include
"New York," and wherever the "Hongkong and Shanghai Banking
Corporation, the Deutsche-Asiatische Bank and the Banque de
l'Indo-China" are referred to collectively either by name or
as "the Banks" such reference shall be understood to include
"The American Group in New York or such other Banks in China
as from time to time shall be designated by the American Group,
The International Banking Corporation being now so designated."

In Article 18 the words "British, French and German"
shall be understood to mean "British, French, German and
American," and in addition to the purchasing Agents named
therein, the American Group or its Agents or nominees shall
also act as Purchasing Agents for both Lines in cooperation
with the Agents mentioned in said Article 18.

In Article 22 the words "The American Group" are
understood after the words "The Banque de l'Indo-China."

In Article 23 the words "The American Group" are
understood after the words "The Banque de l'Indo-China" and
the words "German, British or French Company" are understood
to mean "German, French, British or American Company," etc.

The provisions of the Original Loan Agreement in
regard to supplementary and future loans, contained in Articles
15 and 19 thereof, shall remain unaffected by this present
Agreement, except that the American right to one half partic-
ipation in the supplementary and future loans for the Hupeh
section of the Hankow-Szechuan Line is hereby recognized.

IV. The Imperial Edict sanctioning the Loan in
accordance with the provisions of the Original
Agreement as interpreted by this present Agreement will be
officially communicated to the Ministers of Great Britain,
France, Germany and the United States of America in Peking by
the Wei Wu Pu.

Right acts of this Agreement are executed in
English and Chinese, four acts to be retained by the Imperial
Chinese Government, and one set by each of the contracting
banks and/or Groups. In the event of any doubt arising
regarding the interpretation of the contract the English text shall rule.

SIGNED at Peking, etc. etc. etc.

Paragraph 6 of Article III of the above Draft of September 16th, 1909, was not agreed to, but the following amendment drafted at the conference of September 23rd, 1909, was telegraphed for the approval of the Groups on the 24th of September. No reply was received from the British, French and German Groups.

With regard to Articles 16 such modifications or extensions of the provisions respecting the appointment of Purchasing Agents for the Two Lines as may be necessary to secure equal consideration for British, French, German and American materials and equal facilities for the receipt of tenders in the markets of the four countries shall be made the subject of an equitable arrangement between the Director General and the Four Banks, and the words "British, French and German" wherever they occur in said Article 16 shall be understood to mean "British, French, German and American."

DRAFT of Inter-Bank Agreement regarding Division of Preliminary Expenses, etc. submitted to the Groups for approval.

Memorandum of Agreement between the Hongkong and Shanghai Banking Corporation, the Deutsche-Asiatische Bank, the Banque de l'Inde-Chine and the American Group, consisting of Messrs. J. P. Morgan & Company, Messrs. Kuhn, Loeb & Co., The First National Bank and the National City Bank, referring to the Hukuang Railway Loan of 1909, and the agreement signed this day between the Imperial Chinese Government and themselves.

1. The division of Preliminary expenses of the Loan shall be made the subject of an early settlement upon an equitable basis between the parties to this Agreement.

2. No one of the four Banks and/or Groups who are parties to this Agreement shall issue for offer or for subscription, bonds of the present Loan upon the market or markets of the others.

3. The American Banks will pay their own issue expenses.

Signed at Peking this thousand nine hundred and nine.

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Memo. Handed to Mr. Gorden by Mr. W. D. Straight, October 27th, 1909.

It is proposed to secure an early settlement of the present difficulties by an arrangement as follows:

Arrangements now reached as provided by the Original Hukuang Agreement and the Draft Supplementary Agreement to stand, except that an American Chief Engineer will be appointed for the Hankow-Kuangshui Section of the Hupeh Section of the Hankow-Szechwan Line, such engineer to cooperate with and be subject to the general direction of the German Engineer who shall be named as Chief Engineer for the entire Hupeh Section in accordance with the terms of the original Agreement.

The appointment of such an American engineer shall be recognized by China by an exchange of letters.

A private arrangement shall be made between the Banks, to which China will not be a party, in which the American Group shall recognize that in case the Railway be extended to Chungtu, the Chief Engineer for the first section beyond Ichang, about 500 kilometers, shall be French, the Chief Engineer for the second section, about 600 kilometers, shall be American, and the Chief Engineer of the Third Section, about 500 kilometers, shall be British.

Telegram sent by the Hongkong & Shanghai and Deutsche-Asiatische Banks, and the Banque de l'Inde-Chine, Handed to Mr. Straight on January 26th, 1910.

Hunan Railway Company advertises 15th January requesting tenders locomotives, rolling stock, Chouhau division Hankow-Canton Railway. Our opinion in immediate explanation should be requested from Yuen-Fu, but unless Groups have come to final arrangement and are prepared to act unitedly it will be very unsafe to risk disturbance present position which is that Groups are waiting for Yuen-Fu re-open negotiations. We strongly recommend foregoing position to serious consideration of Groups.

Imperial Edict has been issued instructing Yuchuan Pu to note application received from native capitalists for concession Hupeh sections Canton-Hankow, Szechwan-Hankow Railways. Forgoing ignores Agreement concluded June 6th. Failure to protest promptly will probably result in concession definitely given to native capitalists.

Telegram sent by Mr. Straight on February 1st, 1910.

Messrs. Hillier, Cordes and St. Pierre were advised of the contents of the last paragraph.

Imperial Edict has already been issued instructing Yuchuan Pu note application from native capitalists for concession Hupeh sections Canton-Hankow, Hankow-Chengtu Railroads. Forgoing ignores Agreement June 6th. Failure file a protest promptly will probably result in concession will be granted native capitalists. Identical contents of telegram to be communicated to European Groups.

Under the circumstances we must believe file a protest would be a mistake.

Telegram sent by the Peking Representatives of the Hongkong & Shanghai Banking Corporation and Deutsche-Asiatische Bank, and Banque de l’Indo-Chine.

Handed to Mr. Straight on March 20th, 1910.

Referring to my telegram of February 1st,Yuchuan Pu has published permit granting application to register company raise share capital for Hupel Railways. With reference to foregoing no reply yet received from the Wal Pu Pu to joint protest of 13th of February.

Conference was held at Peking on April 28th & 29th, 1910, at which the following named gentlemen were present.

Mr. Miller, Hongkong & Shanghai Banking Corp.,
Mr. Grant, Deutsche-Asiatische Bank.

The above memorandum was discussed and found satisfactory.

Mr. St. Pierre Banque de l’Indo-Chine,
Mr. Straight American Group.
Mr. Memocal of the I. B. Corporation.
At eight then Princess I will come
Leaving perchance a little bum
For travelling in Foreign trains
Is bad for clothes and Willie's brains-
But what care I for sloth and ease
A journey's ways are things that please
When you, dear Princess, smile and wait,
For breakfast, 'tis my heart's desire
Like Milan—dear—t'll be in Aix,
But tell me, have you buckwheat cakes?

[ANOTHER NOTE]

Did'st mean the Reading Room here-down en ban—or your own?
The Willard Straight Papers at Cornell University
On return to Luxemburg (2 days before)

On return to Luxemburg

On return to Luxemburg (and afterward)

Sailing on

Patterson

It is important you come as soon as possible

Ill - ditto

Situation subject to change, it is definitely, can you come on
Only a word Princess dear. I am just off after a terribly busy day. You have been with me through it all- my heart is with you always. Everything means you-- the blue that bounds me dear, is my hope that you may love me. Goodnight-God Guard you and bring you to me.

Thanks for the telegram.
I am leaving things for you at the Hotel Vendome. If you don't go there be sure and call for them.

Again goodnight. Yesterday was very dear- and very wonderful- oh Wonder of the World.

Willard.
Princesse dear - my heart was very full all day yesterday. There was so much to write you last night, but no time save for the word which carried with it all that I longed, te you and for you. 

It was a very busy day, Princesse. I started by waking George and old Legay, with whom I lived in Washington and of whom I’ve spoken to you (Legay) - then finding that George and Peter with La Dauphine and Warwick Greene were riding, I butted in and went into the Bois, with a song on the lips, notwithstanding the hard train night - a song Princesse dear, of love and hope for you - you, who stood in the rain on the Hotel Steeple (steep) notwithstanding the protests of the fat concierge, to bid me goodspeed, not goodbye, Princesse. It must never be that again.

M.T. was going splendidly. Peter was in fine form and La Dauphine laughing and bubbling with ‘Sais de vivre’ - for which she is so splendid - and again in the afternoon when I saw them, things were going well. I think both have "taken" a little - and surely they’ll see each other again at home. It’s fine -.

Harjes and I lounged together - when I met a Russian attaché - a son in law of Prince Gortchakoff of the Council of Empire - and with him I worked out a scheme for bringing the two countries into accord against Japan. He is going to look into things in Petersburg and let me know about them when I come back.

It was at the Ritz. There were a great number of very pretty women there and well dressed men. But I hate it so, Princesse, just as I hate Sherry’s and all such places. When I didn’t care, I hated them too, but went as a discipline possibly - a sort of a moral pain(!) - perhaps to make myself hate myself even more than I did. But Princesse, I didn’t like yesterday, when my heart and mind were full of you, and your sweetness and gentleness and freshness, to go amongst those beauties - hard, worldly, selfish, cold. You are of the country, dear - pure and sweet, and it is for that that I love you. You have brought me real Love - Highest and Best. - which I feel I have never known before. There is nothing to hide from you, or from anyone else. I hate the hidden things - the thought that one is not proud and glad to acknowledge a great Love - that it must be kept from anyone. Not that I believe for a moment in shouting from the housetops, for these things do not concern others - but sometimes they do concern those who care greatly and who really should know and if they don’t it’s bad.

So Princesse dear, you have brought me this Great Love for you - and I thank you, because it fills me and makes me hope more and dare more - and I pray, Be more for you - and wish it all too, there somehow seems to be a greater sympathy and understanding for others, and at the same time the feeling that I can give them but little, for all is For You...

Isn’t that strange and paradoxical.

Please keep well dear. Drink stout - it’s fine. God guard you always and bring you to me.

Wiljard.
Nevertheless regarding procedure to be followed in obtaining removal of Russian government's objections to the construction of the Chini-Ili Railway.

It is felt that direct action by the State Department will be best calculated to bring about the desired result.

In considering this proposition these facts should be borne in mind:

(a) That in April of this year the Dept. addressed to the

Russian Govt. a very strong note hoping that Russia would reconsider her position and stating that the U. S. could not accept her objections to the Chini-Ili road as valid, in view of her repeated declarations regarding the "open door".

(b) That therefore further immediate and direct representa-
tions by the Department might be interpreted by Russia as a sign of weakness, i.e. that having once said we could not accept Russia's objections, a restoration of such declarations would not convince Russia regarding, nor would cause her to question, our determination to proceed with the enterprise in case she did not withdraw the case. This would not seem desirable.

(c) That it may therefore be advisable that the Department

should "stand pat" for the time being, holding itself ready, however, to recognize my understanding which Russia may reach with the Group, by a careful recognition of our observance of the "open door", such recognition to be made specific and of diplomatic significance by an exchange of notes similar to the exchange in the autumn of 1929.

(d) That in any possible complications, with Japan, and

the desire on the part of Japan to use her rights in the Chini-Ili Zone to prevent the construction of the Chini-Ili Railway, the United States should be in a position to meet such action on the part of the Japanese Government.

It is therefore suggested that the following procedure be

followed subject of course to such changes as may be necessary to conforms with the views of the Department of State:

1. Dr. Davison and Mr. Straight to go to Washington to lay

this matter before the Department.

2. If the program is approved Mr. Straight to go to Petersburg, to be interviewed by the Embassy and to lay before the Russian the following considerations:

(a) Russia in furthering in opening legitimate Chinese development in Manchuria for is so doing she is strengthening the position of Japan which will tend to reduce the softer position she now occupies, and to act as a base for a further advance, demands of military, as the case may be, against Russia in the Far East.

(b) Cooperation with China and the United States in the

Chini-Ili area is, would afford an outlet for Russian prod-

cere and exchanges and transportation at the terminus of this line,

and would result in the eventual consolidation of the

Chinese Eastern Railway and the Chini-Ili Line, and the

consequent weakening of the Japanese position in South

Manchuria.

(c) It would therefore be desirable for Russia (a) to withdraw her objections to the Chini-Ili line, (b) to extend a certain participation in this enterprise, (c) to reach an understanding regarding the later state of the Chini-Ili to China through the Group, and such parties as Russia might wish to participate, and (d) further through the above scheme can ensure China's consent, so to attempt to present with the Chinese-Republican regime.

There is a very considerable party in Russia anxious to

reach a closer understanding with the U. S. regarding the Far East. The Minister of Finance I understand is not unfavorable to this idea.

Utilising this fact therefore it could, with the consent of the State Department, be initiated that in case Russia came to an understanding with the Group on an outline above the U. S. Government would be pleased to exchange notes by which the two powers would agree to cooperate in the preservation of the "open door" and the integrity of China.

Russia's chief fear is Japan and practically any attempt

more of Japan against Russia, war a can attack on Vladivostock.
would have to be made through or based in Manchuria, would therefore be an interference with Chinese sovereignty and integrity and would consequently cling within the purview of the arrangement contemplated between Russia and the United States.

An arrangement of this sort would therefore be of great value to Russia and the premier thereof should be an inducement to her to give the assurances desired regarding the Chihli-Algin line, etc.

Should Russia however fail to conform to the suggestions as outlined, the U.S. Government having already stated that it could not regard Russia's objections on this would be in a position to ignore them and to urge China to proceed with the Chin-Ai enterprise.

This the U.S. could not well afford to do if the British Government now again directly approached Russia regarding the China Railway.

It is therefore suggested that the above outlined procedure may best be calculated to ensure success for the proposition in the premises, i.e. that the American Government should deal directly with Russia regarding this matter, not unaccompanied by this.

In view of the fact that the Japanese demands made to China it is believed that it will be possible for the time being to eliminate them from the discussion. Once the Russian situation is cleared it will be possible to arrange for such Japanese participation as may be necessary or desirable.

J. P. Morgan & Co.
New York, June 9th, 1910.

Dear Mr. McKnight:-

I enclose a memorandum of one or two matters regarding which there should, I think be an understanding.

AGREEMENT WITH PAULING & CO. 1. RAILWAY.

An agreement is to be drawn up by you on the lines discussed the other day and when submitted to council and approved will, I assume be sent to Mr. Grenfell who will with Mr. Pauling sign the same.

2. HARBOURS AND OTHERS:-

(a) It was I understand the sense of the meeting this morning that the Group would assume none of the liability in regard to this enterprise.

(b) That the Group would be prepared if necessary to sacrifice a portion of the 60% profit therein rather than assume any such liability.

(c) That I am to clear this point with Mr. Pauling.

(d) This being done, I presume that this matter will also be cleared settled between the Group and Pauling by an exchange of letters, which the Group will arrange in due course.

Note. Reference to the Viscount's letter with regard to this matter will show the indefinite state in which it stands at the present.

Beyond points a, b, and c, I shall not go, without definite instructions. My stay in London will be so limited that I shall be able to do little besides attempting to clear these points.

COAL MINES. Lord Kerschen in conversation once assumed that Pauling & Co. were to act with the Group as regards the coal mines. I have repeatedly told Kerschen that his Government had rendered him no support that the Group had borne the brunt of the struggle and that

The Willard Straight Papers at Cornell University
I personally did not think that Pauling would be justified in expecting $100,000 to share equally with the Group any benefits secured in addition to the railway work itself, although such additional privileges might nominally be granted by the Chinese as compensation for our surrender of the "Operating Co." and "Profit sharing" clauses of the Preliminary Contract.

Nothing further was said.

Unless otherwise instructed I shall adopt this attitude in discussing these matters with Pauling. I shall not however myself introduce into the conference any matter save the division of the profits on the railway contract and the question of like division for the harbour works.

There are probably many more matters which will occur to me as soon as I sail, but which do not come to my mind at the present time, i.e. your W. M.

It was a great pleasure to meet you. I congratulate you on the work you have been doing and wish you all success.

Yours sincerely,

[Signature]

P.S.

Will you please ask Mr. Pagran to place to my credit, each month two hundred dollars, with the First National Bank of Owego, New York. Letters should be addressed to Mr. L. P. Burt.

(Notice the German construction)
Memorandum of settlement with Pauling and Co. regarding percentage on contract price of Chinsou-Aigun Railway to be paid American Group.

Mr. Davison in a personal interview with Mr. Pauling removed the slight misunderstanding which had existed and it was agreed that the following arrangement should stand:

The American Group to have first lien on the profits up to an amount equivalent to 2 1/2% of the total contract price.

Pauling and Co. to reserve for themselves the profits over and above said 2 1/2% up to 6 1/2% of the total contract price.

Of profits over and above said 2 1/2% and 6 1/2% i.e. total profits of 11 1/2% on the entire contract price of the road, the American Group to receive 20% and Pauling and Co. the balance.

It is the understanding of Mr. Davison that the American Group although entitled to fifty per cent of the profits on the contract for the installation of harbour works does not share any liability for losses on such contract.

Mr. Grenfell and Mr. Straight however have understood that the Group was to share such liability.

The status of this matter vis-a-vis the Chinese is also uncertain. Under a letter from the Viceroy to the Group the following engagements were given:

The Viceroy desires to use his own funds for the construction of the harbour works.

If unable to provide the necessary amount he will wish to utilize loan funds under Article LII of the Loan Agreement. To do so, under said clauses, he must obtain the assent of the Group. This may of course be given only in case the Viceroy gives satisfactory assurances regarding the construction to be undertaken.

The Viceroy further engages that in case this construction be undertaken on the "contract system" he will on equal conditions allot the contract to the firm nominated by the Group.

The Viceroy is therefore doubly bound. He cannot borrow except from the Group, i.e. use the loan funds for the construction of the Harbour Works, and in consenting to his use of the same the Group can impose such conditions as may seem desirable. Further although he may use his own funds he is bound as if he constructs these works on the contract system to award the contract, on equal conditions, to the contracting firm nominated by the Group.

A clear understanding between the Group

\( y \) Co. is therefore desirable.
Dear Davison:

The matter of Memocal is much on my mind. I cannot scearcey believe he would have done such a thing and yet in view of Fearn's remarks today I cannot think otherwise.

For the present there would seem no way in which the situation can be remedied. What he knows be known. He is presumably being so keen on making any connection however remote with the Group playing the same fairly straight at present. The only thing would seem to be to prevent his learning more and secret.

The only important matter now in hand concern my mission to Petersburg. Until we see how the pans out there will be little doing in China. His sphere of harmfulness is therefore for the present limited. It would seem desirable however to give him as little information as possible as to what is going on.

If things turn out well in Russia therefore, and should it become necessary to act in Peking again, it occurs to me that you may wish me to go out at once. I should of course like to come home for a fuller discussion again. I shall be quite prepared though to proceed at once to Peking, and take things over from him, if you think best.

I sincerely hope that there has been some misunderstanding about this incident.

Bewitch I saw for a moment tonight. I told him of our conversation. In view of the position via Memocal you may wish to do something with Bewitch, and I asked him to see you as soon as possible. He will call on you next week. He will call on you next week. He went tonight to Washington and goes thence to a wedding in Boston. A letter addressed to the Harvard Club here will reach him, or if you were in a hurry you could catch him on the phone through the Bureau of Insular Affairs in the War Department at Washington.

In the meeting this morning the question of the Government's attitude in case it seemed necessary to force Russia's hand was mentioned. At the time I slipped my mind that at the very outset of the conference on Monday, Wilson stated that there were two propositions (a) ignoring Russia's opposition and proceeding at once with the southern section, (b) attempting to remove this opposition, and endeavoring to secure Russia's good will, for this and for future enterprises which might arise. Since he laid before the Secretary. He proceeded to state that owing to the attitude of the Ministry of Finance, etc., etc., there seemed reason to hope that (b) would be successful. He considered that it was wiser therefore to try both courses. This the Secretary approved. He asked me for my opinion. I also thould this scheme the best.

From this take-off the plan embodied in the memorandum was evolved.

McKnight I think will remember this part of the conversation also.

Wilson in discussing the subject with me developed it a little more fully.

Having reached the conclusion set forth in the premises it was obviously not necessary in the conference to discuss a contingency which we were planning, if possible, to avoid.

There are many more matters which I should have liked to have taken up with you. You must however, with the sea trip, and these last few days have heard about all you wish to hear for the present regarding China.

With kindest regards,

Yours sincerely,

[Signature]
New York: June 10th, 1910.

Mr. Willard D. Straight,
American Embassy,
St. Petersburg, Russia.

Dear Sir:-

We hereby confirm the arrangement authorized by the American Group, on June 7th, by which your employment as the special representative of the Group for Chinese financial business, your authority being confined to initiating, investigating and reporting on Chinese business opportunities and propositions as before, is continued. We also beg leave to confirm the change by which your salary from June 1st will be at the rate of $6000.00 per month, with traveling and other expenses not to exceed in any one year a total of $6,000.00.

The engagement is terminable at your option or ours upon three months' notice, and the arrangements are the same in every respect as embodied in our letter of June 14th, 1909, except with respect to salary, which is to be as mentioned in the preceding paragraph of this letter.

Very truly yours,

A. Morgan Co.
For the American Group.
Account I. (7) On leaving Peking I handed Mr. de Menocal Peking dollars $4,500.00 with which to defray office expenses, salaries of Mr. Goree and the Chinese staff etc. during my absence. He will account for the same to me.

Account II. (8) Roubles 183.95 are here charged for tickets for myself and servant to London. On learning the exact amount expended for the servant's ticket the Group will be credited with the same.

The servant's transportation from Peking to Petersburg would seem to be a legitimate charge and not the Group as he was brought to watch documents etc. in the Hotel during my absence. This is desirable in Russia though perhaps unnecessary elsewhere on the Continent.

Account II. (9) Although I had purchased a ticket from Petersburg to London, via Berlin, Ostend, and Dover, on reaching Berlin it seemed wise to go via Flushing in order to lay certain facts regarding China before Mr. Roosevelt before he reached England. If any recovery is made on the unused Berlin-London portion of my Petersburg-London ticket the Group will be credited with the same.

Account III. (a) The sum of Peking dollars 2.020.79 for which, under account II. (a) is transmitted to Mr. de Menocal at Peking by my cheque of even date, and will be accounted for by him to me, when he renders his statement for office expenses etc. etc.

The above mentioned accounts when supplemented by those to be rendered by Mr. de Menocal for the period April 30th-June 8th, and as supplementing my own accounts for the period June 8th. 1909-November 8th. 1909, complete the statement for the first years expenditures.

As shown in the enclosed statement A/C III. I am now responsible to the Group for 79.7.0. This will be accounted for in due course.

I am, yours truly,
J. P. Morgan & Co. (for the American Group)

The Willard Straight Papers at Cornell University
SALARY ACCOUNT.
-: November 8th, 1909 to April 30th, 1910. :

<table>
<thead>
<tr>
<th>Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>W.D. Straight, Nov. 8th, 1909 to April 8th, 1910</td>
<td>$6,892.28</td>
</tr>
<tr>
<td>I.H. Geare to April 1st, 1910</td>
<td>$825.71</td>
</tr>
<tr>
<td>E. Backhouse</td>
<td>$500.00</td>
</tr>
<tr>
<td>Wages of Chinese Staff Nov. 1909 to April 1st, 1910</td>
<td>$767.83</td>
</tr>
<tr>
<td>Doctor's fees</td>
<td>$65.00</td>
</tr>
<tr>
<td>Total</td>
<td>$9,077.82</td>
</tr>
</tbody>
</table>

Salaries April 8th to April 30th, 1910:
<table>
<thead>
<tr>
<th>Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.H. Geare to May 1st</td>
<td>$851.91</td>
</tr>
<tr>
<td>E.T. Backhouse, Esq</td>
<td>$1,139.06</td>
</tr>
<tr>
<td>Chinese Staff</td>
<td>$162.00</td>
</tr>
<tr>
<td>Total</td>
<td>$2,153.96</td>
</tr>
</tbody>
</table>

TRANSPORTATION, Etc.
November 8th, 1909 to April 30th, 1910.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carriage to April 30th @ $180.00 per month</td>
<td>$996.00</td>
</tr>
<tr>
<td>Trips to Tiensin, W.D. Straight, and messengers to Tiensin</td>
<td>190.00</td>
</tr>
<tr>
<td>Rickshaws, 5 months</td>
<td>$50.00</td>
</tr>
<tr>
<td>Tickets, Changchun to Moscow, self and servant</td>
<td>$578.16</td>
</tr>
<tr>
<td>Bought Doubles 500 c 1.25</td>
<td>$258.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,414.96</td>
</tr>
</tbody>
</table>

† See also Travelling Expense A/c. †
‡‡ To be accounted for in Travelling Expense A/c. ‡‡
### Newspapers, Printing, etc.

**November 8th, 1909 to April 30th, 1910.**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peking Daily News (1) (See Lin's account (7) paid to April 1st, 1910)</td>
<td>$4.00</td>
</tr>
<tr>
<td>Courrier de Tientsin to July 23rd (2)</td>
<td>$15.00</td>
</tr>
<tr>
<td>Reuters Telegram to Feb. 25th (3)</td>
<td>$25.00</td>
</tr>
<tr>
<td>China Tribune to No. 20 (4)</td>
<td>$3.00</td>
</tr>
<tr>
<td>Tageblatt Telegram to April 10th, (5)</td>
<td>$15.00</td>
</tr>
<tr>
<td>Tientsin Press Stationery, etc. (including subscription for Peking &amp; Tientsin Times to Feb. 24th, 1911) (6)</td>
<td>$146.80</td>
</tr>
<tr>
<td>Chinese newspapers, Mar. and April (7)</td>
<td>$16.60</td>
</tr>
<tr>
<td>Miscellaneous Printing (4)</td>
<td>$11.50</td>
</tr>
<tr>
<td>Stationery, Painters, (9)</td>
<td>$14.80</td>
</tr>
<tr>
<td>&quot; Kierulf (10)</td>
<td>$68.60</td>
</tr>
<tr>
<td>&quot; E. Lee (11)</td>
<td>$1.60</td>
</tr>
<tr>
<td>Stationery.</td>
<td>$7.00</td>
</tr>
<tr>
<td>Kelly &amp; Walsh - Books, etc.</td>
<td>$42.50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$371.10</strong></td>
</tr>
</tbody>
</table>

§ Vouchers retained in Peking.

### Office - Miscellaneous

**November 8th, 1909 to April 8th, 1910.**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Postage, 6 months (approximated)</td>
<td>$75.00</td>
</tr>
<tr>
<td>Liu Ching Chun, miscellaneous, (1)</td>
<td>$141.94</td>
</tr>
<tr>
<td>Coal account for Feb. and March, (2)</td>
<td>$64.80</td>
</tr>
<tr>
<td>Electric light account, Feb. March &amp; April (3)</td>
<td>$18.82</td>
</tr>
<tr>
<td>Office miscellaneous to April 30th, (4)</td>
<td>$26.00</td>
</tr>
<tr>
<td>Subscription to walk on City Wall - (All foreign banks and financial representatives subscribed a like sum)</td>
<td>$50.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$376.36</strong></td>
</tr>
</tbody>
</table>
# Entertaining

November 6th, 1909 to April 30th, 1910.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 1909 to February 1910</td>
<td>$277.66</td>
</tr>
<tr>
<td>Dinners, Feb. 23rd &amp; 26th</td>
<td>1178.66</td>
</tr>
<tr>
<td>March – April 6th, 1910</td>
<td>183.90</td>
</tr>
<tr>
<td>To April 30th, dinner to new American Minister, etc.</td>
<td>205.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1815.41</strong></td>
</tr>
</tbody>
</table>

*The A/oa for these large dinners should perhaps better come under the Installation A/o, as they were given (a) to the most important foreign ministers and their wives; (b) to the Chinese officials, foreign ministers, bankers, etc.*
### TRAVELING EXPENSES

**Peking to New York - Washington and return for London.**

---

**Peiyang Dollars.**

**April 30th, Peking:**

- **Tips to Legation and other servants...** 45.00

**April 30th, New York:**

- **Tickets - self and servant; Peking, Mukden, hotel at Shanchikuwa, tips, food on route, etc...** 86.60
  - **Total:** 132.60

### ENSHCANG TO HARBIN

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food, tips, etc.</td>
<td>12.60</td>
</tr>
<tr>
<td>Excess baggage</td>
<td>2.90</td>
</tr>
<tr>
<td>Telegram to Peking, left with Consulate, Harbin</td>
<td>10.00</td>
</tr>
</tbody>
</table>

### HARBIN - MOSCOW

- **Telegram sent Peking:** 12.95
- **Excess baggage:** 6.00
- **Extra fare to secure single compartment - Irkutsk to Moscow:** 103.55
- **Servants food on journey:** 37.60
- **Baths:** 10.00
- **Tips on train:** 40.00
- **Food & R.S.P., 4.00 per day - 4 days:** 16.00
- **Hansom to Peking, 3.00:** 6.00
- **Food on journey:** 27.60
- **Passenger with mail from Petersburg:** 10.00
- **Guide for buying tickets, etc:** 8.00
- **Porters and tips, hotel, station, etc:** 3.00
- **Food, tips on train to frontier:** 6.00

---

**Japanese Gold Yen.**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dinner Mukden - tips on Japanese train, etc...</td>
<td>9.60</td>
</tr>
<tr>
<td>Part Drawing-room on train</td>
<td>15.00</td>
</tr>
</tbody>
</table>

**Russian Rubles.**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harbin - Moscow</td>
<td></td>
</tr>
<tr>
<td>Hotel</td>
<td>15.20</td>
</tr>
<tr>
<td>Food</td>
<td>12.30</td>
</tr>
<tr>
<td>Messenger with mail from Petersburg</td>
<td>23.00</td>
</tr>
<tr>
<td>Services of Guide - for luggage, etc...</td>
<td>6.00</td>
</tr>
<tr>
<td>Tickets</td>
<td>6.00</td>
</tr>
<tr>
<td>Carriage of baggage to hotel</td>
<td>6.18</td>
</tr>
<tr>
<td>Excess baggage</td>
<td>97.60</td>
</tr>
</tbody>
</table>

### MOSCOW

- **Hotel:** 15.20
- **Food:** 12.30
- **Excess baggage:** 23.00
- **Guide for buying tickets, etc:** 6.00
- **Porters and tips, hotel, station, etc:** 8.70
- **Food, tips on train to frontier:** 4.80

---

**R/S:** 703.85

---

**See covering letter for explanation.
### Russian Frontier to Berlin

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berths</td>
<td>12.00</td>
</tr>
<tr>
<td>Food</td>
<td>7.00</td>
</tr>
<tr>
<td>Tips</td>
<td>1.30</td>
</tr>
<tr>
<td>Hotel</td>
<td>38.90</td>
</tr>
<tr>
<td>Ticket to London</td>
<td>62.05</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>17.90</td>
</tr>
<tr>
<td>Tips</td>
<td>7.50</td>
</tr>
<tr>
<td>Food on train</td>
<td>7.00</td>
</tr>
</tbody>
</table>

**Total:** 173.25

**Note:** £s. 173.25 @ 7. 15. 6 - £/c. 60.35

---

### Flushing to London

<table>
<thead>
<tr>
<th>Item</th>
<th>£</th>
<th>s</th>
<th>d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berth on steamship</td>
<td>1</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Tips, etc.</td>
<td>10</td>
<td>11</td>
<td>3</td>
</tr>
</tbody>
</table>

**London, May 16th - 18th:**

<table>
<thead>
<tr>
<th>Item</th>
<th>£</th>
<th>s</th>
<th>d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxi</td>
<td>1</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>Hotel</td>
<td>10</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>Tips</td>
<td>10</td>
<td>11</td>
<td>3</td>
</tr>
</tbody>
</table>

**May 26th, 27th & 28th - Calais - London:**

<table>
<thead>
<tr>
<th>Item</th>
<th>£</th>
<th>s</th>
<th>d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berth on steamship, porters, etc.</td>
<td>1</td>
<td>4</td>
<td>-</td>
</tr>
</tbody>
</table>

**London:**

<table>
<thead>
<tr>
<th>Item</th>
<th>£</th>
<th>s</th>
<th>d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel</td>
<td>1</td>
<td>18</td>
<td>11</td>
</tr>
<tr>
<td>Tips</td>
<td>1</td>
<td>16</td>
<td>12</td>
</tr>
<tr>
<td>Taxi</td>
<td>1</td>
<td>18</td>
<td>12</td>
</tr>
</tbody>
</table>

**London to Liverpool:**

<table>
<thead>
<tr>
<th>Item</th>
<th>£</th>
<th>s</th>
<th>d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and tips</td>
<td>75</td>
<td>17</td>
<td>-</td>
</tr>
<tr>
<td>Ticket to New York</td>
<td>12</td>
<td>12</td>
<td>4</td>
</tr>
<tr>
<td>Steamship tips</td>
<td>8</td>
<td>7</td>
<td>2.5</td>
</tr>
<tr>
<td>Wireless messages</td>
<td>10</td>
<td>8</td>
<td>1.5</td>
</tr>
</tbody>
</table>

**Total:** 141.80

---

Left London for Milan, buying round trip ticket. Fare

London to Paris - Paris to London - payable by Group -

Pros. 70.90 each way - Total - Pros. 141.80

(See Pros. A/c)
Dear [Name],

Lo, Aon. P nrin and ratnrn •••••••••••••••

Hotel ••••••••••••••••••••••••••••••••

Tipe .......................................... .

EeBI888 to anA tramat

~tat1on

France.

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fare, London, Paris and return</td>
<td>141.80</td>
</tr>
<tr>
<td>Hotel</td>
<td>104.90</td>
</tr>
<tr>
<td>Taxi</td>
<td>30.00</td>
</tr>
<tr>
<td>Tips</td>
<td>25.00</td>
</tr>
<tr>
<td>Baggage to and from Station</td>
<td>10.00</td>
</tr>
<tr>
<td>Paris to Calais train, tips to secure compartment...</td>
<td>12.00</td>
</tr>
<tr>
<td>Pillows</td>
<td>2.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>325.70</td>
</tr>
</tbody>
</table>

France 325.70 @ 25 = £13. 4. 10

Salary Account.

(1) W. D. Straight, two months, April 8th - June 8th 1910 @ $500.00

**Total**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Items (a), (b), (c) of Travelling Expense A/C II are therefore explained as follows.</td>
<td></td>
</tr>
<tr>
<td>(a) Peiyang dollars £2020.79 paid Mr. de Menocal Peking by cheque of June 10th, 1910, and to be accounted for by him to me,</td>
<td></td>
</tr>
<tr>
<td>(b) £259. 11. 8½ as below:</td>
<td></td>
</tr>
<tr>
<td>(c) $707.00 U. S. Gold. This item cancelled in settlement of Item (2) above, leaving a balance due W. D. Straight of $293.00 which $4.30 equals £80. 4. -</td>
<td></td>
</tr>
<tr>
<td>Plus Item (1) above = £180. 4. -</td>
<td></td>
</tr>
<tr>
<td><strong>Therefore Item (b) £259. 11. 8½ less 180. 4. - equals £ 79. 7. 8½.</strong></td>
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</table>

being the amount for which Mr. Straight is at present responsible to the Group.

The total amount to be accounted for by Mr. de Menocal through Mr. Straight is now Peking dollars $6,880.79.

Yours sincerely,

[Name]

The Willard Straight Papers at Cornell University
Memorandum regarding Accounts.

The accounts herewith presented may be classified roughly as follows:

**Account A. Sub-head (1) Calendar.**

The expenses under this head for the period under consideration, i.e., November 8th, 1909-April 30th, 1910 with payments made by Mr. Straight and Mr. Backhouse up to June 8th, 1910, have been as follows:

- See A/c I. Fkg. $ 9,320.78 = roughly U. S. $ 4,500.00
- II. £ 100. 00
- $ 1,000. 00

Roughly $ 6,000.00.

The terms of service of the various employees differ. Items however have been as follows:

- W. D. Straight £ 600.00 per month.
- I. H. Geare £ 150.00 " "
- Lu Ching Chul 90.00 per month.
- Chinese writer 9 16.00 " "
- Office Boys, coolies, Getemen, Watchman etc., $ from eight to fifteen dollars Mex. per month. New men are frequently taken on, at smaller pay, their wages being increased with service. None of these servants can be regarded as fixtures, as the personnel changes from time to time.

An ex-imnent verbally to Messrs. Lawton and Grenfell. Mr. Backhouse performed some very difficult interpretative work, and conducted negotiations for the China Loan at Tientsin. He has now left China, and a Dr. Gatrell has been engaged on a short term by the Group and Pauling to do Chinese translation etc. He at present receives $ 400.00 (U. S. $ 300.00 approx) per month. This is shared equally by the Group and Pauling & Co.

**Sub-head (2) Office Expenses.**

Under this heading fall telegram charges, stationery, subscriptions to newspapers, postage etc. etc. Office rent would naturally be included hereunder, but having been paid in a lump sum, for thirteen months rent in advance this amount has been charged under "Installation."

The charges grouped hereunder for the period Nov. 8th, 1909-April 30th, 1910, are as follows:

- See A/c I. Fkg. $ 6,191.37 = roughly U. S. Gold $ 3,900.00

Total $ 9,900.00

**Account B. In its original instructions the Group set $ 6,000.00 as the limit for expenses to be allowed its representative. Under this instruction it has been presumed that the following are legitimate charges:

- (a) transportation (b) entertaining (c) Carriage hire etc.

It is believed that the limit set, has been scarcely, if at all exceeded.

In considering the accounts for the year however it should be remembered that they have covered a trip to Peking, and return with a return from New York to London.

That owing to the uncertainty regarding the stay of your representative at Peking it seemed undesirable to purchase outright a vehicle for use there, and that the rent is high.

That owing to the desirability of establishing a firm position at Peking it seemed wise for your representative to entertain more elaborately than should in the future be necessary.
The amounts expended follow:

See A/C If Pkg. $8:

- Transport $2,414.46
- Entertaining 1,618.41

$4,230.87 = roughly U. S. Gold $1,950.00

See A/C II:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pkg.$</td>
<td>130.00</td>
<td></td>
</tr>
<tr>
<td>Rubles</td>
<td>785.88</td>
<td></td>
</tr>
<tr>
<td>f.a.s. £</td>
<td>116.13</td>
<td></td>
</tr>
<tr>
<td>U.S. $</td>
<td>508.00</td>
<td></td>
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</tbody>
</table>

Total: $3,443.00

Account C. The total expenditure under this heading amounts to

$3,443.00 or about U. S. Gold $1,900.00

This covered rent for thirteen months @ Mex.$ 120.00 per month.

- Middlemen's fees
- Contractor for repairs and alterations
- Electric installation
- Furniture as per enclosed Inventory
- Insurance for one year.

It was found once work was started that it would be impossible to make the place suitable for the figure originally estimated. It was also thought desirable to furnish the main reception room, dining room etc. in good style as much of the most important work is done in these rooms, and appearances count for a great deal with the Chinese.

A set of photographs is enclosed.

Insurance was paid in order to avoid the very disagreeable consequences which might follow any trouble with the landlord who is an important Manchu in case of loss by fire.

On Board the "Lusitania",
June 12th, 1910.

H. P. Davison, Esquire,
23 Wall Street,
New York City.

Dear Mr. Davison:—

Enclosed I am sending you a Memorandum setting forth my understanding of the conversations with you on the subjects therein mentioned. One or two additional points are introduced, and certain things mentioned which we did not take up in exactly the form recorded. I trust however that the gist is correct. Unless I hear to the contrary from you I shall proceed on this basis.

Referring to Item 4, RE MANCHURIA. I hope that the Group will as soon as this Chin-Ai matter assumed a little more definite shape seriously consider the possibility of acquiring control of the International Bank. I feel that in proceeding with the Manchurian Bank scheme it may be found desirable first to have an American institution in Mukden and possibly elsewhere. This will be the basis on which the larger structure could be built.

As you know, the Chinese once they are accustomed to a thing do not like changes. The International Bank though never very powerful has become known as the "American Bank".

Such
Such Americans as there are familiar with Far Eastern Banking are in its employ, and it would be practically impossible to start a fresh organisation with the material now available in the East. More than that from a political standpoint I believe that it would be a mistake to attempt to do so.

This institution if well managed should afford a valuable nucleus for a bigger organisation. The Group if its Chinese ventures are successful will need a Bank in the East. Furthermore if it desires to be successful it should have an establishment with branches such as have been opened by the I.B.C. A regular commercial business would grow and pay running expenses. Valuable connections with the officials could be established, and the Chinese furthermore would not feel that the Group had merely sent a representative to secure a loan or two, take it's profits and withdraw, but would be convinced that American capital had come to stay and that its assistance could be relied upon when necessary.

Should the Group acquire the I.B.C. it would probably still be desirable to retain the services of a man to do political-financial work. But it would not be necessary for such a man to remain constantly at Peking, for on leaving he could always, with confidence entrust his work to the charge of the local Manager of the Bank.

In this connection it is my understanding that on returning to Peking I am to investigate the work done by Mr. de Menocal during my absence, and arrange, under your instructions, to remunerate him to such an extent as may be commensurate with the service rendered.

Yours truly,

[Signature]

Enclosure as stated.
June 13th, 1910.

Dear Davison:

You'll begin to think that writing is the easiest thing I do. I suppose it is. The Lord knows there's not much to talk to on this boat. Paul Morton, President Butler of Columbia, Ogden Mallet, and a man with whom I sit at the same table you had last trip, are about all. There's a fair young woman, who appears to wish to converse, but she's too intense for me. Big black eyes and what the novelists call 'blunt-black hair.' I'm not taking any thank you.

The weather's been fine. Miss Davison was quite right, but please tell her that I haven't enjoyed the trip nearly as much as the last, and for the reasons I told her beforehand.

I am sending you an official letter about the International Bank and a "memorandum" which will serve as a sort of a platform, subject to your revision, downwards, I presume. My accounts also go forward by this mail. I trust that you will find them satisfactory and that the Group will not think I have been extravagant. If I have the Group is not the only sufferer for I find that I've been stuck a good deal myself. I had hoped to find that it was the Group and not me, but could not do it. Expenses accounts are all very well, but I find I always lose. However as long as it's not face it doesn't make much difference.

Mr. Morton had a good deal to say about the I.B.C. That it was badly run, that he was tired of being a director etc. etc. The stock he says is now at 146. The Equitable bought in at 120. Hubbard has the control. He asked why the Group didn't buy it in. He thought we ought to have it. I made "no commitment".

As regards that South Manchurian Railway matter I did not take it up at the Department with Miller for we had had a pretty hot argument about the possibility of the Department's supporting Cloud in his new activities in China on behalf of the Macy-Lawley people. I had no chance to discuss it with Wibson, but if I return to Europe after Petersburg, shall meet him in Paris whether he sails on the 29th of June and take this as well as the question of the Department attitude toward the Group, up with him. It should be a good chance. It also may be that his presence in Europe will help on the Russian Game for it should not be difficult if necessary to get some one down from the Petersburg Foreign Office to meet him.

President Butler by the way seems to think there's some truth in the rumour that Fairbanks is to go to London. That seems almost impossible but he claims to have seen or heard of a letter written by Taft which practically made a commitment. It would really be a most serious situation. Great Britain has not played the game with us, but things might be brought round if the right man were in London. Reid I do not believe is the man, but Fairbanks would bring in the blacksmith touch where a hair trigger is needed. It would be too awful.

I enclose a copy of the letter I left with Menocal on leaving. Mcknight might like to keep it. You'll remember that I told you of the understanding we had about what he was, and what he was not, to report to the I.B.C.

That matter of the Agreement still sticks. I cannot believe that he would do such a thing, and have been trying my best without results to figure out how it could have reached New York without Menocal's having sent it. I'm quite sure it wouldn't have gone through Chinese channels, and can therefore reach but one conclusion. I am very sorry.

You must be reveling in your place in the country these days if you have been having weather such as we've been blessed with. It's very attractive.

Please give my best regards to Mrs. Davison and to your sister. Trusting that you are not being overworked since your return, and with warmest wishes,

Sincerely yours,

[Signature]
22, Old Broad Street,
LONDON, 14th June 1910.

Morgan, J. P. Morgan & Co.,
For the American Group,
New York.

Dear Sire,

I have to report that, with Mr. Straight, I today saw Mr. George Pauling and Baron Emile Erlanger. They agreed to sign the Agreement of October 6th as amended to conform with the conditions for sharing of profits on the Chinchou-Aigun Railroad, as arranged between Mr. Davison and Mr. George Pauling.

I now await the formal agreement which Mr. Straight tells me you are drawing up in New York.

As regards the Harbour Works, Mr. Pauling had assumed that the construction was to be undertaken, if at all, on joint account. Mr. Straight pointed out that there had apparently been some misunderstanding regarding this matter, and that he had informed Lord Friesen that it could not be assumed that the position of the American group and Pauling & Co. was one of absolute equality, notwithstanding the fact that the Harbour Works contract was supposed to have been given in compensation for the surrender of the Operating Company and Profit Sharing clauses which were embodied in the Preliminary Agreement of October 2nd.

As the result of the conversation of today, Mr. Pauling stated his position as follows:— That in case the Chinese decided to construct the Harbour Works on the contract system the American Group were to nominate Pauling & Co. as contractors; in case Pauling & Co. are awarded the contract they will undertake the work on their own risk and give the American group the same share in the profits as had been arranged shall be given on the contract for the construction of the Railroad.

Mr. Pauling stated that this seemed only fair but that he was quite prepared if the American Group wished to do so (which we said we did not) to undertake the work on joint account and share the profits equally with the group.

I shall be glad to have your views regarding this matter.

As regards his position as to the Coal Mines Mr. Pauling said he had assumed those, together with the Harbour Works, would be given in compensation for the Operating Company and Profit Sharing clauses, and that he understood Pauling & Co. were to share equally with the Group in any benefits which might accrue from the joint operation with the Chinese of these Coal Mines. He quite appreciated the fact that the present satisfactory state of affairs was practically due entirely to the activity of the American Group, supported by the American Government, and was not at all disposed to insist that he share equally with the Group in these so-called compensatory advantages.

I shall be glad to have your ideas as to the position of Pauling & Co. as regards the joint operation of the Coal Mines.

Yours very truly,

[Signature]
Princess dear - I find that Harry cannot see me at 5. tomorrow, Thursday - but can at 2.30 - 3.30, so cant you put the Miss Ripley date off until 6.30 when I have to go to the office anyway - and let me have from five until that time. I am going to the office after lunch directly. My heart is too full tonight. I love you so - it seems almost as if I could not bear it unless you knew now - now, for always.

Willard.

Please send me word in the morning before I leave here at quarter to ten. It seems a long time before I shall see you.

Princess dearest - it figures most awful - but I cannot turn in without a word to you. The sunset brought you nearer - it was very beautiful - and the long twilight. Did you have it too?
William asked when you went to London. Gone today- I said,- but I thought we should come back to see you. Yes- said William- he thought so too- and he smiled. Then he told me about the Chinese newspaper and the story- about my being married. "No.29 day, just before Mactah go Peking"- He smiled again, and seemed to see some connection. Then he said"Mactah quite close-enough , more better marry"-William said I- "would you like a missap"- "Yes" said William- and his face split from ear to ear."Not long berry nice"- "Berry good"- So you see he quite approves of you- and would be a good servitor. When I asked him about his salary he wouldn't take any- what do you think of that ? Quite enough pay said William to be able to see you again. And he's quite right

On Wonder of the World

Enclosed some foolish clippings- Do you like to have 'em ?


Willard.
En route through Germany, June 19th, 1910.

Dear Davison:—

Grenfell's letter to the Group brought matters up to a certain point. The armaments regarding the sale of materials etc. I shall take up with Paulings on my return from Russia. Grenfell attributed Mr. Vanderlips' apprehensions about Paulings to Baringa who he says do not like him. Grenfell himself does not like Paulings a socioite of the Erlangers, nor his employee Harr's, but says the old man himself is all right and that the others are too. I shall try to find out something more about them though I should think Grenfell should be a much better judge and informant than I.

In Paris I saw Soldatenkopp, Harjes' friend and of whom I spoke to you. He said that he feared that while there was no definite agreement between Japan and Russia, that his own Government was nothing more than the "tail to the Japanese kite" and would do nothing of which the Japanese did not approve. I as he said might have been prevented had we stepped in as we are doing now some four months ago. That doesn't help matters of course. I told him to write some of his influential friends about our conversation, giving it to them as secret and confidential. He himself is all right because his plan has been his own and the one he took up before with Harjes. I also told him that we much preferred to work with Russia because we saw future business in it. I by no means proposed to abandon the Ch'in Ai because Russia objected to it. Briefly and in diplomatic language I said that we'd rather play with the Russians than block them but that of the, didn't want to play with us. We didn't at all mind in fact rather liked a scrap, and that the fact that they did do it with them made no difference whatsoever. That we were right and would stand on our just rights. I didn't want them to think my going to Petropolis a sign of weakness. I don't think they will.

I shall not write you very fully from Russia as I am afraid of the mails, but will telegraph and write you fully as soon as I get from under the shadow of the Bomb.

Menocal still worries me, but I don't think he'll be foolish enough not to play the game now. Perhaps he thought he was doing so before, and may have had good reasons. Though it's hard to see just what they could have been. In any case I don't see what can be done for a time. So merely yours,

[Signature]

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of a reception you have been convinced there. The Russians are great in pulling the work over the year of these. Now they want to publicly get rich off of them. They make promises, only to break them without the least reluctance and I am sure, if the group goes into partnership with Russia in its efforts, it will get left some older. I am strongly of the opinion that if return for a few lines to begin in arehina and for an object to England prominent rule in India without disturbance from the outside. Russia has been prominent. Free land in Hungary or something equally good. But where do we plan?
Translation from the "NOVOE VREMIA" of June 12-25, 1910.

I have come to Petersburg to learn personally the views of the Russian Minister for Foreign Affairs and Finance in regard to the construction of the Aigen-Chinchow railroad.

Up to now, the Russian Government has expressed itself as being opposed to it and its Minister at Peking made protest at the time. Our American syndicate will give the Chinese the necessary means to build the railroad and the construction will be entrusted to England (under Pawling, the well known contractor). To carry through this scheme we propose to lend the Chinese money. The entire railroad will be handed over to the Chinese to be operated by them as soon as it is finished.

Mr. Straight knows China at first hand, having large interests there, and he continued as follows: "The insurrection in Chang-Sha was caused by the large export of rice which excited local indignation and gave an anti-foreign turn to the affair. To a certain extent responsibility falls on England the Japanese who were larger exporters than the others. In general the movement in Chang-Sha had strictly a local character.

During my long residence in China I have had no occasion to observe any hostility on the part of the Chinese towards Europeans. On the contrary, the high Chinese officials of recent years are trying in every way to make use of the benefits for their country to be derived from European civilization. The present liberal movement in the interior is on very solid foundation and there is no doubt that there will be important changes in administration of the country in the very near future. There is really feverish activity in this direction.

William Straight
Ambassador in Europe

From where we intend to start the work, and to publish there for Alaska. By the middle of August we shall hope to return back to the United States and look forward to meeting you there prior to your return to the Far East.

Mr. Straight was eloquent, that the people have much of use both as to trade and in English. We shall stop in London, have the same, and join you by the same means. The Bishop of Hainam. William Straight
in this direction at present in China. Telegraph lines and telephones are extending everywhere and the influence of the European manner of life is at work.

The success in military organization is exaggerated by the European press. The soldiers are good in comparison with the officers, but China has much to do in this direction, as far as I was able to judge from persons in a position to know. You ask me whose influence is dominant at Peking at this present? I have the impression that it is the Japanese who are penetrating everywhere in China and playing the leading role. The Chinese are conscious of this and often express jealousy because of it. The Germans enjoy very good relations with Peking and the English have lost their former impertinence somewhat in recent years.

The Chinese have an unquestionable sympathy with the Russians and are trying in every conceivable way to gain their friendship. The interests of Russia and China are so closely interwoven that the Chinese realize the disadvantages of any complications.

China has no distinguished statesmen at present and all affairs are dealt with by the Council of Ministers among whom are undoubtedly men devoted to their duty. The question of building a fleet in China has been often raised, but so far as I know, the thing has not gotten beyond talk. The majority of military instructors in the Empire are Chinese who have studied in England, Germany and France. The Chinese are trying to do all themselves without calling in Europeans. The time for concessions in China has gone never to return.

Dear Mr. Knight:

Many thanks for your letter of the 9th, which reached me at Petersburg. I was most glad to have an opportunity, all too brief, while in America to spend some time with you, for especially in matters such as those with which we are now dealing, the personal touch means more than almost anything else. I trust that this is but the beginning of what promises to be a most pleasant relation.

Your information regarding Pauling and Co., and the arrangements between them and the Group was welcome. They apparently quite concurred in the view that it would be unwise for them to send a representative to Petersburg, and my experience there but confirmed the opinion that I had already formed. An Englishman acting with me would have only complicated a none to simple situation.

I am enclosing a letter from a certain Mr. Womham which speaks for itself. His partner, Mr. Sanger I met in Paris the other day and said I should be glad to talk these matters over with his firm. I have informed Mr. Womham that his letter has been referred to you.

The story of the Petersburg visit is fully told in the official letter to the Group, and in a personal note which I am sending Mr. Davison. The personal side of it, the dreariness of that town, and the sinking feeling which the whole country now gives me, is another affair and has no place in business correspondence. It is a wonderful country, with splendid resources, but the hopelessness of the Russian people, their immorality, their inefficiency, their childishness, hits one in the pit of the stomach.

I am here in the country for a few days and shall probably remain put, if I am allowed to do so, for as long a time as possible, for 60 months of steady travelling has driven the Wanderlust into a very bad dent.

With kindest regards always,

Sincerely yours,
Messrs. J. P. Morgan & Co.,

For the American Group,
23 Wall Street,
New York City.

22 Old Broad Street,
London, 28th June 1910.

Gentlemen:

Enclosed I have the pleasure to forward you a report on my visit to St. Petersburg, supplemented by summaries of the most important interviews granted to me while there.

As telegraphed you on the 30th instant, I believe it would be possible at once to proceed with the construction of the first Chikhano-Lazhensk section of the Chikhano-Lazhensk Railway. It seemed best to furnish you with this information at once. The situation is so delicate, however, and the other considerations brought up in my various interviews so important, that I requested you to reserve judgment until the receipt of a full report by mail.

In view of N. Kulikov’s attitude, which I rightly judged to be the probable position of his colleagues, I determined to leave St. Petersburg as soon as I had seen the various Ministers interested in this matter. I feared that a longer stay might be interpreted as a sign of weakness on our part and of a desire on the part of the authorities to buy us over.

I shall hold myself in readiness here to proceed to the United States to report personally, or to return to St. Petersburg, as you may direct.

Yours truly,

[Signature]

James F. de Sylva

Messrs. J. P. Morgan & Co.,

For the American Group,
23 Wall Street,
New York City.

22 Old Broad Street,
London, 28th June 1910.

Gentlemen:

I beg to report that, acting on your instructions to proceed to Russia, I reached St. Petersburg on Monday the 20th of June and at once placed myself in communication with the American Embassy and with N. Komotavski, the Russian Minister at Peking, then in St. Petersburg.

From the Embassy I learned that both M. Ekokotseff, the Minister of Finance, and N. Komotavski, the Minister for Foreign Affairs, were expecting my arrival and desirous of seeing me.

On the morning of the 21st, M. Komotavski called. He informed me that he had discussed the Manchurian-Mongolian Railway situation with M. Ekokotseff and Komotavski, that they wished to see me at once, that it would moreover be advisable for me to call on the Minister of the Interior and Premier, M. Stolypin, and perhaps also upon the Ministers of War and of Commerce. We himself was obliged to leave St. Petersburg that day to take his leave as he expected to remain in Russia for some time on returning from his short vacation.
He had little to say about the possible success of my mission and I rightly anticipated from his talk and from his departure immediately on my arrival the probable nature of the views which were later expressed by his superiors.

I told N. Kornilovets that in America the Government and Group were very friendly to Russia, that we hoped we could arrange our differences regarding the Chinchou-Aigan line, that if this was done we should gladly work with Russia for the Selgan-Kishtn scheme, and that the Government might be prepared to consider the possibility of making some exchange of notes similar to those exchanged with Japan in 1906 regarding our mutual position and interests in the Far East. This conversation, I believe, was immediately reported to N. Iskulsky. I of course explained that these ideas were merely general, that I had not come to negotiate or to ask Russian permission to build the line, that the consumption suggested might take years to affect, but that such a possibility did exist, and that I would therefore quite frankly tell him what I felt our position to be.

In view of the Embassy's and N. Kornilovets' statements that N. Iskulsky wished to see me I made no attempt to confine my discussions to the Ministry of Finance, as had been suggested in Washington, but determined to follow the programme outlined by N. Kornilovets, as the result, evidently of his conferences with his Government.

Through the courtesy of the Embassy, interviews were arranged with Mtes. Stolypin, Rakotsoff and Iskulsky, and with the Ministers of War, Commerce and Communications.
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...
2. To join with Russia as against China, by abandoning the Chinchou-Sian project, and taking up the Kalgan-Kishhta scheme, and the construction of feeders as suggested by M. Skotvold for the Chinese Eastern Railway.

This would mean the sacrifice of China's confidence in our friendliness, and would be a serious blow to the American reputation for fair dealing.

The only possible gain would be the improved chance of securing future business in Russia, though Russia could hardly respect those who followed a policy so frankly utilitarian, and selfish.

3. The middle course, i.e., to attempt to reconcile Russian with Chinese interests, consistently to pursue the traditional American policy of friendship and support of China without pushing the matter to such an extent as to provoke Russian retaliation against China or bitterness against the United States.

This would seem the wiser and safer of the three.

In working to this end there are two agencies, the Government and the Group. Their respective spheres and functions should be clearly defined and mutually understood if success is to be attained.

Dealing first with the activities of the latter—the necessary steps, if the third course were followed, would seem to be roughly:

1. The Chinese Government to be persuaded, if possible, at once to ratify the final loan contract, and construction to be started on the Chinchou-Tumen section.

Russia cannot in the light of her Minister's statements oppose this.

Japan may demand participation, but Sir Edward Grey has already assured Pauling & Co. that as long as the road went only to Tumen he would not tolerate Japanese interference, nor support Japanese demands for participation.

2. Simultaneously with (1) the Group to assure Russia that for the present it had no intention of pushing the line beyond Tumen and would in fact use its influence with China to prevent her doing so.

Arrangements could also be made for cooperating with Russia in securing from China promises regarding the Kalgan-Kishhta line.

3. China with the loan funds, or the Group, to secure the "Erdei" land at Harbin, China to start a steamship service on the Sungari.

4. Using the threat of constructing a line from Tumen to the Sungari, at Petuna, to connect with this steamship service, together with the threat of constructing the road from Tumen to T'ai-t'ai-har and thence to Askia, as a lever, to endeavour, during the construction of the Chinchou-
Tamanfu section, to remove the Russian opposition to the remainder of the line, and to attempt at the same time to persuade Russia to sell to China her Manchurian Railway.

The details of the foregoing plan are not here set forth. Were it followed it would be necessary of course to "reap" China as to the proper attitude to be adopted toward both Russia and Japan. This could be done.

The American Government for the time being should I believe remain largely in the background, except as follows:

On the receipt of Russia's reply to the Memorandum of the 18th of April which, to judge from the interviews at St. Petersburg recorded herein will be unfavorable, the State Department could reply that it must insist upon a strict respect for the integrity of China, the "open door" etc. and must also protect its nationals, but that it would use its good offices to see if these various interests could not be reconciled with the legitimate aspirations of Russia, etc., etc.

The Minister at Peking could be instructed informally to support the Group's representative in urging China to ratify the Detailed Loan Agreement and proceed with the first section of the line.

The Embassy at London could be directed if necessary to attempt to hold Great Britain to her pledge to Pauling & Co. regarding the support to be accorded if the line were only constructed to Tamanfu. It would be well, however, I believe not to press the British Government too far at the present time.

The Embassies at St. Petersburg and Tokyo, and also at Berlin and Paris could endeavour to keep the Governments with which they had to deal in a good humour and ignorant of the broader significance of the plan.

With the Government for the present taking no leading part in the programme it would be possible to appeal thereto for aid in case of necessity and thus avoid the mistake made in the case of the Neutralization scheme, where all the batteries were unmasked at once.

In submitting the foregoing plan, with the attempted analysis of political conditions which precedes it, for your consideration, I realize that I am perhaps outlining a too ambitious programme. I have endeavoured, however, as briefly as possible, to set forth my impressions and deductions, and venture further to present suggestions based thereon, trusting that in doing so I have properly interpreted and observed your instructions to proceed to St. Petersburg, to discuss and investigate the Russian attitude toward the Chinchow-Alashan Railway.

Yours very truly,

[Signature]

6, Essec.
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Elgin section of the mind.

He pointed out that it would approach the most un-protected section of Russia's frontier.

I stated that in case of war Russia, by rushing troops over the U.S. R.R. from Shanghai Station, could occupy the Amur at Ningpoesthehau could seize this road before any one else could reach it.

He had no answer.

I said surely you do not fear China.

He admitted his fear of Japan.

I pointed out that even if Japan has the temerity to seize a Chinese railway the United States, in order to protect its bondholders, could hardly acquiesce in such seizure.

He made no reply.

Mr. Kotscheff then proceeded to question American policy.

Why, when the entire Chinese Empire was open to our embargo, should we desire to a concession for the one line prejudicial to Russia.

Why could we not join Russia in the Kalgan-Kiachta scheme instead.

Russia would welcome such co-operation and would assist us in every way possible elsewhere, where our interests did not conflict.

I pointed out that we had no concession for the Chihho-Chiun Road and explained the nature of our contracts, telling him that we had discussed details with the Chinese but not informing him of the stage those negotiations had reached. China wished the railway and were prepared to pay for it. We had to take business where we could find it. The popular opposition to railway lines elsewhere in the Empire made them a questionable proposition even if they could be secured. And so to the Kalgan-Kiachta line we were quite ready to work with Russia. To work with the Americans we should be asked to abandon a contract which we already had, to accept upon the very difficult task of securing another contract from China. The very fact that we had sacrificed State interests in the Chihho-Chiun plan would enable the Chinese and make them unwilling to grant us anything further.

At this he smiled. If we worked together, he said, we could force China to do what we wished.

He then said he could not understand why China acted as she had been doing. The Chinese Eastern R.R. would report to China after a certain period of years, she could purchase it after a certain period. Why should she not spend her sums elsewhere and take the U.S. R.R. when she could buy it.

I said he must admit that it was natural that China should wish to develop her own country, that she should wish to transport the products over her own, not a Russian line to the sea, and ship them through her own ports at Vladivostok or Nakhon.

This he admitted.

Further I told him perhaps he was wrong, after your rejection of the neutralization proposals, whether you will open or not.

If you cannot abandon Russian interests in Manchuria now, why should you do so twenty-six years or so hence when they have, owing to natural development, become infinitely greater.

"But there is the contract," he said. "We all know about it.

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The Willard Straight Papers at Cornell University
The Willard Straight Papers at Cornell University
Interview with H. Izvolsky, Minister of Foreign Affairs, June 28th, 1918.

H. Izvolsky was as disagreeable as I. Shkolnitsk had been pleasant. Whether this was due to his personality or his desire to impress me I do not know.

He opened the interview by stating that H. Shkolnitsk had told him of his interview with me of the day before and that he of course concurred in everything that colleague had said. Russia had made up her mind that the Chinese-Akman railway would be prejudicial to her interests and would oppose it with every means in her power. It was to be built in China of course. Russia could not stop us but she could make it very disagreeable and could take steps to punish China for her foolishness.

He then said: "I don't understand what you Americans are up to anyway. What do you want? You say you want business, why don't you take up your suggestion regarding the Manchurian railway, if you are honest? I think you are playing politics!"

He then launched into a tirade against the manner in which the Chinese-Akman proposition had been handled. He stated that he had consulted Japan, had consulted everyone in fact before approaching Russia, that our negotiations with China had been secret, that there had been a secret order, that in every way we had shown a desire entirely to ignore Russian and Japanese interests.

I begged to differ with him and stated that so far as I knew the American Government had never consulted Japan about the Chinchou-

Alma Line, except in connection with the Neutralization Proposals.

He said that as far as he knew, in October or November last, no one had opposed to prove it. He couldn't remember the exact date.

I then gave him a history of the negotiations, stating that prior to our entry on the scene neither had had a contract for the construction of the road from Chinkiang to Tientsin and Tientsin, that this contract had been the subject of negotiation between the Japanese and British and between the British and Japanese agreements in July and August of last year and possibly before, not we had had apart thereto. They Sir Henry Grey had said that he would support Pulling & Co. even against Japanese objections in carrying the line as far north as crossing but that in case it went to Tientsin he thought the Japanese should have some participation. From that time I believe special discussions with every step of mine arms, so, I thought, that the American Government may agree to any negotiations with Japan on the subject.

During the next few minutes it developed that H. Izvolsky was referred to the fact that in preventing the Neutralization Proposals to Russia, the Chinchow-Akman project which had been included in the notes presented to the other powers, had been omitted. This omission has been explained to him but he appears unable to express that the United States has acted in the same.

He insisted on the secret point as the secret negotiations was obviously inspired by his desire to make out and had a case against the United States as possible. He was pleased to give me a statement that in November last I had assured the Russian Minister of
at Peking that we should be pleased to have Russian participation in the Chino-Siberian Railway, and that we would discuss the matter as soon as possible. Here we had something definite to discuss.

The Americans, he said, were inclining China against Russia. During the last few years, we have had growing difficulties with the Chinese. They annoy us everywhere. You are responsible for the trouble we have at Moskva, everywhere you are working against Russia.

Again I began to differ with him and pointed out that perhaps the Chinese had certain rights in Manchuria for which they had up till recently been unable even to ask recognition.

He continued, "So about, back China against us, but I tell you you are setting on the wrong horse. Some day you will see. We have our treaty rights in Manchuria, rights which China has given us. To say more than these, and more than we shall have, we shall take one such. We can build the railway if you like, we will not participate, but we shall oppose you in every way we can. We cannot afford to suffer Russia's advances across our soil at Turfan.

I suggested that it was China who proposed to build the Chino-Siberian line and that it was from China that Russia held her right to operate the Chinese Eastern Railway, that being the sovereign power I thought that China might choose if she wished to do so.

"Try it," said Berliner, "you will see."

He then joined in the strident objections to the Turfan-Manchurian section. It approached the most unsettled portion of the Russian frontier, he said, and it would enable us to stop another Russian wave.

I think it desirable to finally align ourselves or to take steps to stop the building of the railway.

He then spoke for some minutes about the unfriendly attitude of China, for which he again blamed the United States, and said that Russia did not want trouble but that the cup of her endurance was running over. He then intimated that if we proceeded with the construction of the railway while Russia could not prevent us, she would revenge herself on China instead.

As to my suggestion to N. Nikoloff that we build branch lines for the Chinese Eastern, if Russia would send to China before the appointed time, he said that he could make no commitments. He quoted my statement that China might believe that Russia had no intention of selling back the Chinese Eastern Railway, and said that Russia intended to do so if, when the time came, there were a Chinese government capable of administering the railway decently.

In conclusion I thanked him for his frankness and said that as far as I could see I thought that China should substitute her own legitimate interests and her natural desire to develop Manchuria and herself, to Russian desire to secure future profits for the Chinese Eastern Railway, and that he expected us not only not to assist China to realize her ambitions but to cooperate with Russia in protecting the C.S. R.R. even when by doing so we were asked to sacrifice business which we already had in sight and the good will of China in addition.

I told him that though I could not speak for the American Government I knew that there was absolutely no desire to work against Russia or to interfere with her legitimate interests in Manchuria.
while as to the group I felt that it was most friendly and anxious to reach some basis which might result in future business co-operation. I thought however that China was still sovereign in Manchuria, and that we had a right to profit by serving her interests there, as long as we did not infringe upon any privileges justly held by others. If Russia felt our activities calculated to encroach on her position we were very sorry.

He then said Russia has no desire to interfere with the "Open Door" but that she has certain interests in Manchuria which she must protect. We cannot sacrifice any of what we have, he said. You talk of the Portsmouth Treaty - I had not mentioned it - you must remember that it was drawn between Japan and ourselves and that neither China nor America nor any one else is party to it. We shall do our best to observe it literally but we shall notudge one inch to abandon our own position, and remember I think you are sitting on the wrong horse. You say you are friendly to Russia yet you wish to push this railway. Why do you not take up the Kalgan-Kincha scheme. When you come to talk about working with us, you will find a welcome. You do not seem to wish to do so. I hope I have shown you frankly that you must be prepared to take the consequences.

Interview with the Minister of War.

General Sazonoff, June 2nd 1920.

This interview lasted for some time but was principally devoted to a discussion of Kuroptefkin's strategy during the Russo-Japanese War.

I told the General that the object of my visit to St. Petersburg that I had seen certain people, N. Kokoloff amongst others, who had told me of Russia's economic and strategic objections to the Chinsho-Aikun line. Others I added, thought that America was deliberately working against Russia in the Far East.

Have you seen Trotsky, he asked.

Yes, I replied.

I thought so, said he, for that is what he has said for some time and I have always believed him. There should be no difference between America and Russia in the East. To have to fear Japan only. I then pointed out what I thought to be the false strategic arguments used against the Chinsho-Aikun line.

He said, you do not need to tell me that, I have always said so. I sent the line. In case of war with Japan it would serve my interest. Kuroptefkin's mistake was that he never attacked. I always should do so.
Time, fifteen minutes.

Interview with the Minister of Interior and the Premier, N. Stolypin, June 25th, 1910.

N. Stolypin was most cordial. He referred to my conversations with N. N. Zhukovsky and Involsky and said he had nothing to add to what they had told me.

I urged again my feeling that there would be room enough in Manchuria for both the Chinese-Manchurian and the Chinese Eastern Railways, and that strategically there was no such danger as had been anticipated.

He said that he could not argue the question, that their minds were made up, and that as regards this road there would be no ground for an arrangement. He then took up the question of the Talien-Manchurian line and asked why we would not work with Russia for that. I spoke of the bird in hand being worth two in the bush, but he laughed and said China didn't count, we could do what we wished.

Russia, America and Japan working together, he said, could persuade China on any question.

I stated that Russia and America might combine but that the introduction of Japan would at once arouse Chinese suspicions.

He shrugged his shoulders and said that there was no Government in China anyway, so it didn't matter.

He referred to my suggestion to N. Zhukovsky that we might build a feeder for the Chinese Eastern Railway if Russia would promise to sell the same within a given time to China. Russia, he said, could make no advances in this regard. Russia had enormous interests in Manchuria which she was bound to protect. It would result to be seen whether China would have a Government sufficiently strong to respect Russia in turning over to her such important properties.

He then said, of course we cannot prevent your building this railway if you wish to do so, but we will not participate and we can make it very disagreeable for you. Our trains will stop at Taliehbo in the night, and we shall make it very unpleasant, besides that, you cannot cross our lines.

He hoped that some arrangement might be made that would enable Russia and America to work together.

He then spoke of China's unpleasant and unfriendly attitude for some time past and said China seemed to feel that her Russia had been defeated by Japan, that she could be ignored. Such was not the case, as China might find out to her cost she would have to behave. It was evident that N. Stolypin had been coached for his conversation by N. Involsky, as his arguments were in many cases, the same.

He again hoped that some arrangement might be made. He himself had a great sympathy for American ideas. American money, engineers, energy and brains were needed in Russia and Siberia, and he thought we could find much business there. He would welcome any proposals we might make, to this end.
Interview with N. Kokotseff, June 28th, 1910.

In this second interview N. Kokotseff repeated his statement that he was finally and definitely opposed to the Chinchou-Sian line but hoped that something could be done regarding the Belgan-Khalka road, and lines elsewhere.

I stated that the Minister of War had said that he had no strategic objections to the road.

He replied - The Minister of War is a charming old gentleman who dislikes saying unpleasant things. I speak my mind. The War Office first called our attention to the strategic menace of the line would be, if constructed.

He then added that we could always count on him at any time to receive with the heartiest sympathy any proposition for Russo-American co-operation in China or in Russia or Siberia.

Deepdene, Dorking, Surrey.
June 28th, 1910.

Dear Deivson,

Back from Petersburg I am in England once more and glad to be out of the land of the Dreadful Day. It was day all the time; one had the most indescent feeling on coming home from dinner at the respectable hour of twelve thirty to find no street lamps alight, and the town in a state of semi-twilight, dreadful reminder of "morning's after" and awful "heads".

However this is not business. The results, if such they can be called, of my trip are fairly well, at least, pretty fully set forth in my official letter to the Group. I am sorry that the report should have been so long, but couldn't help it. The suggested course of action may or may not meet with your approval. Perhaps I showed a good deal of nerve in putting my ideas forth so baldly, but you once told me to say frankly what I thought. You can act or not as you see fit.

As stated in the letter above referred to, Kokotseff was a nice pleasant gentleman, Stolypin likewise, the Minister of War with the terrible name a charming old person, but Lewolsky was a swine. I had always heard that he was. He is. I never wanted to wring anyone's neck so much as I did his during the hour I had the misfortune to be in his presence. I would have avoided him could I have done so, but I knew him to be already suspicious, and anxious to show that we were acting against Russia and in bad faith, so I thought the best thing to do would be to have it out with him, particularly since he expected me, and to have avoided him would have been not only unwise but might have been considered discourteous.

I kept my temper during the interview with some difficulty. I did not attempt to answer all his slurs or to combat his statements but confined myself to drawing him out as much as I could without committing myself in anyway. The "commitment" bogey has been haunting me ever since that end of October at Hakiden, and unless I had to I wouldn't "commit" myself for worlds.

H. P. Deivison, Esquire.
New York City.
We are I think up against it, and must choose one of the three courses outlined in my official letter. I am very sorry it is such a long game and fear that you will all regret ever having embarked upon it, and will feel that my increased salary is but the added price of the "gold brick" you bought when you started this China play. But I believe still, notwithstanding what may seem to be the discouragements of the Russian situation, that we hold the whip hand and stand to profit in the long run by the very situation we have created by your debut into the choice international society of crooks that dance attendance on the Peking Court. We will win in the end all along the line I think for I feel convinced that we are the only people who are honest, and prepared to give everyone a square deal. I am not so troubled by the rumoured understanding between Japan and Russia, which seems to be bothering the chancellories of Europe, because I don't think there is enough honour between two such brazen thieves to make the partnership a permanent one. When they fall out we should come to our own, if not before.

I shall now await your instructions. You may wish me to come to New York and talk things over in which case I hope I can go to China via the Pacific for Russia is on my nerves and the Hotel d'Europe at Petersburg is the most awful den of robbers that ever made the name of Boniface smell to high Heaven. Or I shall, while my Essex is good, as some one once said, "Beat it" for the Orient by my old friend the Siberian Railway.

Wilson should sail tomorrow for Europe and I can arrange to see him in Paris next week. A conference with him might make things easier with Mr. Knox. It should also like to see Witte again. He will be in Paris also next week. He impressed me more than anyone I met, and he adored "Go Ahead", delivered in humorous French which I have to a certain extent given in the summary of our interview, is the best thing that was said in Russia.

My private affairs make me hope that I can still stay on here for a little while, though I should be prepared to start for Timbuctoo tomorrow if you direct me so to do.

With kindest regards to Mrs. Davison and the young'ers, and always to yourself, believe me,

Sincerely yours,

Will Straight.
Princess dearest—
You must never think
that I would "try to
kiss you"—Don't you
know that you are
far too sacred and
Holy to me— to let
me dream of such a thing—
When you can give this—
I shall be happy— I can't
take it — dear— It
must come from you—
God Grant that it,
may come soon—

Good night —
Willard.
Fun alone - Princess Mia - Did you rest well - and did the "sweep-off" bring you sleep and the "sweep-up" pounds - extracted not like Biglock's - but from the ordinary food of the Green-Grocer? I, Your Sister - wait -

There are several points that I'd like to briefly touch upon -

Before going to sleep will you tell Louise to knock on my door - and see me for a moment in the Hall - or will you let me know when you go down - I shall probably be here in my room - and speak to me before the game begins -

Today you must be Kind Princess Mia -

Willard.

Princess Mia - Can't.

You gone down the back way and go to the room with the past fire whether I shall go at a little before half after nine? Then Millers can be avoided -

Willard.

Did you rest well dearest - and really sleep like a top - and lose all the day's worries in the whirl of the Land of Nod - Tell me true - did you -

As for me - well -

I'm ----

You should have seen me go -
July 1, 1910

Unless you went straight to bed when you left I was uneasy - after a moment with Millicent when he said - "Miss Whitney's apparently not coming down" - and I said "she was down for an instant but was very tired" and three paces in the puzzle I went asleep at just eleven - and turned in - which bored me a good deal - and the top went round and round and round - and I again - Yawn to myself - and through all the night - Your voice sung in my ears - and comforted me - a little - though I can't say it's really much of a great comfort - though - I'd rather hear it than not hear it - but it was there anyway - and I dreamed of you.

Good morrow - Wonder of the World - I shall leave Victoria at 3:00 N.R. and be at Borking at 3:30 am ever was - even if you can - if you can't - give me my previous moments in the little room again - and at night before the fire -

I hope your sisters better -

[Signature]
Princesse dear - it's just after twelve and I'm hoping that you are not
calling up to write - for you are tired dear - "Purloin" though I may be -
it is my fault - to a certain extent - and I am sorry - My fault - and so
because you are tender and sympathetic and sweet - because you care so for
"Sister" - I love you're calling her that - please forgive my doing it too -
and because you're wrong about my coment of "presents" - that can't be helped
dear - save by you - and wrong and being tired or yours part will not help -
but only makes me wrong - and love you - the more -

This is just a good night to you - Wonder of the World - You know all
that I would say - My heart is full - I love you dear - I want to tell you
again - and again - and again - and I love you the more because you are so
fine - and frank and honest - You My Wonder of the World - My world - all -

Goodnightsweetheart - I wish that I could smooth your hair - the
effish - magnific - tantalizing looks - I wish that I might kiss your eyes to
sleep - and kiss them again dear - to find in them - all the Wonder -
that love brings -

Goodnight - Wonder Maiden -

[Signature]

[Signature]

Do you know Princesse dear - that this is the first Sunday we've been together
since the 16th of November when we went to the King Kuba - and when I told you
stories all the way - and bored you to an intense insomone - I wish that this
could be spent together in that way - I'm try not to bore you so terribly now -

Thank you for coming back to me last night - I was pretty scared when you
went away - It was good to be near you when he played "Jubilee" - Tonight I hope
you'll sit with me - too -

Original in private hands.

The Willard Straight Papers at Cornell University
My dear child - why will you ever do - Please do not be ill - and tired - and don't get up at all if you will be better for resting - You must not pose today for that is really a great strain - I know better than you - what it means - Please just be quiet - and don't you let me come to you by and by and read you something foolish - and play with you -

Horribly dear - I think I can help you - please let me come -

Willard.

Please dear don't sit today - what does it matter? It's tiring always - Spend the morning quietly with me - and this afternoon we'll play - quietly together - Let me come to you this morning - and let Mr. Hilkock go to classes - You're too precious dear - to do these things - Think of me - if you don't think of yourself - and You promised me that for my sake you would take care - also I'm in a very bad way and if you aren't good I'll go off my shops entirely - So there - Wouldn't that be nice?

Please dear - Wonder of the World - so as I ask you -

Willard.

Good morrow Wonder of the World -

Did you rest well - and are you coming soon!

Willard.

My respect to N.H. is greatly increased - You however deserve no credit whatsoever - You are more than robbing me of valuable hours - which are Yours - However I suppose I'll have to submit - I wish I could come "here" - I am "up" anyway - Please send word by Louis when you're coming out - and please come soon to talk to me - we must lose the hot point -

W.

- Correct spelling -

Original in private hands.
The whispered words on the stairs are very precious - but those in the Library fit me are better.

Will you - shall you come down for your sitting - I'll not a direct you "please" -
Walk out with me to see what view you want for your book - just for a minute - before you go to work - Then I'll do the pencil - and save the colour till it can be made with you -
This of course if it's not raining at ten twenty five -

If you will walk out I'll wait for you downstairs -

If not the stair way - as our tryst -

It is Sunday - dear - God Grant You through all -

W. awaits an answer -

Please send the telegram now for I must make my arrangements accordingly you see -

E.
22 Old Broad Street,
London - 7th July 1915.

Dear Sirs,

Very many thanks for your letter of 21st June and your instructions regarding the railway loan.

I am at present here awaiting instructions and hope that the Group and the Government will see their way clear to go ahead with the first sections of the Chinese-dollar Valley for I cannot believe that a delay in this matter will be anything but prejudicial to our interests. My report I think points this out clearly.

The railway must stretch and extend all over to be getting rather extensive and abstract and I think we will have to take some action pretty soon or else the Chinese will be inclined to feel that we have been bluffed out and are prepared to leave this in the lurch.

May thanks for your cable with regard to the letters concerning which I wrote you - they have finally turned up.

Trust that everything is going well with you and with kindest regards believe me.

Yours very sincerely,

Walter Stehb.

June 7th 1915 just as many thanks.

Mears. J. P. Morgan & Co.,
for the American Group,
New York.

J. 8th July 1915.

Dear Sir,

I beg to acknowledge receipt of your letter of the 10th June, in which you confirm the arrangement authorized by the American Group on June 7th, viz. to which my employment as special representative of the Group for Chinese financial business - my authority being confined to initiating investigating and reporting upon Chinese business opportunities as before - is limited.

I understand that my engagement is terminable at your option or mine, upon 3 months notice, and that the arrangements are to remain in every respect as embodied in your letter of 16th June 1915 except will subject to salary.

I am not to you for your generous action in increasing my salary to $1,000 per month, beginning with the 1st June last, and trust that your returns will, at an early date, entirely justify this action upon your part.

I note that my travelling and other expense shall not exceed in any one year a total of $6,000. This arrangement is entirely satisfactory to me. and I do not anticipate the expenditure of even this amount, but trust that should they exceed the sum mentioned, you will take into consideration all the attendant circumstances.

Very truly yours,

The Willard Straight Papers at Cornell University
Dear Mr. Knight,

I have received your letter of 1st, and your two letters of 6th July. I have not with me copies of my accounts, including George’s salary; they have been left in Peking. I think you will find, however, that the $300 was credited as in the Salary Account under the item of ‘Geare’s travelling expenses and Salary’. I sincerely hope that this is not the case, for I have been unable to discover how I happened to be so far wrong in the estimate I had formed of what I had expended for the group, and what was still due to me. However, I shall look into this matter up when I return to Peking.

The letter mailed by the steamship ‘Philadelphia’ did not reach its destination promptly, apparently owing to some stupidity on the part of the French Post Office, for it turned up about 10 days ago, having been in Paris for some time. Many thanks for your trouble.

I am very much obliged to you for enclosing the article from the ‘Forum’. I think her certain defects of style, it presents a very complete account of the situation, and I wish that it might, as
The Willard Straight Papers at Cornell University

Telegram

"Kraus, Ambassadress."

Original in private hands.
August 9, 1910.

F. H. McKnight, Esquire,
Care J. P. Morgan and Company,
New York City.

Dear Mr. McKnight:

In accordance with the suggestion made in your conversation last week over the telephone with Mr. Miller, I am instructed by the Acting Secretary of State to send you a brief resume of the statements made by him, setting forth the views of the Department, at his recent meeting with the group of bankers at New York.

Mr. Wilson called attention to the fact that from the very first the Department has emphasized the great desirability of having a powerful American bank in China to avail of all sorts of opportunities in the Far East since China is only upon the threshold of development, and, in speaking to Mr. Morgan, he tried to make it clear that to do any real good the American bankers should go to China to stay instead of making spasmodic

and superficial efforts.

Mr. Wilson also reminded the gentlemen of the group that when Mr. Davison first consulted the Secretary about the Chin-Ai project, the Secretary had said that, it being an Anglo-American project, this Government would be disposed to support it if the British Government did. Mr. Wilson recapitulated the course of events in the matter of this proposed railway and pointed out that, when this Government consulted Great Britain about the neutralization plan, Great Britain very cordially approved in principle and almost unequivocally had undertaken to support the Chin-Ai railway. Since then the British Foreign Office had persistently claimed to be bound by an obsolete Anglo-Russian agreement and by consideration for Japan. British support might come with a change of ministry or with a change of heart on the part of the present Government which might result from the increasing opposition of British public opinion to the present British policy in China.

In reply to a remark that certain powers were opposing the Chin-Ai project it was pointed out by Mr. Wilson that Japan had agreed to participate upon condition of the construction of a branch line and that, as
a result, it would seem that Japan could not now make
more than a perfunctory opposition even if it accepted
a Russian interpretation of the convention of July 4th
(Article 1) to the effect that Japan was under obliga-
tion to join Russia in opposing the construction of this
line as one detrimental to legitimate Russian railway
interests. As to Russia he stated that the Depart-
ment had had a long and amicable correspondence with
that Government, but that the present Minister for
Foreign Affairs seemed absolutely opposed to the con-
struction of the proposed Chin-Ai railway and, although
Russia admitted that it could not prevent its construc-
tion, it gave notice of an intention to be disagreeable
to China if the road should be built.

Two courses were indicated as possible: The project
could be abandoned in this country and the burden of the
loss of prestige cast upon Great Britain, but such aban-
donment of the project might perhaps be a severe blow to
the prestige of the United States. Another possibility
would be substantial German participation with strong
German diplomatic support either without British support
or ultimately with British support, the latter possible
eventuality

eventuality being one of great political importance.

These things, Mr. Wilson said, were to be very
carefully and deliberately considered by the Government.

He suggested that, perhaps Mr. Menocal, the group's
representative, being anxious to accomplish something
quickly, was sending reports from Peking that were too
sensational. At all events, he added, the Government
had authorized the Legation to keep the Chinese Govern-
ment from losing courage and would continue to use its
influence, so far as China was concerned, to this end. He
stated that it should be the role of the group to do
their part in a quiet way with the same object in view.

Summing up the situation, Mr. Wilson said:
1. The Government will endeavor to encourage
China to keep the Chin-Ai opportunity open;
2. The group should quietly do the same by show-
ing no signs of retreating;
3. All concerned should wait patiently and maintain
the status quo, pending development of the ultimate Brit-
ish attitude, and pending consideration by the United
States of making overtures diplomatically or through the
bankers for German cooperation on a large scale.

This resume, it is believed, will make perfectly
clear
clear to the members of the group the attitude of the Department toward the Chin-Ai project under existing circumstances.

With kindest regards, I have the honor to be,

Your obedient servant,

Acting Chief, Division of Far Eastern Affairs.

[Signature]

August 30th 1920.

Hon. Theodore E. Burton,
Cleveland, Ohio.

Dear Senator:

I take the liberty of recalling myself to your memory by reminding you of the report which I prepared at your request a little over a year ago, regarding inland waterways of China. On receipt of this report you were kind enough to characterize the information furnished as most interesting, and intimated that in connection with your waterways work you would probably desire to make a more detailed investigation of this subject.

It occurs to me that you might possibly be interested to know that an American engineer, Mr. C. B. Jameson, who has lived for some time in China and is conversant with conditions there, having traveled over a large part of the Empire, is at present in this country, and is not at the moment occupied.

I have mentioned to Mr. Jameson the possibility that you might desire to avail yourself of his services in this connection, and should you care to have him do so, I would be very pleased to ask Mr. Jameson to call upon you and discuss the matter with you.

Trusting that this will find you in the very best of health, and with kind regards, believe me,

Yours very truly,
August 16th 1910.

George Pauling, Esq.,
28, Victoria Street,
Westminster,
London, Eng.

Dear Mr. Pauling:

You have doubtless heard ffranch and Gimnell both speak of C. D. Jameson, an American engineer who has been in China for a number of years. There was some thought, as you know, at one time, of employing Mr. Jameson in connection with the Chinchow-Alinu Railroad. For reasons best known to the Japanese and Russians, his services probably will not be needed on this line at present.

However, Mr. Jameson is out of a job, and I should like very much to see him get something. You are building railroads all over the world, and if you have any post where you could use Jameson for the time being, at a fair salary, I think that you would find that he would give satisfaction.

As for myself, I should regard it as a great favor if you could do something for him. He has one or two other irons in the fire at the present moment, and I write this not so much asking for a place, as to find out whether you could give him something to do.

Since returning to America I have seen several men connected with the Aero Club committee, who have given me various stories about your friend Mike Clary, which will add to his international reputation as a genius.

There is nothing to report from this end.

Trusting that you are well, and with kindest regards to Mrs. Pauling and yourself, believe me,

Yours very truly,
August 19th 1910.

Messrs. J. P. Morgan & Co.,
For the American Group,
New York City.

Dear Sirs:-

I beg to enclose herewith my account for salary and expenses for the period June 6th to August 1st, 1910.

I call your attention to Sheet "A", and refer you to my letter of the 10th of June, page 2, paragraph 2, in which I stated that on ascertaining the amount of the fare for my servant between Petersburg and London, I should credit the Group with the same. In view of the fact that I was ordered to London and could not leave my servant in Petersburg, I have not credited the Group with the amount paid for his ticket. The charges for servant's transportation up to date have been as follows:-

Fare from Peking to London, and from London to Petersburg, which I trust that you will accept as a legitimate charge on the Group.

Referring to paragraph 4 on page 2 of my letter of the 10th of June, I point out that as noted on page A of these accounts, the Group is credited with £7 15/6 recovered on the tickets from Berlin to London.

Item "H", page A of these accounts. Inasmuch as my letter of credit on the International Bank was issued in pounds, sterling,

...and inasmuch as the rendering of these accounts, covering as they do various European currencies, is simpler in pounds, shillings and pence, I have estimated the amount of my salary charge in English currency as follows:--

Salary June 1st to August 1st, at $1,000 per month - $2,000.00
Less sent to Oswego, - $400.00
" salary from the first to the eighth of June, at the rate of $500. per month paid me by the Group in my last accounts, 135.83 555.83
leaving a balance of - - $2,466.67

...to my credit, which at $4.90 = £399 - 6 - 6.

The only sums drawn by me since my last accounting, were the items of £500 and £500 respectively drawn on the International Banking Corporation, London, which are accounted for herewith.

The item of £500 drawn here in New York will be accounted for on the first of September.

On August 1st, therefore, I was responsible to the Group for £70 - 6 - 5 1/2.

Trusting that these accounts will be satisfactory,

Yours very truly,

Encl.
**Group to be charged for servant a/c (II) (2) £183.95**

**Credit Group 27 - 15 - 6 Berlin ticket recovery a/c II (3)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>£11 - 10 - 7</td>
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<tr>
<td>France a/c</td>
<td>£65 - 15 - 10</td>
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<tr>
<td>Roubles a/c</td>
<td>£97 - 0 - 4</td>
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<tr>
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<td>£202 - 14 - 1</td>
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**Salary to August 1st**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit</td>
<td>£2516 - 16 - 9</td>
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**Exception - Drawn on L/C**

<table>
<thead>
<tr>
<th>Description</th>
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<tbody>
<tr>
<td>To be accounted for from last a/c</td>
<td>£79 - 7 - 6½</td>
</tr>
<tr>
<td>Credit as per note</td>
<td>£267 - 3 - 2½</td>
</tr>
<tr>
<td>Total</td>
<td>£516 - 16 - 9</td>
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**August 1st - To be accounted for**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tips</td>
<td>£70 - 2 - 2½</td>
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</tbody>
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**S.S. "Lusitania" June 6 - 19th**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Typewriting (1)</td>
<td>£17 - 6</td>
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<tr>
<td>Mineral water, etc.</td>
<td>£9 - 10</td>
</tr>
<tr>
<td>Tips</td>
<td>£3 - 15</td>
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<tr>
<td>Total</td>
<td>£1 - 10 - 7</td>
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</table>

**England June 13 - 14th**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Baggage landing, porters, train tips, taxis, hotel, etc.</td>
<td>£10</td>
</tr>
<tr>
<td>Taxis, London</td>
<td>£1 - 2</td>
</tr>
<tr>
<td>Departure from London, taxis, porters, etc.</td>
<td>£10</td>
</tr>
<tr>
<td>Excess baggage, Paris</td>
<td>£1 - 10</td>
</tr>
<tr>
<td>Steamer cabin, tips, baggage, etc.</td>
<td>£1</td>
</tr>
<tr>
<td>Tickets</td>
<td>£4 - 16 - 4</td>
</tr>
<tr>
<td>Hotel (II) and tips</td>
<td>£2 - 18 - 2</td>
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<tr>
<td>Total</td>
<td>£12 - 6 - 7</td>
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</table>

**England June 27 - July 9th**

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Arrival Dover, Porters, food, taxis, etc. London</td>
<td>£19 - 6</td>
</tr>
<tr>
<td>Taxis</td>
<td>£2</td>
</tr>
<tr>
<td>Hotel (III)</td>
<td>£19 - 19 - 9</td>
</tr>
<tr>
<td>Tips</td>
<td>£1 - 10</td>
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<tr>
<td>Total</td>
<td>£24 - 0 - 2</td>
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</table>

**England July 30 - 28th**

<table>
<thead>
<tr>
<th>Description</th>
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<tbody>
<tr>
<td>Hotel (IV)</td>
<td>£12 - 1 - 6</td>
</tr>
<tr>
<td>Morgan, Grenfell &amp; Co. (IV)</td>
<td>£9 - 10 - 3</td>
</tr>
<tr>
<td>Taxis</td>
<td>£8</td>
</tr>
<tr>
<td>Total</td>
<td>£22 - 0 - 9</td>
</tr>
<tr>
<td>Paris June 15 - 24th</td>
<td>France</td>
</tr>
<tr>
<td>---------------------</td>
<td>--------</td>
</tr>
<tr>
<td>Trip to Paris, meals, tips, food,</td>
<td>£ 34.</td>
</tr>
<tr>
<td>taxi to hotel, etc.</td>
<td></td>
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<tr>
<td>Tickets Petersburg, servant and self (I)</td>
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<tr>
<td>Excess baggage</td>
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</tr>
<tr>
<td>Hotel (II)</td>
<td>£ 69.45</td>
</tr>
<tr>
<td>Tips hotel and porter to station</td>
<td>£ 20.</td>
</tr>
<tr>
<td>Feed on train to Petersburg</td>
<td>£ 20.</td>
</tr>
<tr>
<td>Tips for servant's accommodation</td>
<td>£ 15.</td>
</tr>
<tr>
<td>Return from Russia</td>
<td></td>
</tr>
<tr>
<td>Feed and tips</td>
<td>£ 13.80</td>
</tr>
<tr>
<td>Cabin from Ostend</td>
<td>£ 14.</td>
</tr>
<tr>
<td>Divonne July 15 - 19th</td>
<td></td>
</tr>
<tr>
<td>Hotel, telegrams, tips, etc. (III)</td>
<td>£ 468.75</td>
</tr>
<tr>
<td>Food on trains</td>
<td>£ 85.</td>
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<tr>
<td></td>
<td>£ 1,444.80</td>
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<tr>
<td>Maintenance July 27 - 30th, at 50f. per day</td>
<td>£ 800.00</td>
</tr>
<tr>
<td></td>
<td>£ 1,644.80</td>
</tr>
<tr>
<td></td>
<td>£ 245 - 18 - 10</td>
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</table>
A month ago, Wonder of the World, Frater turned up in London, and we were still starting to the morrow to join you. When I landed here I hoped that tomorrow I should be with you again. But here I am. It's been a funny evening. I came out here to see Mr and Mrs J. M. G. and I met here in London — and Rose Robinson's polo ponies which I was to play today, went lame — so I came out here to have it over. Mrs McE. has been quite insistent and put me in the hole so that I couldn't avoid it. I wanted to — for although she is very nice, kind and intelligent, I rather thought she would try to get on the Band Wagon. She did — and there's no room. I guess she knows it now. I'll tell you all about it when I see you again. It isn't worth writing.

Dined last night with Alice and Nick and Robert Goebel — and luncheoned today with same, lesse H. and plus Mrs H. — and G. von L. Mayer — fooling with these until train time.

The net result of all this has been boredom such as I have rarely known. All the time I have been far away the more noise they all made the more I wished I were with you, and they in the bottom of the sea.

I want you, Dorothy mine. These dragging weeks are tearing the heart out of me. There's no change in the office. I can't see ahead, and I'm afraid I'm getting worried a little, though I'm sure it will all come out right. But dear child, I want to be with you and share it all with you — for you! Help me in the bad just as you'd rejoice in the good — and I can't share anything now with anyone here. I don't seem to be able to give any part of myself any more — so to May, to whom I can talk of you, and of myself too, for she knows that that too is all yours. It's pretty hard — Wonder of the World.

Keep well dear — I hope you've been writing.

God bless you.

I'm glad it's "Howco" — Wonder of the World — that all is well with you.

I wore cable some yesterday after I had gone but I only found it a few moments ago. Now I'm wondering about your answer to that in which, with what I considered great cunning, I asked you "should I see Payne too" — I'd be very glad to, if you wish it.

Things are not going well. I'm rather afraid that the Group is getting cold feet, owing to the uncertain market here — and the political maelstrom that is twisting business into queer wrinkles. The worst part of it is they seem inclined to get out — and are not so anxious for Government support as I had at first supposed. In fact, I think there is some disposition to let the Dept. continue to play the goat, so that when the Group is ready to quit it can put the blame on Messrs. B—— and Wilson.

So my fight now will have to be to cover the retreat as well as possible and to make it appear as far as I am, that we are laying ambushes at sea for our Muscovite friends. This at least I think can be done. This will mean China again then, rather hurriedly, and a return to this country almost immediately. I wonder what to do.

Davison is so frightfully busy that I have hardly no chance to talk to him — in fact I don't think he cares much about talking to me — for things are still too indefinite. As I wrote you last night, it's beginning to hit my nerves a little, this uncertainty — and worst of all, I have not anything to do save to sit here awaiting developments from nine thirty until four or so. And all the time you are in Madame and it seems such a frightful waste of time that I should be occupied, and here — when we're only in Europe I could be playing with you.

Your cable this morning said you'd written May from Divonne. You must have received a long letter from her which she told me of — by now — and the poor little lady loves you so, dear Dorothy mine. That you must write her. You probably have by now.
It's very hot and raining today— horrid— and I feel more and more lonely and miserable— and wanting you so— my Dorothy.

God guard you.

Willard.

UNIVERSITY CLUB.

FRIDAY NIGHT

Just off to catch the train for MarRimor, Oh Wonder of the World— and this to you before I go— to tell you of the latest developments in the office. Davison I saw for a moment this afternoon whilst he was in the throes of barbering. He told me that things were very indefinite and that I might be hung up here for a long time yet. In response to my statement that I naturally wanted to get back to Europe as soon as possible, he said that he thought it was to my advantage as well as to the Group, that I remain here for some time at any rate. He apparently wants to set me on some Interborough Transit work— about which I know nothing, but which I should love to be mixed up with, for I am sure that the game is a good one. Another thing, dear child, if we do these domestic things and gain the confidence of people here, we can go on with the world game and be in a much better position to direct it— don't you think so. You'll notice that I say "we."

So from all I can gather it seems quite probable that I shall be here to meet you when you return, and that I shall not be able to join you on the other side at all. I wonder what you'll think of this. I am not at all cheerful, for you'll be so glad to be home again, to see all you're friends, that I'll be lost in the shuffle entirely— while if I returned to you in Europe you might be glad to see just your me. Tell me Princess mine, May I come to meet you on the dock— or will you want the thrill of New York all to yourself? I am rather jealous. But it will be six weeks until you return— seven, in fact from now— and that is such a long time— Oh Wonder Child. Please can you arrange to come back sooner. It doesn't seem somehow that I can wait. I want you so— and these days of postponement and delay and uncertainty tear me, dear— for I want to be with you again— Oh Dorothy mine— I didn't realize when I bade you Good day at Divonne that it would be for you so long— and I want you— Sweetheart. I need; I love you so

God Bless you.
This is a charming place—Dorothy mines—so wonderful almost that it hurts that you are not here—the broad Mohawk Valley—the rolling hills with their patches of woodland—the fields, green golden with ripening grain—brown and earthy—the fleecy clouds tumbling along through the blue sweep of the heavens. It's peaceful and lovely—Mrs Roosevelt, Mrs Allop—Mrs Teddy Robinson and a Mrs Walker—are here, with kids.

This evening Robinson (Teddy) Walker, an 18 year old named "Tom" Snow and I played tennis—and watching us were Headmes Allop, E.H. and W— all knitting and talking of their grammasters. Bits of their talk come out across the court. They seemed so happy and peaceful and complete—and I longed to have you sitting there—complete too, in our circle. You would be so wonderful. I should be so proud—so tremendously proud—to think that you were mine—so happy, dear, to have you near—my wife—my Dorothy.

Last night before catching the train I wrote you from the U.C. about my being here when you come home. I've been thinking about it a lot. It's so very far away, that it seems that I cannot hear it somehow, and what shall I do, W— child— I have a little dread about it all, too— for you'll be back after seven years' absence—and all your friends will want you all the time, for they love you so dearly, and I shall want you all to myself— for just think, it will be nearly three months— and I shall hate all the others, because they'll want you, and you'll want to see them too. But for me it is life itself—so you must be kind and sweet dear, and save the first days for me—and let me come to meet you. It's hard to look through these six weeks—seven weeks really, yet to come—but in a way it may be a kind dispensation if I am kept here until your return. You see, sweetheart—no matter what happens I must go again to China before long—and if I get to Europe before you leave for home, you might still want to come home before you went with me for always— Would you— would you make me go through more long days and weeks without you? But if I stay here until you come back, then I hope you will marry me, Dorothy mine, here, and soon—the Seventh of November—and go on to China with me when I have you go. Will you, sweetheart. I can't face another separation—Life is too short. If I do meet you in Europe you must go on with me. if I can't join you there, Dorothy—please dear, want you come soon and marry me here. And since things seem so uncertain, it being possible that I might be sent out at any time—can you come home a little sooner— as soon as you can—in which case I'll wait here anyway—to marry me, Dorothy, and go with me when I have to go.

I love you child—so dearly. I want you, Dorothy, so much.

God Bless you.

Willard

SATURDAY NIGHT

Only a goodnight word—Sweetheart. It's so deliciously cool— the stars are out and the great wooden bedstead "berry cold" stretches out with an alluring patchwork quilt. I can see a healthy night ahead after a day out of doors— clean and fresh and like giving. It all makes me want you— want you terribly— for you—we are of the country—and the trees—and the sweep of the hills and the distant purple shadows—all breathe of you— are alive with your spirit.

I went riding with Mrs Robinson— with her I could go alone, though I wouldn't with little Alice Meyer, because we could talk of you—and we did of you and of Us—and I couldn't help but tell her how much I wanted you— how hard it was to be away. I told her too, that I had come to see your brother—and had hoped to stay on the seventeenth and to have been with you, dear, yesterday or the day before.

Darling Dorothy— I want to walk with you in the starlight—I want to sit with you—to hold you, dear—and feel your head on my breast. I love you so. These days seem so long— Please come home before the ninth of October. It means everything

Original in private hands.

The Willard Straight Papers at Cornell University
to me—and particularly just now, dear child—for I want to discuss with you what's to become of us—for there may be a choice of one or two things. I can't explain everything in writing, or get your answer quickly enough—I'll write child, come—All of which is an excuse, for I want just you. The excuse is true enough, just the same—but things don't make much difference if only I have you beside me, to share.

God guard you—dear.

Willard.

SUNDAY NIGHT [BERKEMER] Aug 28

"And as she looked at him in wonder, he exclaimed—"Ha! there it is again—and all thine eyes are full of wonder—and my soul is full of joy. Dear child—see, yonder is the river flowing as it has been flowing ever since it first began—" and there art thou—for me the only woman, and her very type and soul. And like the ancient Soul of Man I have been wandering about forlorn and wretched and alone in the dark without thee—and now at last I have found thee"—the very spirit of the beauty of this wood, incarnate in a woman's lovely form. And as I look at thee, laughter seems to fill my soul, for joy that I have found thee, and I feel as if, like thee, I have suddenly become a child, whereas before I was a man. All this has come about in the moment since we met, a moment which is like a door, opening on one life and closing on another, and resembles the beginning and the end."

There is much more that is quite wonderful Dorothy dear, in this "Draught of the Blue" that I've read today—and I want to quote it to you—better still, to read it you. I haven't sent you the book but keep it.

A quiet day—tennis, a swim and then a book all alone. The sunset was wonderful, over the valley and the hills, and as I stood looking out, I seemed, in the queerest way, to feel you beside me. With you it would have been almost half past twelve on Sunday night—[Monday morning] What were you doing? Then we had prayers and sang hymns—and I asked Dorothy—as I sang—for you were there too—and Dorothy and the Sunday night in Divumus came back to me. Dearest child—You are always in my thoughts. I ache and yearn for you Dorothy—come back dear soon. I love you and want you so.

God guard you.

Willard.

A snatched moment—Dear heart—before a ride with Mrs. R. which will be followed by the supper and the train—so quickly, that I may not be able to write again tonight. It's been another glorious day—peaceful and quiet. But all these days have been hard—and yet very sweet, for you're away, yet you're so very close. I watch Mrs. Teddy B. with her youngers—and Mrs. Roosevelt with Quentin and Archie and dear Mrs. Robinson-Mrs. Teddy and Teddy and all the rest—and they are so sweet. Yet I can't believe that they understand each other as well as you and I do. Teddy mixes cocktails—and she comes down to dinner with an infant on her arm—a radiant mother—and I think of you coming in like that and how proud I'd be. It's the Greatest Wish in the World—Dorothy dear—and it's love that passeth all understanding.

God bless you.

Willard.
As Will Street, N.Y.

Tuesday Noon (Aug. 29th) 

My dear child- your letter of the twenty first came but a moment ago- and I am, oh so grateful, for your picture and for all the sweetness and help that you give. You dont know what it means,Dorothy mine- to me to hear from you. I came back from Herkimer early this morning and there was no word in the office from you. I thought you'd probably figured that I would be sailing and therefore hadn't written. I am so glad you did,dear heart- Please do,all the time, for if I am here it makes all the difference in the world- and if I'm not,I will have started to you, and the letters can follow.I dont like to have such precious messages loose- but I'd rather have you take a chance than to sit here without a word from you.

Dearest Dorothy- if you were only here it would make such a difference- to be able to talk with you- and dear, to lay my head in your lap ,to have you stroke it. I want you Dorothy- so much. But without you it seems as if I must have your letters.

I dont deserve anything you say about me,dear- but I am trying my best to be what you want me to be- and what I should be to be worthy of you.

I am enabling you again today. Things look so very uncertain. On second thoughts though, I'll wait until tomorrow- after the meeting of the Group at one o'clock.

Your letter was so sweet, and gives me so much courage.

God Bless you.

Willard.

GRACEFIELD

Grafton, Ill.

Tuesday Night (Aug. 29th)

Your letter-dear child- is very near my heart- and I love the picture so. Thank you for sending it. You don't know what these things mean to me.

I've been playing polo-playing at it rather, and generally cursed-- but next time I'll do better--on Monroe Robinson's ponies- and am spending the night with Russell Grace, and feeling as if I could conquer worlds. It's a good thing, for there's a meeting of the Group tomorrow when various things ought to be decided.

George Milburn played and P. Boyer- and after dinner Grace and I went to the ladies house for bridge and there I met your No.-- Jimmie Reese---- and saw your picture Dorothy mine, on the mantel. I could hardly keep my eyes away, and I felt that they were watching me - so I couldn't look.

Please dear, come back- and come to me. It is Us. You know, Dorothy, now, so come sweetheart.

Goodnight- God Bless you

Willard.
Do you realize—oh Dorothy mine—that it was a month ago yesterday that I sailed away from you—and it's now a month and two days since I've seen you. It's the longest time we've been apart since I went to you at Milan, dear—and it's pretty long—much too much so—and the worst part of it is that there are more weeks still to come. Oh please come home.

The meeting of the Group seems likely to be postponed again for Davison wants to see Mr Morgan who is here somewhere, and may not be gettable today. This is the third time and it is getting on my nerves. The worst part of all is that Mr Morgan will probably decide on insufficient information, and that may wreck everything. If the course determined doesn't seem wise I'm going to risk everything and go after him myself. Is not that right? There's so much at stake and I feel sure somewhere that for us, which is the only thing that would deter me, we can find something else—if by any chance we could not stay on with J.J.—NY& Co.

I'm quite sure after the polo and I'm rather afraid that the polo-ers are more or rather fed up with me for I did not distinguish myself—was pretty much of a dud, and I hate to think that I didn't make good. I wanted very much too—for your sake, wonder child—I wish I could have gone out and played a wonderful dashing game, and been worthy of you—for to be so, I feel that I ought to excel in whatever I try to do—and here I am rotten at tennis—and flossing at polo. To be sure the ponies were bigger, the sticks heavier, the field was turf—not earth—and lots of other things—but they all are merely things—and one should be able to rise above them. So I'm rather disgusted with myself.

I like to think of that new picture in my pocket—it brings you very near.
You were so wonderful as you stood there for your picture—dear Dorothy—when you weren't well—but when you just stuck to it anyhow, terrifying me, and at the same time filling me with admiration at your nerve. I'd much rather not be terrified, though— for you have the nerve I know, but I want to feel sure that you are taking care of yourself for me, Dorothy mine.

God Guard you.

Willard.
Waiting—waiting—waiting— I’ve been here all morning waiting for Davison who told me he wished to see me and promptly went out to some bank meeting of other.

A telegram came in from Peking last night saying that the Chinese would be likely to go ahead.

Waiting ended just then—and I saw Davison. This is written from Mortimer Schiff’s—Thursday night.

McKnight (secretary of the Group) and I were sent for and had a short talk with Davison who asked me a few questions as to how far actually and morally the Group was committed, and what would be the effect of its withdrawal. He had some pretty plain replies, I’m afraid. He was obviously worried. Then Davison threw us out and Hiram Schiff, Vanderlip and Hines appeared. Davison’s last words were that “There is a very serious difference of opinion and I don’t know how things are coming out. I hope it’ll all be all right.” In all these weeks he’s asked me questions but since the first night, of which I wrote you—I’ve had no line on what he himself thought. I knew only that he had been good many talks with other Groupers and with J.P.M. McKnight and I went into the next room and I sent a boy for cigars. I knew pretty well that the crowd in the corner room would decide matters—and I felt that the chances were all that they would check. I made up my mind that if they did, I would take no employment from any of ‘em, but would ask you to wait—until we could do something less humiliating than to work for quitters. Was I right? You were very near through this half hour. Then suddenly—we were waiting and watching at the end of the hallway, listening to raised voices, which we could not quite distinguish, Mr. Morgan himself appeared and walked into the room. This is about his first time in the office. It’s the first time I’ve ever seen him there. Then we knew that there must be something doing. The First Nat. Bank, thanks to young George Baker’s cold feet, were all for checking absolutely—so was Vanderbilt—but by careful play Davison and Schiff, reinforced by Mr. Morgan, brought them around. The result is that they will not book Russia or Japan—but will sit tight—keeping up the Peking office—and have put the whole matter up to the State Department,—in other words we sit tight on our contracts and Washington will have to clear the diplomatic impasse which its own headstrong policy has created. All said and done, that’s pretty satisfactory. Davison feels that he has won a great victory, and he has. He’s saved American prestige which was hanging in the balance—and it was no easy fight. Last night, he tells me, it looked as if the apple cart were really over—and the pigeons rolling in the dust. Now I think we can pull it out somehow. We’ve got to. Davison is a wonder—and old J.P.M. is a brick—Jacob Schiff’s all right too—but as for George Baker, he’s a small soul.

They voted unanimously, so Davison said, to keep me in the service of the Group. What for? Davison didn’t know. What they’ll do with me I have no idea—but hope to find out and write you tomorrow. Poor child—I hope you’ve not been worrying these days. It looks to me as if I should be retained here for some time to come, and then go on to China. The whole situation is still bad, owing to the Group’s lack of confidence in the Department—so that that will probably be my job—sitting in at Washington, which will be all the more difficult because I doubt if they will let me make any advances. So you see, Dorothy mine—it’s been a pretty exciting day—all in all—haven’t it?

It’s so hard to have you far away, dear—when I want you so much—to hear what you think of it all—and to have you just to pat me a little—Would you if you were here?

Goodnight—and God Guard you.

Willard.

I forgot to tell you that another telegram came in from Peking late this afternoon which may enable us to let the British, French and Germans in, in such a way as to straighten things out. It could be done if the Group will consent to play and if the Dept. can handle the game intelligently—One clutches at straws, I suppose.
Things are moving rapidly—a telegram from Peking this morning, stating that the 
Viceroy has tied himself up with the Hongkong Shanghai Bank, as regards the Manchurian 
Bank for which we have the rights—so that we have the Chinese now on the end of a 
rope—and the game should be well in our hands. At the same time, it causes a proposition 
from Paris that we join the “Tripartite” Banks in a four-cornered arrangement. 
This can be worked I think—first for the Manchurian Bank and then for the Chin-At 
R.B. — so that we may be able to checkmate Russia even now. It’s a good game anyway.

Knox has received his—- for Davidson saw Aldrich, and A., the President—and 
the President evidently handed him his. Bang—Just here Davidson called me, and we 
got into action. This time I was led in—Mr Morgan, Davison, Schiff, Vanderlip and 
I—with Macknight. Davison told me to set things out before Mr Morgan which I did. 
I had a memorandum already outlining the course to be followed and this was adopted—
if it goes through I get much kudos—if not, much kick—its on me anyway. Naturally 
I am very pleased, and I think we have ‘em where we want ‘em if things are played 
rightly. Well, it’s encouraging and a good fight anyway. Tomorrow A.H. Davison, Schiff, 
and I see Mr Knox and that ought to be fun to, but not for, Hub-Knocks.

I’m wiring you today, but it may be that I’ll get off to join you next week—
perhaps Wednesday on the “Lusitania.” How I wish I could do so. You don’t know how 
I need you.

God Guard you.
Willard.

FRIDAY NIGHT—(SEPT. 23RD [1910])

Alone in the house of Swifts—who has gone to Monmouth whither I too should have 
wended my way for Labor Day, on the one o’clock, had this business not suddenly 
developed. I’m mighty glad it has, and I only wish it would enable me to sail on 
Wednesday—but I suppose there’ll be no such luck.

Tomorrow I meet Davison and Shifty Sue at Mr Morgan’s Library and then go on 
for conference with Mr Knox at the Waldorf. I’ll bet Knox’s sore at having been 
overlooked. So it’ll not be pleasant particularly if he knows—- as he probably does—that I 
went to see the President.

Dined with an old college chum from Chicago—and sat around on the water wagon—
Verrah’ lonely.

I’m pretty well done after the day— and I’m sorry for myself again and want so 
to be petted—Dorothy mine— to have you near.

God Guard you.
Willard.

MONDAY—SATURDAY NIGHT

Here at the Swifts where I arrived at midnight near-by. It’s now almost one. I couldn’t 
find paper or ink in my room and this is all I have. Dorothy mine— for just a word.

Knox was met— Messrs Schiff and Davison and I went to him and he was like a 
schoolboy before the Faculty. His hands trembled. I was very sorry for him. He heard 
some plain truths too. I’ll write all about it tomorrow.

I’m very tired, for its really been quite a strain and today was the crisis.

We won, absolutely. I’m tired and I want only you. You’re the person I turn to and think 
of and long for—and no one else seems to mean much.

God Guard you, Wonder of the World.
Willard.
Voloi l'histoire. I'll be fairly full because it's really quite interesting and may sometimes like to look back at the story.

Met J.R.S. at Mr. Morgan's Library at 11, and after looking at a new Bellini and some other things that he'd just bought until Davison came in about 11:10 in a horn sym suit and polishing shoes. Mr. Morgan had little to say but all discussed the "Forum" article and anticipated considerable embarrassment on the part of Knox. There was a certain grim distinction about their reasons. Mr. Morgan told Davison "You might as well make it clear that when we want to discuss things with the United States Government we want him and not Huntington Wilson." It was not difficult to see where the real power lies in this country, or where these men think it lies. I'm not sure that I think it quite right, but that's another matter. I couldn't help thinking of the series of articles in "Life" about the King of America as I sat with these men in that wonderful library. We started off-Davison rather jezoeously remarking on his clothes—wondering if they were suitable garments in which to meet the Secretary of State. You could see that he had put them on especially with a fine perception of the delicate and intangible assumption of power and the mighty hand that it carried. He told us that Ailrich in taking the matter up with the President had urged action—not so much because of China, but in order to create a diversion from the alarming political situation in the country, much as Napoleon III. went into the war in the Crimea. I suppose—or Prussia into the war with Austria in the 50's.

We reached Knox's room—(609—3420—339)—at about half past eleven, and were received by the Secretary. Long drool about how ill he'd been, etc., much mutual admiration.

Knox's hands were trembling however, and he was so obviously conscious of being on the defensive—that I was sorry for him.

He went on to explain how he'd tried to see Davison some weeks before—and had been unable to do so—how he felt that delay would work to our advantage—and had therefore not communicated with the Group. He made a beautiful attempt to convince us that his delay, which he himself knew to be nothing but a combination of cold feet and procrastination—was inspired by a belief that in case the United States did not jump in too hard immediately after the Russo-Japanese Entente, China might herself take steps to strengthen her own administration. This he said had been done. Tong had come to power. Yen was probably coming back, and Yen had been bringing a special letter to the President, just as Dickinson was taking a special letter from him to the emperor. Liang Tun Yen moreover, was about to start on a secret mission—the object being to align the U.S.-Germany and Austria together for the open-door and through American Bankers to float a great loan for Chinese Currency reform—China also to appoint an American as Financial Adviser (this I think might be our friend Andrew). We'll see.

Mr. Schiff then delivered himself of a long oration, wherein he showed the Jewish hoof—he hadn't been disgusted, only a little discouraged, etc. Davison talked straight from the shoulder and Knox was on the carpet.

We handed him the recent telegram from Peking— told him of the one in which the Visetory had asked us to outline our future policy, and told him how this had gone to Washington—how we'd been told by Wilson, in the same old way, to sit tight—and how the Group had then met and decided to wire that it would do nothing further until our own Government and all the others were in accord about the China-All line. This rather infuriated Knox—for he asked if that meant that we would not go ahead if our own Government was prepared to back us—even though others objected. Here's where Jakey showed the open hoof. It had been the Group's intent that it would do nothing of the sort, for it felt that should the country become involved in war, Wall Street would be blinds, which is true—Jakey said of course we'd go ahead.

Knox then offered to send a telegram—very strong one from the President, which he'd read at the beginning of the interview—when he'd said—"Strongly enough just as I was going to ask to meet you gentlemen, I received this telegram from the President." This was the one that had been sent after Aldrich had seen Taft, and was
pretty hot- telling Knox that he learned indirectly that the Group was considering withdrawing, and that this could not be doused off. Then Davison told him that he had spoken to Aldrich and Aldrich to the President. Knox said he was glad that the matter had been in this way brought to the President's attention, for he himself had had the greatest difficulty in getting the President to take an interest in foreign affairs.

To go back- Jakoy then asked Meisner if he understood what it meant- that it might be a question of sending the fleet into the Pacific once more. This of course was a matter for Knox and the President to decide. Knox admitted this, and said that from the first he'd realized that the open door was a farce, and that his object had been to prove it so- to get the other's cards on the table (an apology for the neutralization farce). That he thought the Russians were bluffing and that in any case the administration, while it could not promise that it would go to war for the "open door", that being a matter for Congress to decide- would promise its support to the utmost.

He then asked what our position was- were we just passing until the Government tried again to clear the political situation, or had we determined we would not go ahead unless all the interested Governments were in accord? Schiff said we'd do anything the Gov't. wished. Davison, that he'd make one reservation- that we would not go without Russia.

Then we took up the new scheme of getting France and England in on the Manchurian Bank- that this might give an opening. Knox said he'd tried everything in his power to bring the English into line- but that the British Government had played absolutely false. This should be taken with some- though not much- salt. Here mutual adulation - apologies to Knox- and the meeting broke up.

It was pretty interesting, wasn't it? and the future of American relations with China in the balance. We've won- we're in to stay- and I think that things should go well in the future.

It's strange how these things shift. At the meeting on Thursday, Davison pulled out a determination to stay in the game. On Friday, we had 'em committed, not only to the H.R.- but to the Manchurian Bank, and things go forward once more.

There's going to be some hard work ahead. Pan Han and the Kauli mission have to be brought after- then comes Liang and the big loan. We've got to tie up the French, English and German bankers, and keep things moving at Peking. I don't know what they'll do with me, but I'm going to work on a new tack now- instead of discussing ways and means, I'm going to work out a programme and put that up to 'em and thus try to get everything into my own hands. I believe, foolishly I suppose, that that's the best way. Davison can decide which of two things is best to do, but he has no time to talk 'em over- so I'll have to scheme.

This is not a letter- it's a diary.

Willard

SUNDAY AFTERNOON.

Oh, wonder of the world- why aren't you here in this quiet place- with the sea, and no one to bother us, where we could be as much alone as we wished. You'll soon be in Paris again, and I, nearer near you. Will you think of me, I wonder- and will you wish for me a little when you cross the channel on your way back to England?

Sometimes these days, whenever I'm quiet and not in the midst of work- and you're with me even then- it seems as if I couldn't bear it any longer- the thought that it will be more than a month till I see you.

I'm sending you a foolish book that I found last night in the Providence station. As I marked it I felt a great wave of loneliness sweep over me- for I want to work books with you, as well as for you. I hope there will be a great deal of work to be done now- just to keep me from thinking.

(This is written Sunday night after everyone has turned in.)

Had a ride with Kiza, with whom I could go, for although I haven't talked to her about you she understands. I know. I've merely told her that you are the most wonderful person in the world- and that I hoped you would marry me some day- that's all. She's never asked anything, and I've never told her anything else. So it seemed alright to ride with her. She told me a lot about you and the Junior League, and...
other things—model testimonials and such. She thinks you the finest person in New York. (Bar Freddie I suppose) What she told me made me very proud, if you Dorothy mine. Yes, and it made me long to have you truly Dorothy mine—so much—so that you yourself could tell me all about these things, and all the fine work that you have done. I wonder where you are tonight—Europe perhaps—or possibly not yet. I hate to think that I don't know each day as I did on the continent, where you were—and that I can't have at least a telegram from you to cheer each night alone.

You have given me a most lonely and out-off feeling, do you know it child: I can't give myself to people any more, for it's all yours—and when you're away, I feel so helpless,—and out of key,someway. It roars and makes me pretty miserable often—the "nobody loves me" shrinking feeling—which instead of making me shrink makes me seem hard as nails I suppose—which is the way I always get when nothing inside. With you near, I know I could be quite pleasant—for then I would feel the circle complete and wouldn't care. Now my half is sort of open—and I have to keep myself in a steel case.

So please come home, Dorothy dear.

We all sat on the verandah tonight looking out across the sea, and they asked me to sing. I did, and sang Borneo Land to you child—across the world. Did my message reach you? They asked where I found it—and I said "It grew"—or something like that.

Are you well? Be we heart?

What a lot of stuff for you to read today!

God Bless you.

Willard.

Original in private hands.

The Willard Straight Papers at Cornell University
The note that went to you this afternoon, Oh Wonder of the World, was a pretty tired one--as you may have judged from the writing. You see, we reached New York at 3 this morning, I having slept on the floor of the Pullman sleeper from Providence--thanks to the Labor Day crowds.

I've had a long and wonderful talk with Mary, who was finer almost than I've ever known her. We started way back and went right through. I told her, as I told you I should, of last winter and my not having written her; Katherine and everything else--and she told me her side so that we understand each other perfectly--and had a sort of mutual corner-stone-laying party.

She had a long talk with your brother just before he saw me--and must have been fine about, from the little she told me. He had seen Katherine, as he told me, and told Mary what Katherine had told him; about that which passed between us. Mary, though I'd never said a word to her, had understood all about it--but didn't exactly feel that she could tell him which was right. She said she had decided all over--and apparently made up her silence in one direction by larding me to the skies in another. This of course I only gathered. Your brother had not been much impressed anyway.

Exit Katherine; however--save as an amusing human being, yet I must admit, a rather fine person whither--for she had no business talking in that way when I had told her everything frankly before I left home a year ago.

Then I'm sorry to say, though for Mary's sake I must--M.B. didn't exactly play the game. Mary had told her--when she was announcing her engagement, that she'd had a "bully letter from Willard, which made everything all right"--just as she had told Eliza (as I told you). Then thinking--as we had figured out--that she'd like to have you know this, she asked M.B. who was just leaving, to tell you. M.B. apparently didn't understand--but thought the proceeding very strange on my part, and that Mary was doing a fine thing to let you know. So she was--but Martha thought she was putting you "on" to me. Then Mary told M.B. that perhaps it would be better if she didn't tell you, and

chased her all over town one day to tell her to say nothing about it. M.B. however decided you ought to know--when she came back again and told Mary what she'd done. She said that you had seemed rather hurt or something, and that perhaps she should have said nothing about it. When I told Mary what M.B. had told you she was disappointed. I told her not to worry, for we had both decided what her real reason was, and had thought it was rather strange, certainly, but that she must have been up in the air--that's all.

I write all this drear because you really ought to know it--especially for Mary's sake. It's rather a waste of paper, however--save for that--isn't it, Dorothy mine.

You were so splendid and loyal about it all.

Mary adores you and hopes so much for you--You're the most wonderful person she knows--and she tells me that you must marry me--that we were made for each other and that it must happen. She said she'd written you, and wanted to refer to the M.B. message--but just hadn't, as she didn't know how it had been given. She talked about you a lot more, and your letters must have burned. She didn't exactly ask me about things, but apparently assumed they were settled--so I told her they weren't, but I hoped, so much that they would be.

She looked at me in a funny way and said she thought I must feel that everything was all right, and asked me if I didn't--so I told her, what else could I do, dear child--that I didn't know, but that I hoped greatly and that I sort of felt in the back of my head that somehow all would be well--because it seemed "meant", somehow that it should be. She said she felt it must be, for she knew all the people you did and knew me from the ground up, and couldn't imagine you marrying anyone else. Please, oh Wonder of the World, don't imagine yourself doing so and please, oh Dorothy mine, don't imagine you'll marry me--but do it.

She looked very well, and seemed happy and contented. She said she was so happy she wanted others to be so too--then she thought she'd "found herself. Apparently I impress everyone these days so sort of "settled". Am I "sane"--oh Dorothy mine?
Your letters dear child were wonderful. I’m so glad you wrote “tu ne manque” for “tu ne manque pire que terriblement”, and I love the picture with the bracelet and the flowers.

About the re-entry into the Government service. You’re quite right— and you know that I feel that way too. But wasn’t my statement— unless “I could run it” just that— that I wanted to be sure that I could stiffen things up and really help— for what good could you do, if you didn’t “run” in the sense of having your influence felt? That said, I’ll admit that my statement was conceited and priggish and foolish— and what’s more, not so— for if they asked me tomorrow to go back to the Dept. and I felt that I could do more good there and could afford it— I’d do it.

This to you, and because of you— oh dear Patriotic Lady.

This has been a frightful day— 89% with moisture from 90 to 63— awful— and I’ve worked my nails off. Tomorrow I must be in town by 8.30 and at it again— so I must stop now— though I want to write for hours.

You are very near and dear tonight, my Dorothy child— I love you very dearly— and how I want you.

God Guard you.

Willard.
Peking, September 7th, 1910,

Dear Mr. Straight:

Will you please let me know which of the enclosed bills belong to the American Group's account and at the same instruct me concerning the payment of same. They are getting long past due as I have been holding them in hopes of your return to Peking.

I sincerely hope you have had a pleasant stay in the States and that you will be successful in your undertakings relative to the Chin-Ai read.

Everything out here is running smoothly but I am positive we would all be much happier if you were here.

With warmest regards, I am

Most sincerely yours,

[Signature]

Enc:
H. G. S. #2.  

9-7-10.  

The Examiner, whose name I believe was "O'Donovan", found these packages in my bag and at my request said he would have them placed in bond or in some place from whence I could take them when I left the country. He gave me a receipt for these two packages, one of which contained a blue enameled case, and the other a small enameled bracelet. These packages Mr. O'Donovan wrapped up in white paper and marked them in my name. I presume they are now in the public stores.  

I find that my stay in this country is to be prolonged and I should like therefore to ship them to China at once, or to have them retained by you until such time as I leave the country. I shall be extremely obliged if you can render me any assistance in this matter.  

Thanking you in advance for your trouble, and trusting that the foregoing statement will give you a clear idea of the situation, believe me,  

Very truly yours,  

Enclosure:
My dear child—if you only knew what a delight it was to have another letter from you today, per the "Deutschland" I watch every incoming steamer for letters and when they dont come I'm broken hearted—though I've understood that it must have been hard for you to write into the air as it were, when you had no idea whether I would be starting back or not.

I'm so glad you want me to meet you on the dock. You'll have had my letters by this time telling you that I should probably be here until you returned. Now I shall certainly arrange it— but Dorothy and you know, that it's a long time— a whole month yet before you even start. It's pretty hard to wait— for I want so to see you, and I want so to have you stroke my brow— Will you?

The heat and the worry have been pretty bad sometimes, but I've had peace in my heart as I told you—and great Hope— for I can't help but feel that you are really my child— my own Dorothy— and that when we see each other again, the Circle will be complete— and we'll be together for all time— for better and for worse. It is this that has given me courage and borne me up during the dark days, and it is this that makes me all the more happy, now that things are better.

You write that you'll know— that there will as longer be any doubt— that it will be one thing or the other. You frighten me—and at the same time, you lift me into the clouds. Tell me that it can only be one way— and that Oura, Dear— it can't be any other. If I could only know that you were coming Home to me— to marry me— Dorothy— It must be this—and I can't even think of anything else. So I shall wait— and Hope and Pray— for you're coming.

There's a lot more you'll want to know about Mary and her husband— but I'll tell you what I thought of it all when you came. I'm not at all sure that I'm right, anyhow. She's a fine person— Mary— and I never liked her better. I wrote her a note and told her that I thought we understood each other better, and were better friends than we'd ever been before— and I think she'll agree. She was as pleased as I that we had it all out, as we did—and she seemed happier. I knew it made me so, for it makes it so much finer and bigger— I know it made me so, for it makes it so much finer and bigger.

Just as you had written in your letter—it seems really much better that it should work out this way. I hate to think of another month but then— Paris and Kashmir would be unsatisfactory for us both. As I wrote you, I'm only afraid that when you get back you'll be as besotted by your friends as they are that I shan't have you to myself— safe for hysteric moments. But this must not be— it can't be— You must give me your first hours and let the friends wait. That's all.

I wonder whether you would mind my coming down the harbor to meet you on the Customs tender. That I could probably do— or my getting aboard with the doctors and Quarantine. Of course there'll be any number of people on the boat you know and lots more on the dock. If I come out in this way it would make talk, and this I hate to do. Yet I want so much to have you for a moment before you fall into the arms of waiting friends— with the brass band and all manner of tentures to welcome you to our city. If you don't want me to try to do this, just say so, and I want— You know what it means to me though— and it would give me a half an hour with you, child, before the steamer docked.

Davisson has been fine tonight. He's a wonder. He tells me that he has had a long talk about Us with Mr. Ledyard, who as you know is devoted to you, and therefore very keen that you should marry the right man. Mr. L. caught Davisson at Newport— and they talked for an hour— Mr. L. asking all manner of questions about me— my people—and all the rest. Davisson could only tell him what he knew about me, and attempted to do me more. He, of course knew nothing about me— only knowing me as having seen me in the office and on the steamer. This he told Mr. Ledyard. Davisson said very little beyond this bare statement. He did tell L., however, that on the basis and with the knowledge he had of me, he'd be delighted if I were to marry his sister— which was about all one could ask, wasn't it? He made one reservation— this I tell you—that he had heard that I had been engaged, or was supposed.
The Willard Straight Papers at Cornell University

Original in private hands.

Thursday Night (Sept. 6th, 1918)

This is pencilled, oh Wonder of the World, for it's written as I sit on the side of my bed. Freddie and George are both here tonight and I am rather shy— which is foolish, I suppose, about sitting at the desk and writing.

We've had a farewell party for Peter Bewitch which was not a great success—at least not noisy— because practically none of us took more than a single drink, which somehow seems to war such occasions. Dick Derby, Dave Goodrich, Joe Mann, Lloyd Derby and George Hall, Pryms, Peter and myself made up the party. George turned up from Boston later and we had a little, though quite good, close harmony at the Harvard Club. It was suggested that we go on to the Brook, but I've a long menu on Honduras to do tomorrow and didn't catch worth a cent. My semi-water wagon rather cramps my style anyway.

When in the office I'm all right, for then I couldn't be with you anyway, and if working for you—but to be with other people and try to play, seems to be almost impossible these days. I can do— I'm no use and sit silent and think of you, and wonder where you are and what you are doing. You are my whole thought. I'm praying so for the Miracle, Wonder of the World.

Your pictures I've turned down tonight for I'm no longer alone on this floor as I was before. I don't like to do it but it seems wiser.

I want you very much tonight, Dorothy mine— I'm pretty tired and then I feel so that I want you to stroke my brow as you said you would— Wouldn't you.

Goodnight and God Guard you.

Willard.

Thanks for the cable from Obermannau.

(9-7-18)

We have been engaged to Mary—and that the thought would naturally occur to Mr. L— as to himself—that I wished to marry "a very rich girl." He told Mr. Ladyard however, that he didn't think I was that sort of a person. This I tell you, for though you probably knew it, and knew that I knew that people would say just this—I'd rather tell you the whole story.

I hate this more than I can say—and I know you would—but it's not the same for you as for me. We'll have to talk it over someday— if the Miracle happens—and until then let's forget it— for it's not worthy. At the same time, it is not honest— but more sentimentalism, to ignore just these things. I feel somehow, that a thing can be great really, only if one likes it straight—and that it never can be if one attempts to gloss over anything. I believe that love covers all—but that love glorifies all. Don't you think so— Wonder of the World?

Davison said he thought I should be here for sometime to come—to negotiate probably with the Tripartite Banks—and with Liang when he comes. This will mean the middle or end of November— probably longer—which is fine— is it not—and I think we need have no worry for the future either.

I have reread your letter just now. It frightens me—child— as I wrote you. Please say there can be no "if"— to the Miracle. It must happen. Would it not be wonderful if we could be married on the Seventh of November— then it would have been just a year. I write this and I feel frightfully presuming— yet I can't help it— because I long so for you—and for It— Dorothy mine.

God Guard you, Child.
Willard.

I hope I'll see your brother as soon as he comes back. I am going to see Mr. Ladyard myself.
Dear Sirs:

I beg to enclose herewith my account for salary and expenses for the period from August 1st to September 1st, 1910, and to hand you herewith $10, Yes. 85, and Marks 10, which are accounted for in the enclosed account.

Trusting the above will be satisfactory to you, I am

Very truly yours,

Enclosure:

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<th>Date</th>
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<td>Aug. 10th - Trip to Washington, Tickets, etc.</td>
<td>$24.35</td>
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<td>Entertaining Commander Soldateneoff</td>
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<td>Balance due W. Straight</td>
<td>$369.97</td>
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<tr>
<td>Aug. 21 - 23rd - Trip to Beverly, Mass.</td>
<td>$26.02</td>
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To be accounted for by W. Straight on a/c to Aug. 1st, 1910.

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Due W. Straight on Sept. 1st. $369.97

Bal. to be accounted for from last a/c $276.40

Balance due W. Straight $93.57
Lunch with Bobby Dunn, she's a strange and attractive party. Do you know him? I'm quite fond of him when he's sober and reasonable.

Oh, Wonder of the World—there's another Saturday and Sunday ahead of me—and I'm really afraid of them, for they are so dreary and lonely—no matter where I may be—and I am always nervous and unhappy, because I want you so.

A month from now—four weeks from tomorrow, you snail—I'm so glad.

God guard you.

Willard.

FAIRFIELD, CONN.
SUN. SEP. 1910

Here in a wonderful old house dear child, with the Griscoms. She is charming as ever—and Llloyd and I are getting on swimmingly these days, for he's really doing a good fight and is making good all along the line. They are very sweet together—as I wrote you before and are truly married, for she shares everything he does, and I am sure is a tremendous inspiration to him—as well as a very real help. I've been sitting by all night and listening to inside "dope" on city, state and national politics. It's very interesting and it was fine to hear Mrs. Griscom's comments on what he had to say—always to the point. It made me think of you, oh Dorothy mine—and your comments on the cabbages—except that you are much more wonderful even than Mrs. Griscom—do you know it?

Thumbs down on the Taft administration. He's not big enough for his job. He's not the master of his cabinet, nor of the situation. I was surprised to hear Griscom curse out T.R. on his western trip. I'm afraid I get in wrong by saying I thought it bad taste as well as feelish. I feel so strongly on the subject, particularly on the St. Paul speculating and Osawatomie—that I don't think I can honestly ever go to Oyster Bay again. I don't know—I've always had a funny feeling about T.R. as I told you once, I think—and now what I would hardly admit to myself seems justified. I admire the man tremendously of course, he's a wonderful person, but there has been a little lack of faith always I think—and he's so sensitive that that's why he probably never liked me. I wonder if Wall Street is corrupting me—whether as Bobby Dunn says I have really been acquired by the interests. I'd hate to think so.

Davidson started me off yesterday on Honduras. We are going to do much the same thing there that we did in Santo Domingo. I've been writing a critique of the treaty that will be put up to the Senate—if it's signed of course—and have to go in town tomorrow to work on a financial and industrial report to supplement the other memo.

Davidson introduced me to Mr. Jennings—a partner of Mr. Stettin's—who drafted the treaty, daysays "in charge of our foreign business." He said what Mr. Buchanan used to do yesterday he gave me an Argentine order for rails to handle—merely a telegram—and said
that he wanted all foreign business handled in our room—filled there, etc. So it really looks as if what we'd planned was working out— and becoming recognized as a settled thing.

Wouldn't it be fine— to be the foreign man for the Group.

Would you like it, Wonder of the World?

A beautiful sunset tonight, and a moon. I saw it over my right shoulder at Davisen's night before last and wished for you and to you—and in a month you'll be on the water.

Dear Dorothy, I want you.

God Guard you.

Willard.

SUNDAY NIGHT

Dorothy dear— Will you be playing with me five weeks from today? Time drags on, and as I wrote you when I'm not in the office I'm achey and jumpy inside, for I want you so much, and need you so.

A quiet Sunday here— Working work— Herbert Parsons "Billy " Greenough and wiff at lunch a ride in the motor to a view and a short walk—then Herbert Parsons and politics until bedtime.

I'm afraid that I've not been a gay guest for the Griswells— but I can't help it. When I see a view or when the trees rustle in the early autumn breeze— and the sun sparkles on the distant sound— when the shadows are (?) purple in the woods and the sunset glorifies the west, I shut myself up with you and I can't give anything to anyone— for I am all yours, oh Wonder of the World— Are you all mine— child?

God Guard you.

Willard.

unless one had suffered much, and that one couldn't appreciate it's Bigness and sacredness unless one had gone through just what I had. She was very sweet. I wanted her to know the truth because I didn't want her — for I'm very fond of her— to have any of these stories cast a shadow ever anything that might come, dear, if the miracle happens, when you are Home again. Do you see?

Him I like much better than I ever have before. He is a very nice person and much softened, broadened, and simplified since the early days when he was a very young man in a very big job. I've had me doubts about him at times, but now I think him distinctly all-right. He would be relieved, wouldn't he— if he knew it?

Goodnight dear heart. I'm pretty tired tonight. Are you sleeping well?

God Guard Thee.

Willard.

SATURDAY NIGHT

Oh Dorothy mine— this is the tenth— in a month you'll be two days out at sea. Will you be very lily I hope not— and will you be glad to be getting home again,— and will you be glad that I'm waiting for you? Tell me, oh Wonder of the World.

Did my work in N.Y. and went to St. Luke's to see a classmate whom I just learned had had an operation for appendicitis. He's a good lad— Freddie Willies— and strangely enough he's quite devoted to a child from Oswego whom I used to laugh at as a gurgling infant.

Then I lunches with Miss Davisen who still refuses to believe that I've ever been in Divasen- and McKnight from the office, who's to marry her sister,— and came out here going in bathing in the sound with Mrs Griswells. She's very charming, and so girlish. I'm devoted to her. We get talking about various things and Katherine's name came up in a way that made me think I'd tell her things too—which I did. There have apparently been lots of stories about me. She said she was glad to know the facts— for she'd heard quite a lot— but that she'd always had faith in me, and so had Llyd— and that she'd always defended me. She told me that people were talking about Us— so I told her that the Greatest Thing in the World had come to me— and that I hoped you'd marry me someday, child— was that all right? She said that she thought that the Greatest Thing never came

Original in private hands.

The Willard Straight Papers at Cornell University
Thank you for your letter of August 31st—sweetheart mine. Just your writing those things helps and cheers more than I can tell you, but they make me want you, oh so greatly.

At the time these letters were written I was pretty miserable—mentally and physically but I'm much better now and shall try to keep so, for you, oh Wonder of the World.

Apologies of Mira—ain't there a great difference between Greatness and Genius? Lincoln was a great man and a moral one. Napoleon was a great man too—but really more of a genius than great, somehow—for Greatness means to me, high ideals as well as high conceptions. It's pretty hard to apply this touchstone to the figures that stand out in history though—ain't it? We'll talk of this another day.

And "The Greatest Wish" dear—I think I know what you mean. It's my idea too—the only thing that it could be—and if more people had it, the world would be happier. Don't you think so?

God Guard you. You are the Wonder of the World—oh Dorothy my child.

Willard.
Particular date.

Why don't you know
us here for a week
long? I am not
asking a party for
the three or four days
may have to leave that
night for the Convention
that you could come.

If you like being a
snow bird, you

The Willard Straight Papers at Cornell University
September 13th, 1910.

Charles P. Whigham, Esquire,
Messrs. Morgan, Grenfell & Co.,
London, E. C.

Dear Whigham:-

I am sorry to bother you again about attending to matters for me but it cannot be helped. I telegraphed you last night, asking that you forward a trunk and a big satchel which I left at the Harles Hotel. I hope that you will do so.

I am enclosing a bill from F. A. Stubbs & Co., and a notice from Knighton the Boot-Maker. I owe Knighton a small sum for supplying me with riding leggings, and he has probably now finished a pair of Polo Boots for me. If you will be good enough to settle these accounts and to ship the Polo Boots to me here, together with a statement of how much I owe you, I shall be very much obliged.

My movements are entirely uncertain and the probabilities are that I shall be here for some time to come. With kindest regards to all of you, I am,

Yours very sincerely,

The Willard Straight Papers at Cornell University
Your letter of the 4th and that from Innsbruck—the previous place I cannot mouth—call it Interessen— and the poem! I always told you you were a dangerous person and I’ll bet it wasn’t a waiter at all but some Italian nobleman who had long loved and whom your cold beauty had driven to the verge of insanity. If you want poems, let me do ‘em—I don’t think it quite proper that you should receive such communications from young men.

I’m glad that I’d written Beatrice before your note came. I started once or twice before that, but had the strangest feeling that I simply couldn’t do it. She is so close to you and I feel that both consciously and unconsciously so keenly, that my letter to her would have been all of you, and because she knew so much how I feel, I should, be honest and not seem foolishly reticent, have had to say things that I simply couldn’t—so I didn’t write till the other day. Do you understand this somewhat involved reasoning—oh Vonder of the World? Yet I felt in being silent I was rather horrid and unappreciative. Beatrice I have a really deep affection for, because of herself and because she’s been so wonderful to you—and if I give her anything it must be my very best self—no less.

I don’t know whether I’ve told you or not—your letter suggests it anyway—that I am tremendously keen to get into politics here if I can. Griscom I’ve talked to a good deal. He wanted me to be a watcher at the polls here in the New York primaries today, and the GVicagians wanted me as a delegate to the State Convention. Both were turned down owing to a feeling I had, which Davisen confirmed, that in view of the present situation, I’d better not. It is very complicated, and Griscom’s fight against Barnes and Woodruff—which is fine—is embarrassed, and his success endangered, because a victory for him will immediately be seized upon as a personal triumph for T.H. This, the office here, and to a great extent I myself—feel is undesirable. I’m not wholly at peace in my own mind about issues and things—for the problems are new to me—but I’m pretty well convinced that some of the legislation T.H. advocates is all right—and would be if it were platformed by a less radical, more conservative and responsible crowd than he himself and his

long haired western insurgents.

I’m afraid T.H. is a fanatic—sincere and honest perhaps—but dangerous—for although his own speeches may be directed against wealth criminally acquired and against doubtful court decisions, his position before the nation is such that any utterance of this nature will seem to be a smarm of its qualifying clauses and adopted as a slogan by those who are against all wealth and all courts, and whose success would mean anarchy. It’s a very interesting situation but I don’t want to mix or rather to take part, in it—until I am more sure in my own mind as to where I stand and until I’ve more carefully analyzed the position of the others.

But Dorothy mine—we’ll be in this game up to our necks one of these days—and quite we’ll both love it. As things go on I’m sure that to play world politics firmly and well we’ve got first to acquire leadership or at least a very strong position at home. It’s a fascinating vista that is open to us—and if you’ll walk with me, arm in arm, child—through life and all that it means—between us we may be able to be of a little use in the world.

The main thing is that we be together.

Without the assurance—the courage—the chip that you’re love would bring, I cannot contemplate any of these things—and it is the hope that you will give this, that has given me the vision that has seemed so promising for an active life and a useful one—here and abroad.

God Bless you.

Willard.

What you say about Katherine is fine. Really, you are almost too big and broad and splendid. It makes me feel pretty small somehow—but oh, so proud of you, Dorothy mine. There has never been anyone like you. It’s an inspiration and a tower of strength just to know you and hear from you.

Again God Bless you.

Willard.

Original in private hands.

The Willard Straight Papers at Cornell University
This Willard Straight Papers at Cornell University -
Original in private hands.

The Willard Straight Papers at Cornell University
A very nice dinner this evening—oh, tender of the Word with Billy Delevo. He is one of the best, and one of the most attractive people I know. He talked and talked and talked, and I'm afraid that I held forth on politics—local and national and international—but he didn't seem really to mind— and we had music and literature too and many other things.

The leader of Sherry's by the way always plays "Les Fleurs au Mans" to me without any request now. He is quite exquisite.

Delevo was quite funny. He asked about my truce and when the "Seids" would be back. I talked about "Sonny" when he had gone to see the other day— not to save him— but never a word about you. Isn't he the son?

The days go by, I wake each morning thinking that you are last so much nearer, and I am grateful for the rains, because the time when I wait with scenes of such heroines is over; and I don't have to watch each hour as it slips by.

If you knew, dear Child, how I long for you, more returns now, late, and lonely, I feel without you.

God bless you.

Willard.

The pencil writes easier than the very best pen of Ettis's which I've been too lazy to change. She ought to be ashamed of herself for having such an article in the house.

Oh, Dorothy, the days are growing less and less. I am only existing now. You are still as far away as I can by the air-mail fleet. I don't know how I can face you. I can no longer play any real role. They have us into the middle of our head and matter— what give me all the papers— the woman in the station's office that you should have been in the station's office— should have seen me— she must have seen me.

3.1 G. ·

Original in private hands.

The Willard Straight Papers at Cornell University
Pencil again- Tender of the Heart-- this time because there isn't any ink. I've been playing polo once more and Thank Heaven, acquitted myself better than the last time I came down. We played three a side today and our side won- George Milburn, Joe Grace and myself, against Russell Grace, Ramsey and Seward Carey. Mary and Mrs Milburn are both here- and latter as amusing as ever. I like her very much, you know, - and Mary. 

Fine. She's all right and I am devoted to her.

Things went better in the office today. There was a meeting of the Group, and several of the things that I had suggested a week ago went through- as well as the telegram to Peking that I had drafted- and which Division had once turned down. I simply cut 'em up again in the same form- that's all. What else could I do. I believed I was right and that there was only one way to act.

The most cheerful thing of all, I think, is the polo- which makes me feel very fit and handy- for I played eight periods, one after another, and must therefore be in better condition than I had thought.

But Dorothy-- since I want you. I think always of the time that must elapse until you come home. I am so grateful that I am busy, and that I can keep so till you come- otherwise it would be too lonely. You are my all- everything in the world- my life- do you know it, child.

God Bless you.

Willard.

Original in private hands.
The Willard Straight Papers at Cornell University
I only note nothing around Paris will not take it out of her not to mention inside of Pauline I wrote to Harry when you crossed her but he has not answered my letter. He expected me to go to London to see him but I told him that if he decided to see me he could come here. Is there is nothing doing you certainly may have one of my photographs if I can find one. They were

September 16th
Hotel Vendome
Paris

Dear Willett,

Here I am back on the Continent alone as Dorothy has crossed the Channel to see her family. Your two letters came the day before Dorothy left Boston. I am sure that you must have had a hard time since then.

Yours ever,

[Signature]

The Willard Straight Papers at Cornell University
Dear [Name],

I am glad that your perseverance and energy are being rewarded for Dr. [Name] that your last letter of her is more encouraging. I was hopefull about the turn your affairs are taking by sent a horse down from a thousand pounds. She became engaged and no good accommodation. She had before that date, at 25.

Arriving which is a most important function. It will be very quick and doing it all in two weeks. It is all the time the case. She gave it to her and arranged Pauline to go both there for a final event. I am afraid she will get very tired doing all the shopping in two weeks. She is looking so well now the mountains were not beneficial but she looks rested with a better color.

Taken three years ago, there may not be any left four weeks from today. I hope we will all be at school out at Brolyn in the mountains.

I send you all my best wishes.

[Signature]

The Willard Straight Papers at Cornell University
Things all loose again. Memoorl is a goa11-- he's been letting the Viceroy and the Hongkong and Shanghai Bank and everyone else, as far as I can see, pull the wool over his eyes-- result general chaos. Calhoun also has been playing the fool a little. It is really too disgusting. However I hope that we can straighten matters out.

The worst element in the situation is Knox. He's been autoing again, and a telegram which we asked the Department to send a week ago was forwarded to him for approval. He's taken no action at all and not even acknowledged the message-- any more than he has acknowledged the messages that we sent him after our conference on the 3rd-two weeks ago.

Three weeks from tomorrow, eh Wonder of the World, you'll be sailing and four weeks from today you should be landing here. The time is shorter, but it's pretty long even yet. These troublesome days I've wanted so to be able to go as you and talk it all out. It would have been such a tremendous relief. Selfish, you see-- for you'd be having troubles of your own-- with your charities and what not. I'm off to Washington this after noon-- to stay with Wilson and try to galvanize the Department into some sort of action.

Period of two hours.

Interviews with Davison and Schiff, and long distance with Washington. Wilson is coming up here tomorrow and my trip is therefore off. Hope it will mean more polo at Great Neck on Sunday and watching a good game tomorrow at Rockaway.

It's a hectic life. When you come back please don't get into the whirl as you used to be. Please take advantage of the break that the year has given and be peaceful and quiet dear-- just you and I for a while. Then when we're together, eh Wonder of the World, we can take up such things as seem worth while. Not for a moment that I'd have you less of a Princess Merciful, Dorothy mine, but let us wait just a little while, won't you?

God guard you--

Willard.

Quite late-- eh Wonder of the World- now one o'clock, which is disgraceful. I dined with George who is much more reasonable again. Dick Davis came up afterwards and talked with us until eleven-- Bill Phillips having come in for a few moments 'heart to heart with me-- then we found "Alec" Marvin and his new wife, and sat in the Knickerbocker Grill and sang close harmony.

But somehow, I cannot lessen up. Music appeals to me, as you know, and it drives me back, way back into myself, where I am alone, only with you-- and I simply can't come out. I try and fail.

This again is written on the edge of the bed. Tomorrow H.W. comes to N.Y. and I shall see him here and try to smooth things down a little.

Oh, Dorothy mine-- in four weeks you'll be here. I can hardly wait.

I want you-- child.

God bless you.

Willard.
Mr. William Straight,
23 Wall St.,
New York, N.Y.

Sir:

Referring to your letter of 7th instant in regard to two small packages brought in by you as a passenger on the S/S "NEW YORK", on the 7th ultimo, which you were instructed to convey to friends in the East, and which, being dutiable merchandise not declared, were detained by Customs officers, I beg to state that the said packages have been deposited in the United States Public Stores, and will be delivered to you on board the vessel on which you leave the country, or forwarded from Customs custody to a place in a foreign country, as you may direct.

Should you desire to forward the packages previous to your departure it will probably be necessary for you to put the matter in charge of a Customs Broker or an Express Company doing an international business in order that the necessary Customs formalities may be complied with.

Respectfully,

[Signature]

Special Deputy

September 16, 1910.

THE NEW YORK HERALD
RUSO-ChINESE BANK BUILDING,
LEGATION STREET,
PEKING.

September 17, 1910.

My dear William-- Your letter of August 15 I found awaiting me on my return from a short period of enjoyment of the breezes of Palaihie -- which enjoyment was, however, considerably marred by enforced contact with the instruments of dental torture wielded by one Hye. However, I have survived and am a mere truthful, if not more truthful, man. I fear constant contact with the Corps Diplomatique has ruined my chances of becoming the latter.

With the high points of happenings during the month that has elapsed since your letter was written, you are as familiar as I am --- with some of the non-happenings far more familiar. This erudite thought is inspired by the knowledge I have of the way your old college chum Hai Liang has been sweating blood in his efforts to get the Chin-At project "forwarded" as French would put it. He has ambled back to the Manchurian fastnesses leaving his deputy behind to sit on the door-step out at the mansion on Wang Fu Ching. I don't think he is particularly happy --- which applies to both the delegate and Hai. If they have been able to squeeze a ray of hope out of the French-English-Catholic outfit, it is because this outfit has, under your able tutelage, developed to a high degree that quality so characteristic of diplomacy, and which our friend T R describes with a "short but ugly word".

I suppose the fact is that our able diplomat in the State Department either do not know where they are "at" or that they, along with the rest of the administration, are kept so busy attempting to analyze the local political situation that they have neither time nor inclination to think about anything so far away as China.

Perhaps we will have some light when Keintheman comes on Monday. I know he is bearing some sort of message to deliver to Dickinson, but as yet do not know what that is. If it is nothing more substantial than the usual friendly assurances, I fear our Chinese friends will be strongly inclined to give forth the grunt that stands to them for "bails" -- and I will not have it in my heart to blame them if they do. If they knew as much about things back home as I do, they probably have been thinking that there has been a heap of "sur-arching" on the part of the American Government, dating with the Neutralization Bluff of recent memory. I may be becoming a pessimist myself, but it looks to me as if the State Department were in need of a few men who are men. (This estimate is subject to possible revision).

There is not much use indulging in speculation of high politics of which I may know nothing. I only know that the interesting sequence of the Neutralization Prop followed by the Hu-Jap convention and this by Korean annexation has made a pretty deep impression upon the Chinese mind, and that we have undoub
J. It also lost a good deal of face in consequence. I also knew that things are pretty rotten here in Peking. Yuan's friends have run up the idea of any speedy return of that estimable person to office. It looked for a time as if Tang would not come out, but my advice was that he will start from HongKong on the 22nd. I suppose Tang is coming for the good reason that he "needs the money". Otherwise it would seem the height of folly for him to get into this hole. He has already been hampered severely by appealing elements. The Regent was deeply impressed, apparently, by Tao's representations as to the advisability of getting Yuan and Tang back, but he has aways as a result been satisfied. Tai Tse, Yu Lang, Taij/Neun inside the Palace are opposed to the idea of any strong Chinese coming to the from. Tai Tse apparently thinks he knows all there is to be known, while the interest of the other worthies is in holding to the graft

that is now coming their way. Jui Cheng, who is Tai Tse's brother-in-law, has been here knocking Tang hard. He will find it hard sledding. Of course he will have a sort of a friend in Su-sy, who is in the Grand Council, but Su-sy's capacity for force you know well.

Birchal seems to have pulled off his bond deal by putting it on a gold basis and arranging for a 10 percent commission to be divided among those interested. That means Jacques, Able, our friend Yun and others at this end. The fact that the London City and Midland Bank has taken the thing up is highly interesting.

With regard to those articles "slandering" the America-China Dev Co of nauseous memory! It is hard to say how much inspiration from above there may have been. My first idea was that there was little of any of this, but I am not at all certain. Our friends who new were chosen also have some pretty valuable holdings among the officers of the Waipu, and it is not improbable that this was an instance of their delivering the goods. If I were at the helm of the State Department I would not count much on the friendliness of Chinese Officers. What this outfit would like to do is to draw us in to bring the chestnuts for them, and from the standpoint of national interest I would strongly oppose our being drawn in --- whether this is by Wall Street or by anybody else. Of course the fact is that there isn't one of 'em that wouldn't harpoon the U.S. or American interests, the moment he saw it to his advantage to do so.

The most interesting piece of gossip I have heard is this! The man White, who is marshal etc. at Shanghai and married one of the Yu girls, is here. His wife is playing for audience with the Dewager Empress, with whom she seems to have been rather closely associated in the old days. White is reported to have told, in strictest confidence, one of his friends that his purpose in coming is to lay mines under YOU to get your job. That's the way in cemos to me in great confidence, I don't know what White is after. He may be playing some game for somebody else. I assume the figures that if he can get strings on the Dewager Empress, he will be in a position to do good business with

sombody --- and perhaps he may. If I wanted to do business with the Chinese Government, I'd endeavor to own some of the lects in the palace, and that particular lady seems to be in fine position to do business.

This can hardly be important but it is interesting. White is going to be around here for about a month he says.

The last of the mosquitoes are buzzing merrily around me as I write -- it is 6 pm -- so I'll cut off and go to the club to drown my sorrow over the present indications that the latest American Advance is likely to be as able a retreat as that in which the Canton-- Hankow my figured.

The lady of my family tell me that the engagement between Blunt of the British Legation and one of the Webster girls, your friend, is off. I'm not enough up on social gossip to be able to tell you why.

Keep me posted. Regards to Fletcher when you write. Do you expect to come back or do you not?

Your's Very Sincerely,

[Signature]
SUNDAY MORNING. [SEPT 17TH] [9/17]

This morning there was a fine fat envelope from you on my desk—oh Wonder of the World—and I held it tenderly, while I went through a telegram from Peking and dictated an answer—thinking the while how wonderful it would be to have a letter from you. Then, the work finished, I opened it, and it was that letter from E.V. You ought not to have done it. I felt as if I had been hit with a club. It was very unkind—please, oh please never do it again. You can't say that I did the same thing, for I merely mailed you this letter under a separate cover when I'd mailed a real one by the same post. And I wanted so much to hear from you.

Conference with Knox and Wilson this morning at the Waldorf—then luncheon with Wilson later. I was quite alone and handed Knox a menu of his conversation of two weeks ago. He was very angry, as I thought he would be—and I'd told Davison so—for it showed the facts that he'd been on the carpet like a schoolboy. You see, I'd written one menu for our own files—and thought we'd have another to send to him—wrote one, which Davison changed—then he read my long one and decided to use that. I warned him that Knox would kick but he didn't care. Knox had me alone and took it out of me. The net result however was alright, for he sent a telegram to Peking which we wanted and approved the scheme for cooperation with the other Banks. So the result of the conference was really quite satisfactory. I had it out more or less with Wilson afterward and I think that things are going better.

Then I went to Cedarhurst and saw the English team beat our people 13 to 0—something like that. It was very sad. There I met Mr and Mrs Barnes—Jim Barnes and many others. I've really never been so jaded in my life. I don't know why I should have been, but I felt quite lost and lonely in the strange crowd at the Hunt Club—no either appeared very cheery and surly or very awkward, I don't know which,—had performance due to fright, anyway,—for I felt that the Barnes' and Jim Barnes were looking through and through and it frightened me. Besides, I felt very much an outsider in the crowd, and very shy and kittenish—usual result, a lot of licks. I'm sorry if I

graced you. Effect, an attack of the blue devils, and an intense longing for the letter of the sea.

Dinner at the Lafayette with McGuire—Ella's friend—and one Freddie Haldey-who is a great authority on military matters—extraordinarily well informed, and somewhat of a stuffed shirt. Quite amusing, however—with a wind up at McGuire's apartment where we discussed world politics. I've been down out of my pole tomorrow and am going to the Griscus, because I can't bear the thought of trekking all the way to the Fairchilds where I had intended to spend Sunday.

Altogether I am still down on my luck and I want you terribly to talk to and to have you comfort me—selfishness rampant again, but I can't help it—Dear Dorothy—you're smiling in three weeks!

God Bless you.

Willard.
Quite a nice day after a hectic six o'clock in the morning beginning, which gave me a bad start. You would have been interested in being here, eh Dorothy mine— for the air is charged with all manner of political intrigue. Griscom tomorrow takes T.R. to meet Mr. Taft at New Haven, where he hopes they will talk ex-cheque and square things up. Mr. Norden are like a couple of trainers at a prize fight— they've been booming to each other all day. A. Platt and myself are the House guests and we've been urging Griscom to have some sort of a resolution absolutely endorsing Tafts, put before the State Convention—the object being not so much to approve what has really been in many respects a wobbly and unsatisfactory Government, but to commit T.R. to follow the President who is the natural head of the party and to clip the wings of "new nationalism." Barnes of Albany I think, suggested the plan originally, but for different reasons. I'm afraid that unless something of the sort is done the success of Roosevelt at Saratoga will be regarded as a personal triumph and that will weaken what must be a long fight anyway, against the bosses in this state.

It had almost been arranged that they were to meet here tonight. That would have been exciting; Taft however, wouldn't come.

By the papers, as Mr. Dealey says— I see your brother has started home again from Churburg— so I take it you've seen each other in Paris. I'm very, very anxious to see him and hear the latest news of you, child dear. You who are so far away, and have been so long— in three weeks you'll be at sea new though— and each added day gives me more heart, but it's pretty wearing— this wait.

God bless you— Dorothy mine.

Willard.

Original in private hands.

The Willard Straight Papers at Cornell University
September 19th, 1910.

H. C. Stewart, Esq.,
Special Deputy Collector,
New York Custom House,
New York City.

Dear Sir:-

Many thanks for your letter of the 16th of September, and for your interest in my packages, which I understand are now deposited at the United States Public Stores, and which will be delivered to me on board the vessel which I leave the country, or forwarded to a place in a foreign country as I may direct.

I shall take the matter up with a customs broker and have the packages handled in due form.

With repeated thanks for your trouble, believe me,

Very truly yours,
This is the first Monday (or Tuesday—for sometimes I've not been back until then) that my week had not commenced with a letter from you—eh Wender of the World. It must have gone astray somewhere but it worried me and made me very much down and sad— for I'd counted on having it—and that gold brick envelope enclosing Morgan's letter was only an aggravation.

Tonight I dined with the Energ Winthrop. She is most attractive and invited me for the opening of Hammersteins tomorrow. Alice Langworth was there, and "Dev" Milburn—with some other men and Miss Sands.

I'm afraid that I'm a dead one. I can't work up any steam any more. Whenever I'm out with people I get thinking that you'll be back soon and wondering how you are, and have simply nothing to give. It's disgraceful but I can't help it.

There's nothing new in the office today, save more feelliness from Peking—which means another sitting on, for Meedal. I've been trying to arrange a dinner by the Mayor for the Chinese Prince, and lunched with J.G. White & Co's people, who are working up a refrigerating scheme for Russia—That's all.

I guess perhaps I am tired—and I want you terribly.

God guard you.

Willard.
Tel. 61 Taunton

Dear Willard,

It was most humiliating for your sake, and to them that they

were unwilling to allow me to accompany you in time for your Train that you

had to Sally South in a hurry. Please join all our Chatterings

and jot all down to me is by no means a lawyer. We had

The Willard Straight Papers at Cornell University
The present year I suppose I'll share in doing the cooking. We are obliged French grass to have the winter, but this is a treat.

I had a good time getting it then. The dinner was at 14 But the head of I. Luckily the President's Conference was only that over. They were not together long enjoyed it thoroughly. We had it all different of all. Although some times in the rain with the Lloyd I don't know what was delivered. I'm going there on Tuesday, the next day for Sunday. The photograph are

Most interesting. Your Interiors are character, without being tawdry. You have some very handsome things. Those green is your corners a touch of comfort and they taste homemade.

I can't let you how much we appreciate your coming. Be sure to your own accord. Mrs. Cheer us up so
Much. It also makes us to think that your do not mind our Kentucky Country practice.

Good luck. Let me know when the moment comes to ask some young lady. I'm sure your house will have to be fixed to stay here till January which appeals to me much.

By the way, I'm looking forward to seeing you soon.

Yours sincerely,

[Signature]
Your letter from Baden came this morning, Wonder of the World. I am sorry that Beatrice didn't understand and grateful to you for knowing just what I've been feeling. There was never a thought of a demand as you must know—no feeling that I had any right to ask you to do this, but it was an appeal which I could not help making, for I wanted you and needed you so much. That's all—and I can't see that I can be questioned for voicing such an appeal. I'm very glad that you showed Beatrice what it all meant and very very sorry that such an explanation was necessary. I've written her a note just a word which I hope will be all right.

About Katherine. I'm glad you told her. You were quite right. I'd taken it almost for granted that you had done so before— for you'll remember that you said you told her "everything"— and this was not like what I'd told you about Mary— but was gossip that I'd been explaining. Of course Beatrice will hear it from other— and of course the Roons know it— and that may explain M. B.'s attitude. She may be your good friend and anxious to protect you from a flirt and a philanderer— in which she's quite right—and I bear her no ill will.

I should have been only too glad to tell your brother or Beatrice or Pauline or anyone who has the right to know about me—that they may protect you—that or anything else— in fact I'd always prefer to tell myself, for I have not the slightest desire to keep anything back, or fly any colours that have any suspicion of falsity.

The more I hear and see the way people here talk about each other's most sacred affairs—the lack of loyalty of friends one to another—even men—and I have had one or two rather striking lessons myself—the more I resolve to do my utmost never again to say anything about anybody—save to you—I do reserve that, but anywhere that it may make trouble and cause hurt and pain.

I'm so sorry you haven't been fit— poor child—and I wish I could be with you and comfort and cherish.

To go back however, for a moment. Don't you think that a "hope" may be entirely justified, when one would be fresh to "expect" or to assume a right to do so. Somehow I feel that way, and I don't think that to express a hope or a very deep wish necessarily means that one expects the wish to be granted or the desire fulfilled. It must all be my dimmest manner again, I suppose, contaminating even the paper I write on.

I hope you are all right again now, eh Dorothy mine.

God Bless you.

Willard

There's a lot more to say about these things but I don't think it would help to write 'em. They are very little compared with it, you know Dorothy child, and when one starts to write and explain and argue there's always the chance that there will be misunderstandings and misrepresentations. You are very wonderful to have known just how I felt and to have understood so truly. But what I want to say is, that I have bored myself absolutely to you, I've turned all the pages, sealed as well as clean, and I am ready to do the same for anyone whom you wish me to show when you think has a right to know. You may not love me now, though I hope and pray that you do all unknowingly—but in any case you tell me I have your Faith and Trust. That has been given despite all the things I've told you. It is very wonderful and very sacred.

I have no desire to pretend to be that which I am not— to Beatrice or your brother or anyone—and I have enough faith in myself to believe that if they knew all they would feel that, though not good enough for you, I'm good enough to try to be good enough for you, if you'll let me do so.

Love and Faith are the Real Things, and the little things don't count save as evidences for or against the other—and such evidence must be considered, if its to be considered at all, face to face—and not in writing—Am I right—dear.

God Bless you, Dorothy.

Willard.
Dear Excellency:

I feel extremely guilty for not having answered your two good letters, one which reached me in Europe just prior to my sailing, and the other which was forwarded to me here from Peking.

I am very glad that you find conditions in Montevideo interesting and am sure that, as Mr. Gerald Morgan said the other night, it will be a great revelation to the Uruguayans, or whatever their names must be, to have a house-broken American Minister. They probably have never believed that anybody could come from their great northern sister who did not spit in the sawdust box and put his feet on the table.

The results of the Pan-American Conference must have been very satisfactory to you, and I suppose that you are now looking forward to getting away entirely from South America and taking up some European post.

Everything in this country is upset, and, as far as I can see, the Democrats have a pretty good chance of winning out this autumn. The President and the "Big Noise" had an interview yesterday, the result of which will be attended with a good deal of anxiety. I have been staying at the Griscom's over Sunday, and rather imagine that there is no doubt but that Mr. Roosevelt has lost a good deal of his old time regard for the President. This you probably understand better than I, for from what Mr. Griscom said the circumstances which brought about this coolness shaped themselves before Mr. Roosevelt left for South Africa. Griscom has been doing extraordinarily well and his reelection as Chairman of the County Committee a few days ago was attended with expressions of what seemed to be really sincere admiration and confidence. His fight against the bosses in New York State has been somewhat embittered by Col. Roosevelt's western speeches and I am afraid that the "sniffer" which was applied in Long Island and at Syracuse the other day will not be entirely effectual in removing from the public mind the fact that the issue in New York State is not so much one of honesty against corruption, as it is a personal matter between Col. Roosevelt and Mr. Sherman, with the inference, which though it may be denied will nevertheless be seen, that the Colonel is working against President Taft's Administration.

The nomination of Woodrow Wilson in New Jersey, and Sherman's position in Ohio, has placed the Democrats in a stronger position, as regards Presidential timber, than they have been in for some years, and unless you make up to William Jennings Bryan you may find yourself dangling your feet in the waters of Lake Cayuga instead of paddling in the pond of international politics.

As far as China goes there is a great inscription over the "open door" and that inscription reads "status quo". If you know what that means you know much more than I do or anybody else than I have seen. The term is so indefinite, however, that it suggests the "grab bag". If you get your hand in you do not know what you will pull out. At the present moment nobody wants to put his
hand in. If you ask me I would say that there have been too many feet put in already.

The net result is that I shall be in New York for some time to come and hope that you will be coming up on leave before long and that I may then see you. I had a letter from Fletcher this morning, written enroute, and he was looking forward with great pleasure to meeting you.

I am enclosing photographs of the Group's premises in Peking which may amuse you.

With best wishes always,

Affectionately yours,

H. E. Edwin Morgan,
The American Minister,
Montevideo, Uruguay.

Enclosures:

Original in private hands.

The Willard Straight Papers at Cornell University
Oh Wonder child—yours brother Payne I saw tonight at the opera, where I went with Mr and Mrs Winthrop. (going some, isn’t it—having only met ‘em last night.) We didn’t have any talk naturally and I don’t think he remembered me at all—though we’d met some four years ago at Newp. And the others were Larry Waterbury and wiff.

This afternoon we had some fair polo—First George Kilburn and myself against Ramsey and Russell Grace—then a shift to make room for Baker and Mary. I hit one or two fairly long shots and made a couple of goals—and hence feel as if I were improving—which cheers me a great deal.

Hew Dorothy mine—I must confess your letter that came this morning has worried me all day. You, although you wondered a little it seems to me—were very sweet and understanding. In my letter to Beatrice I didn’t want to go into details at all, but sometimes if the subject ever comes up again you might explain—If you care to—what you had felt that you couldn’t know until you came home—that my whole future seemed likely to be at stake any minute—as it might have been with a wrong turn of the dice—and that I wanted you to come because then you’d know, one way or the other, and if it was up to me to decide, that would be the ruling factor—what you wished to do if you cared, or what I should do if you didn’t. You know this I am sure.

And just one more thing about Katherine R. and about Mary too. You have been very wonderful and you have understood—and Beatrice probably will, or does too—that anything with the former was past and gone long before you came to Peking, to alter everything—my point of view, and my whole life, child of mine—about Mary and all this we talked at Divonne.

And another thing—oh Wonder of the World. You say that I am—or have been—nervous ranked and weary of heart. You are right and you say you know it all came out right. Don’t you know that business—success or failure—is all in the day’s work—one can do one’s best, that’s all—and must take what comes, and try to go ahead anyway, no matter what happens.

To win you, Dorothy, is all that makes any real difference—to have you care. If that “comes our right” nothing else matters, and it is for this only that I hope and pray. China is in the day’s round, that’s all. You are my life—Wonder child.

This afternoon I said I couldn’t explain. I was still a little irritated, hurt rather— that Beatrice had thought me “fresh” for that means presumption and assumption and I hate them both—and cannot bear to think that you thought me guilty—or that she did, rather. Do you see dear—Of course you do—for you understood all the time.

God bless you.

Willard.
Be reply yet to my telegram. Wonder child- and what can the matter be-- have you gone off in a temper or something-- or what has happened? Day after tomorrow will be the 23rd again- the second that I've skipped(?!) away from you. It almost looks as if we might be together for the next- and then you shall have at least five lumps dipped in coffee and I shall have sugar again in mine- and we must breakfast together. But we must breakfast together before the twenty third.

I've been spending most of the day in arranging a dinner for the Chinese Prince and I think we'll probably have it in the Chamber of Commerce Library. Lunched alone and dined at McSquire's with Freddie Swift and a lawyer named Marshall who seemed a corker.

There's nothing more to tell you, save that I am very tired -- these days take it out of me, somehow- and I want you and can hardly wait. I am praying for the Miracle Dorothy mine.

God bless you.
September 21, 1910.

My dear Straight:

When we were talking over the telephone I stupidly forgot to ask you this question. The other day you alluded to the influence of the Hongkong and Shanghai Bank in British political circles and the relative lack of the influence of the Paulings associated with Erlanger. Appropos of what you said will you please let me know, at your earliest convenience, whether to your knowledge the Hongkong and Shanghai Bank has ever sought participation in anything and been turned down either by the Paulings or by the American Group?

I am really sorry it is impossible to have the pleasure of a visit with you here before we sail, but if you really care enough about it we can have a little chat Tuesday morning as you suggest.

With kind regards, I am,

Yours very sincerely,

Willard Straight, Esquire,
Care J. P. Morgan & Company,
23 Wall Street, New York City.
Sometimes, dear Wende of the World, I feel that these nightly messages of mine are rather foolish— for they contribute little to the joy of Nature(Nations)— contain no new or startling theories— nor do they express what I have told you and written you many, many times—even the phraseology does not vary. I wonder if you tire of half sheets—full four pages—sometimes double the number—repeating, reiterating the old story—Do you? If you do I can't help it, for I can't help writing you. If I want to be without this word I would be miserable and lonely; for though perhaps I can't say much it means a very great deal just to be able to feel that your dear eyes will read the scrawl that I send you—that your hands will touch this paper, and that the envelope which I kiss in sealing shall bear the message straight to you.

Oh Dorothy mine—if you know.

Another day has been by and no answer to my cable of Monday. It has troubled me greatly, this silence—and today I was almost on the point of writing Beatrice. I shall not unless I hear tomorrow which is our Twenty third, child—two months since I received your telegram asking me to go home. But I must tell you this too—that although it troubles and worries me, and although I want terribly to be heard and am frightfully impatient, I do not for a moment doubt that you have some perfectly good reason for not writing—nor that you haven't received my messages—for I know that you would understand how restless and nervous I would be while my queries as to how you are and when you've written, remained unanswered—and I feel sure that you would not cause me what is really suffering, unless there was good and sufficient cause. Would you, dear Dorothy child?

I wonder if you know how entirely I am yours—how absolutely my life is yours to make happy—how it is in your hands, for you know everything I think, that has ever mattered at all—and I feel as if you were myself and as if too, instead of living up to what I think, I were trying to live up to your ideals.

God bless you, dear.

Willard.
Original in private hands.
Your cable came this morning Wonder of the World, just after mine had gone to you—
and now I am making my brain to think what I could have cabled you on the eleventh
and the fifteenth— perhaps you referred to letters that I'd sent- If so, your use of
the code word was incorrect— See and you— but suddenly I have an idea— The dates
must refer to your letters ,for I've received yours of the eleventh and fifteenth
already. That means that you didn't write again until the twelfthth, I suppose. That's
bad news. Anyway, you didn't answer my query "Entang" - which you said you always would
do. So your use of the code was incorrect after all.

Your letter from Deepdene also came in this morning. It must have been splendid to
be with your brother again, and I'm sure that you brought great cheer to your sister.

I am sending these letters to Morgan,Harjes anyway— and will write again by
Tuesday's German steamer—after that there will be silence, as you will be on your
way home before anything else could reach you. It is a long wait,Dorothy mine— and
a hard one. I shall be very grateful when you are home at last and when I can see you
once again.

God Guard you.

Willard.
Many thanks for your letter of the 21st instant. With regard to your query as to whether the Hongkong & Shanghai Bank had ever sought participation in anything and been turned down either by the American Group or Paulings, the following are the facts.

In the old Haininun-Pakumen arrangement Paulings & Company were to do the construction and the British & Chinese Corporation, which, as you know, is virtually the same as the Hongkong & Shanghai Bank, was to finance the operation. In fact I believe there was a binding arrangement between Paulings and the British & Chinese Corporation to work together in China. This contract the Hongkong & Shanghai Bank finally disowned as it was found apparently that the bank's negotiations under what are called the "Yientsin-Pukow" terms were embarrassed by any connection with a firm of contractors.

As far as we ourselves were concerned, Mr. Hillier of the Hongkong & Shanghai Bank approached me in January of this year asking that the Hongkong & Shanghai Bank be given a participation in the Chinchou-Aigun Line. This I reported to the Group by cable on the 22nd of January. A copy of this telegram was sent to the State Department under a letter dated January 24th. In the cable it was erroneously stated that "Tang Shao Yi acting in the interests of the British & Chinese Corporation, etc. etc." No misunderstanding could have been possible inasmuch as a telegram later showed clearly that this person erroneously was acting in the interests of the Tripartite colleagues. Later I telegraphed from Peking that the Agent of the Hongkong & Shanghai Bank had not only strongly suggested the Chinchou-Aigun Line be divided equally among the Tripartite Banks and that he had been instructed to protest this suggestion by his principals in London. At the same time I telegraphed that the representatives of the Deutsch-Asiatischen Bank and the Banque de l'Inde-Chine stated that they had no instructions regarding the Manchurian Railway. This message I believe was communicated to the Department by telephone.

Writing under date of January 31st, 1910, you acknowledge the receipt of three letters of the 28th of January, and stated as follows:

"In this connection I beg to confirm my telephone message to you of the 29th instant to the effect that the question of international participation in a Manchurian loan is one for adjustment between the governments concerned, and that therefore the bankers should first address their own governments."

This statement was communicated to me at Peking and I inferred the Hongkong & Shanghai Bank accordingly, and up to the time I left Peking had heard nothing from them. I trust that this will answer your query.
I am sorry that I shall be unable to see you again in Washington before your departure, but I shall look forward to meeting you here and seeing you off on the boat at any rate.

With kindest regards, as always,

Very sincerely yours,
SING BARBARA'S ELLS

SAUNDERS

In two weeks, you'll be on the water—oh, Wonder of the World—and in three, you'll be here! I can hardly believe it. Tonight while waiting for my friend Chew to come in, I stood on the balcony and it reminded me strangely of Milan—and that wonderful evening when there was a moon too—when you sat in the great arm chair—your profile silhouetted against the window—and I sat at your feet. Do you remember, dear?

I've been very busy with the Chinsmen. Meet the Prince tomorrow—and have had a very satisfactory talk with Chew, who is Vice President of the Foreign office—and one of the strong men therein—and the real diplomatic head of this mission. I've explained things to him and he is wiring to Peking tonight—a telegram that I've approved—explaining our position—satisfactorily I think—to the Chinese—so that that is well cleared for the moment. The Prince has been advised too—and I suppose he will telegraph Brother Regent. I've been recommending Andrew as Financial Adviser for China. It would be a splendid work—and my class mate xixed See, for Chinese Minister to Washington—and trying to sell battleships for Oranges, so that my insatiable love of intrigue is for the moment stilled, and I only hope that some of the moves will work properly. They'd enter.

It's all very amusing, and I was very flattered by what some of the Mission said when I was introduced—that they'd heard of me and that I was well known as a friend of China. Conceited boy, to repeat such things but I did it hoping you'd be a little pleased? Are you child?

Left New York at one—and much to my delight Davidson sent two telegrams which with but one or two alterations made, to save his face, were identical with those I'd drafted and he'd turned down two or three days ago. It's very amusing really, to see what calm persistency in getting your own way will do. I hope I'm right, for more and more it seems as if the threads were getting under control—Conceit again—but it
PHILADELPHIA
SUNDAY NIGHT (SEPT. 28th)

Oh Dorothy mine- its been a funny day- one that I'll tell you about someday- in which I have been strangely mixed up with other people's lives. It all ended with a dinner given by the Prince during which I sat next to Schwab. He is a stuffed shirt if I've ever seen one- and the vainest man living, I should think. This I played on, and I hope that the result will be a combine between the Bethlehem Steel and shipbuilders for the Chinese business. That would be worth while anyway. Otherwise the boredom of the day has been pretty bad.

It's again the last word of the day to you, but I feel almost ashamed to write again all I feel- which is only joy that another day that stretches between us has passed and that tomorrow the week begins- a week full of business that will be followed by only another week before you return.

God Guard you, dear. Willard.

Your brother came in this morning. Wonder of the World and I've been trying to catch him everywhere I could think of, but without result. I shall hope to do so tomorrow. It'll be wonderful to have late news of you from some one who has seen you almost within a week. Ah! but then in less than two weeks you'll be well under way yourself and in less than three, you'll be here.

Fly forward, oh, my Heart!

This has been about the busiest day I've had- a rush all morning and Wilson here from Washington with a brand new lean proposition- the one that I've had in hopes for years now that for currency reform, with the appointment of an American Financial Adviser. It looks pretty bright and I'm rather wondering what these people who are so anxious to get out three weeks ago are saying now. They probably wouldn't admit that they ever contemplated quitting. Randum tea, has been booming once more. Wilson made a better improve on the Group than he'd previously done- so that is personally gratifying. Altogether it looks good down there- for it was once pretty black. So it goes up and down. It's just waiting to go down on the boat with Davisen and then I've got to come back tonight in order to see Wilson and Mrs. at the Astor before they sail tomorrow. It's going to be a hectic week, I can see that.

Dorothy, Dorothy, Dorothy mine- come home.

God Bless you. Willard.

The word last night, for I had to go with Davisen down on the boat and come into town at 11:45. Staying with Wilson until two A.M., it's hard sledding. These days seem very stared somehow, for there is no time to read anything at all. When I read fine things or hear fine music or see beautiful country, I always share with you, but these last days I've been so frightfully rushed that it made me feel lapolier than usual. This is the last letter to you, Dorothy mine- It goes by the steamer that brought your last letter and by which you
will come back to this country. I wish that in some marvelous way I could change the
whole craft with magic to charm you, so that I could make it a Fairy ship that would
bring you straight to me. In a way it is you know, for I've crossed on it twice this
summer—from you and back to you—and as I passed the decks only you were in my mind and
heart—so that that must count for something. Don't you think so, Child?

It's been such a long time now—and it's over two weeks more. If they'll only
fly! God guard you on the ocean, Dorothy dear—and God speed you are way across, and God
bring you to me, at last. Those are my prayers, child.

God bless you
Willard.

Please give my love to Pauline, Princess Herculine.
October 3rd 1910.

Messrs. J. P. Morgan & Co.,
For the American Group,
725 Wall Street,
New York City.

Dear Sirs:—

I beg to enclose herewith my account for salary and expenses for the period from September 1st to October 1st, 1910.

Trusting the above will be satisfactory to you, I am,

Very truly yours,

Enclosure:—

W. D. Straight in a/o with J. P. Morgan & Co.


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<th>Date</th>
<th>Description</th>
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$1038.
October 4th, 1910.

Dear Gears:—

Very many thanks for your letter of September 7th, enclosing a number of bills, several of which unfortunately have not yet been paid. The only two bills which should be accounted for to the Group are those of S. J. Hetines & Company and The "Japan Mail" for $33.14 and Y. 14.36 respectively. As regards the Japan Daily Mail bill: I think I charged this in my old accounts although I am not certain. If I did not do so embody it in Menocal's Account and inform me of this fact, and I will collect from the Group myself. It will be all right for you to pay Hetines' bill.

As to Kierulf's bill I was under the impression that it had been paid. However I wish you would secure my pass book and send it to me so that I may look his account over. His charges in my case are so exorbitant that he cannot expect payment within six months at least.

I note that the account for the piano and pianola up to the 28th of August amounts to $121.80. I do not know whether Gatrell cares to meet any of this or not but if he does not wish to share this expense advise me and I will pay the balance. I am enclosing you my check for $75.00 to pay Neutrie & Co. and hope that you will explain that I myself will settle the balance as soon as I hear whether Gatrell wishes to share this item with me or not. Since my stay here is likely to be prolonged I wish you would send both the piano and pianola back to Tientsin in order that I will not have to pay this sum any longer.

I have already asked you to sell my ponies and hope that you will deposit the proceeds of this and any other sales that you may make to my credit in the International Bank. If Gatrell does not care to pay a share of Neutrie's bill it will be all right for you to pay the balance from the proceeds of the sale of the ponies. Also you might settle the bills from Painter & Company and Cutis & Company with these proceeds and I am enclosing their bills herewith.

I wish that you would write to M. J. Falkner, the American Consul General at Nukden, and ask him if he cares to make any payments to me at this time on the amount which he collected for me and which I said he need not settle at once. I think his total indebtedness to me amounts to about $300.00. Falkner was hard up and I agreed to let him settle gradually.

Very truly yours,

Enclosures:

I. H. O. #2.

10-4-10.
October 4th, 1910.

Mr. C. D. Jameson,
Bangor, Maine.

My dear Jameson:-

I have heard nothing from you for some time and expect that you are sitting up in Bangor cheering for Mr. Plaisted. There are no developments to report from this end although things look very much brighter than they did a month ago. The visit of Prince Huan passed off successfully and it was very pleasant to see Chew Tei Chi again. There are still a number of Chinamen about the country, among others being Ah Le and Dr. Kungpah King.

We have a China Reunion last night - Mo Cormick, Dr. Gilbert Reid, Kirk Price and myself dining with Hewall Martin, a son of old W. A. F. I wish that you might have been present. If sometime before long you are coming down to New York again you might arrange to have Adams come down from Waverly, get hold of Dr. Reid, Mo Cormick and a few others and have a Peking Dinner, which ought to be a very pleasant affair. I had a letter from Pauling the other day but he said nothing about your matter and I am writing him again to-day asking him what can be done.

I shall be very much interested to know whether Leigh Hunt has communicated with you or not.

C. D. J. #2.

10-4-10.

Trusting that you are in the best of health, believe me, with kindest regards.

Yours very sincerely,

P. S. Melville Stone is still looking for an Associated Press Correspondent in Peking. If this would interest you I can take the matter up with him.
October 4th, 1910.

F. W. Meyers, Esquire,
American Vice-Consul General,
Canton, China.

My dear Meyers:-

I presume that you are still in Canton and therefore take the liberty of writing you again about Chew Dogs. The two which you shipped to me here in New York both died en-route, and unless I am able to procure two more I shall be very unpopular with the lady. I am sending you herewith a check for $25.00 and hope that you will be kind enough to buy two more puppies for me and ship them again to the same address.

Mr. F. R. Swift,
25 Broad Street,
New York City.

Trusting that everything is going well with you, I am,

Very truly yours,

Enclosure:

---

October 4th, 1910.

Lesares, Wilson & Co.,
Tientsin, China.

Dear Sir:-

I enclose herewith my check for Yls. 154.72, for payment of my insurance. My delay in making this payment is due to the fact that your bill has just reached me.

Very truly yours,

Enclosure:-

Check for Yls. 154.72.

---
October 6th, 1910.

H. E. Tang Shan Yi,
eto. etc. etc.,
President of Board of Communications,
Peking, China.

My dear Mr. Tang:-

From the fact that we have recently been informed that your Board is about to reopen negotiations for the Hukuang Loan I assume that you are in Peking, and am very glad indeed that such is the case, as I feel we may now have some assurance that the rather regrettable incidents of the past two months will not occur again.

It is extremely difficult for me to write to you regarding these matters, at the same time I feel assured that you are so thoroughly a friend of America and so sincerely anxious that the relations between our two countries should increase in intimacy that you will bear with me if I venture to criticize acts of some of your officials.

As you know the memorandums which you signed and sent to me in August, 1908, was really the basis for the organization of the American Group and served as an inducement to these New York bankers to establish a representative at Peking. You are also fully aware that in recent years, and until our entry into the field, American financial interests were never properly represented in China, and it was only upon the establishment of the American

Group that financiers of the highest standing took an active interest in the East.

You are doubtless familiar with the course of negotiations for the Manchurian Loan this autumn and of the controversy between ourselves and the Hongkong & Shanghai Bank. We claimed priority of rights under your note of the 11th of August, 1908, and they asserting that the commitment of the Viceroy made at the time he concluded the on million tael loan in November 1908 gave them the right to a refusal of all future Manchurian business during the currency of that loan. Conflict of these claims was of course annoying to us, but the principal irritation came from the fact that the present Viceroy, Hai Liang, seemed disposed to regard neither our claims nor that of the Hongkong & Shanghai Bank as binding upon him and has for the past two months endeavored to play us off one against the other; in some cases I regret to say either himself, or through his representatives, being guilty of falsehood and misrepresentation. All these things have caused me considerable embarrassment and has had a very unfortunate effect upon the members of the Group.

Finally after considerable discussion the Viceroy closed his negotiations with the Hongkong & Shanghai Bank and took them up with us. We made a bid for the Manchurian Loan of 20,000,000 taels at 92, whereas the Viceroy had desired 95. Our figure was based on the fact that under your note to us we considered ourselves entitled to share in the profits of such business as might be undertaken with the loan funds. The Viceroy was not willing we should
do so. We conceded the point and therefore made our bid 92. This figure was also given owing to the fact that the members of the Group considered that it would be impossible to issue at the present time a Manchurian Loan in New York at a higher figure than 97%. You will see this would have left us only 2½% for underwriting and all expenses if we had taken the loan at 95, and our figure of 92 was therefore very reasonable, especially as we did not ask any participation in the profits of the business.

We yesterday received a telegram saying that the Viceroy was unwilling to change his original offer that we take the bonds at 95. While we were still considering this matter the new proposition that this Manchurian Loan be merged with an Imperial Loan was put before us and was at once accepted.

To-day we received a telegram advising that the Viceroy had closed a contract with a so-called "Bash Syndicate" for a $1,500,000 sterling loan at 95. As you know of course the Regent has refused to approve this agreement, in view of the fact that the Manchurian Loan is to be merged with the currency reform loan, making a total loan of $50,000,000. While we do not therefore lose any business owing to the Viceroy's action, the fact that he closed a contract with the Bash Syndicate, while he was conducting negotiations with us, has created a very unfortunate impression here and you will yourself, I am sure, be the first to recognize that such action on the part of a high Chinese official may have a very serious effect upon the confidence which the members of the Group must have if they are to be expected to continue in Chinese business.

I understand, of course, that the action of the Viceroy will possibly do no harm although it may make trouble in this country, and I am stating these facts to you fully only because I hope you may take some steps to prevent any such action in the future for, as you are sure, that you, as well as the members of the Group here, are anxious that there should be a consider American investment in China.

But let us leave this rather disagreeable subject. You may be interested to hear that I spent last Sunday at Oyster Bay and that Mrs. Roosevelt inquired after you and again expressed her high regard for you and her pleasant recollection of your visit to Washington, as she has many times already. Mrs. Harriman, whom I saw recently, also asked about you and was very pleased to learn you are again in Peking.

Matters seem to be shaping themselves so that it is not impossible that I may return to China before long, and I am looking forward to seeing you with the greatest pleasure.

With warmest wishes for your continued success, and kindest regards, believe me,

Very sincerely,
Sunday morning
Oct 11, 1910

Mr. Dorfhauer,

This says you had
that the
was a
to your
in that
let me
Mr. Brown
an

He said

I shall be

I can get

Captain

Hand

Only

The book

I have

You are

best

as you

Only

This has been

Brandy
do you

Here

in the

height

here

here

Gert

Here

If you

It seems almost too

Lillian
To Miss Dorothy Whitney

F. douglas. agwas. to "australia";

due Oct. 13th

To be delivered on board.

The knurled orchids blow
anting helichrysum

Borderland

To New York

Original in private hands.
My dear Strachto,

Thanks for yours of the 8th, which turned up only yesterday. (It is always a mystery to me why letters take so long when a steamer does it in five days.) I have sent the sketches by registered parcel post to Miss Whitney at Westbury, Long Island, not knowing whether I should be in time to catch you. The book I will give you when you come and spend a night at the Clock House and NOT BEFORE.

Your news is bad. I am not surprised at any of the perfidies of the Chinese, for since Tang, the best of the lot, played it on himself and me, friends of him, in the Hakunen business, I have realised that when it comes to politics, they reck not of friend or foe. Susie's trick on you is exactly the same as Tang's on me, and Millier scores once again, for the benefit, I suppose, of his German friends as well as of his own rank. Well, well—now I have finished my book, I propose to devote a little time to exposing the German shame in our finances out yonder and if I'm not mistaken, I can make it unpleasant for them and for the F.O. which supports such proceedings. I am going to speak at the B & C's annual meeting (unless they down me) and to publish a few hard facts in the press. I do not think people will approve of our cosmopolitan financiers and their work. And, for the future, it seems to me that if your people were to go in with a powerful, purely British group, rather than with this unsavoury crew, it would pay you better in the long run. However, we will talk of that when you get here. China's credit is pretty dicky owing to the last loan and the proceedings in Shanghai, and it would not take much to queer the next issue of the T' tsin-Fukou. I am awfully sorry for poor Siberia, whose work seems to have once more knocked out. He deserves better luck.

The book is a success as far as one can judge by the critiques but we shall see how it sells. I have more hope of America than of this country where men run but don't read. I fear that our mutual friend Backhouse is in Morrison's bad books for having given this work to the world on his own instead of to The Times. I'd give a dollar to be present (unseen) at their first meeting. B. is said to be coming back to this country (his sister writes me) in charge of a mission to buy arms, but you know how much to believe of that. The reports I get from Peking all agree that the Chin. Govt is in a worse state than ever and that Tang will be unable to do anything. But here it is understood that there is marked progress in every direction, for this is the creed that coincides best with current policies of high finance.

We are to have a great China night on the 7th Nov., when Jordan gets a send-off and a blessing from the China Association. The speech making bids fair to be purely soporific. I wish you could come to the show.

When are you going to get married and chuck the decayed East? There are better things for you to do than go monkeying round with the Mandarin, things that will leave a soul in you and make you sing songs of Arabia in your bath o'morns. Come out from among them, Straighto, for they are indeed unclean.

And so, good-night.

Yours,
October 30th, 1910.

H. C. Stewart, Esq.,
Special Deputy Collector,
United States Customs House,
New York City.

Dear Sir:

Referring to your letter of September 16th, with regard to two packages brought in by me as passenger on the S. S. "New York" on the 7th of August, and in which you state that said packages have been deposited in the United States Public Stores and will be delivered to me on board the vessel on which I leave the country, I beg to request that these packages be delivered to me on board the North German Lloyd S. S. "Kronprinz Wilhelm" sailing from New York on the 25th instant.

I trust that there will be no difficulty in attending to this, as I am anxious to take these packages back with me to China.

With repeated thanks for your trouble, believe me,

Very truly yours,

Mr. Miller of the State Department called up this morning to say that practically the whole of the memorandum which we transmitted to him by telephone yesterday had been telegraphed to Minister Calhoun last night. The introductory phrases of the memorandum were changed of course, and the second sentence was made to begin "We are requested to instruct, etc. etc." Where the memorandum commences "The Group begs to request" the Department substituted "you are instructed to communicate above to Chinese Government and we earnestly hope it will prove acceptable to them". The remainder was omitted down to "it was the feeling" but the rest of the memorandum was quoted verbatim with the reservation that this portion was for Mr. Calhoun's "confidential information".

F. H. McK.

The Willard Straight Papers at Cornell University
Memorandum of telephone conversation to the
State Department. [5-21-17]

At a meeting of the Group this afternoon Mr. Straight reported his conversation with the Secretary of State. It was decided to request the Department to instruct Mr. Calhoun to inquire from the Chinese whether an offer from the Group to take a 5%, 45 year, bond at 94 would be accepted. In this connection the Group would point out that the situation in 1908 at the time of the flotation of the Peking-Hankow Railway Redemption Loan differs materially from that at present existing. This will be seen from the fact that British Consols which were quoted at 84 in 1908, at the time of the issuance of the Peking-Hankow Railway Redemption Loan, are now quoted at 89. It was pointed out moreover that the Peking-Hankow Loan was for Five Million Pounds while the currency loan now under discussion is for Ten Million Pounds. The Group begs to request that the Department will immediately bring these facts to the attention of Mr. Calhoun and if the Department is willing to do this the Group will not communicate further with Mr. Menocal until in receipt of the Department's reply. In this connection the Group begs to inform the Department that negotiations with the European Groups with a view to a quadruple agreement for future business in China are progressing most satisfactorily and it is hoped that an agreement of this sort will be reached within the next two or three days. It was the feeling of the Group that it would be extremely hard to issue a 5%, 4½% Loan on the basis named by the Chinese as a loan of this kind which is unusual would probably be unpopular in this country. The Group expects however that before reaching an agreement of this sort with the European Banks it will have concluded a preliminary agreement with China but that should this not be the case it will in making any arrangement with the European Groups stipulate that the American Group alone shall be signatory to the preliminary agreement to be concluded with China for the Currency Loan.
3 Oct. 1910

Mr. Inchy [illegible]

I haven't had you hear from for months again. You have something to say and I think you'll think that I'm glad you held the ring and I have the watch.

Think that the watch came from you and I shall be glad always when I think that.
I am wearing the ring to-day -
for unregained work I feel
might be soon in the 
1000th to see you again
though it must be here now
end - in unrest her many
times. Then you again and
again and again - it you
had been so kind -
I have
like to think too - that the
plague and the bullion are
here - That my boots remain
for the next ride together last
child - I cannot have to think
that I am not to see you
but I am not wrong - for the
afternoon - for to
buy. These days have been
wonderful - and love just fine

Original in private hands.

The Willard Straight Papers at Cornell University
"Overlook"  
Orange, R.I.

My dear Willard,  
My heart was very full for you yesterday.  
Have courage, & I believe all will come right.  
I am enclosing the first letter I send.
you very love,
fall good night
now it come
Write me from China till
me what you
came. There's one
Always your true
friend
Cora H. Roosevelt
Oct 25
[Handwritten text in unclear legibility]

Original in private hands.

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

original in private hands.

[Handwritten text]

[Redacted text]

[Signature]

[Redacted text]
Dec. 25 - 1910

Original in private hands.

The Willard Straight Papers at Cornell University
I feel that God may make me wait if you see this note to send my love and... you always...

Then thank you so much for the stream... world. I hope...

but what was happening... about your life...

I wish you always.

[Signature]
if it can stand the

It is not really

the greatest story in the

world. As I told you in

Dresden - I believe it is - and if you

can judge - and take

me that the branch has

become - then see this

horse to figure. I should

rather have it that way.

But it is hard to be without

you. You are the only

one to recover myself.

to these muscles. That are

only beginning - but I

tell it to you - not to that

kind of a broken horse.

But this you - and your

love.

Letter
ARTICLE I

The Government agree to issue and the United States of America, represented by the Secretary of the Treasury and by the Secretary of the Interior, shall have the right to receive, in the name of the United States of America, and to accept, and to bequeath and dispose of, the sum of $100,000,000, subject to the conditions to be stated in the TREATY AMERICAN GOVERNMENT to be negotiated and fixed by the Superintendents of New Imperial

ARTICLE II

The Government agree to pay to the United States of America, and to the Secretary of the Treasury, the sum of $100,000,000, subject to the conditions to be stated in the TREATY AMERICAN GOVERNMENT to be negotiated and fixed by the Superintendents of New Imperial

ARTICLE III

The Government agree to pay to the United States of America, and to the Secretary of the Treasury, the sum of $100,000,000, subject to the conditions to be stated in the TREATY AMERICAN GOVERNMENT to be negotiated and fixed by the Superintendents of New Imperial
ARTICLE V

This PRELIMINARY AGREEMENT is subject to ratification by IMPERIAL EDICT, which IMPERIAL EDICT when issued shall be officially communicated to the AMERICAN LEGATION at PEKING by the WAI WU FU with the request that the GROUP enter at once upon negotiations of the FINAL AGREEMENT with the BOARD or the HIGH OFFICIAL to be designated by the IMPERIAL GOVERNMENT OF CHINA.

ARTICLE VI

This AGREEMENT is executed in duplicate in ENGLISH and CHINESE, one set to be retained by the GOVERNMENT and the other set by the AMERICAN GROUP. In case there be any misunderstanding arising from a difference between the ENGLISH and CHINESE texts the matter shall be settled by a mutually satisfactory arrangement. In the event of it being impossible to come to a mutual understanding regarding the points not already settled then this PRELIMINARY AGREEMENT will be cancelled.

SIGNED at PEKING by the CONTRACTING PARTIES this TWENTY-FIFTH DAY of the NINTH MOON of the SECOND YEAR of HSUAN T'UNG, corresponding to the 27TH DAY OF OCTOBER 1910, WESTERN CALENDAR.

FOR THE AMERICAN GROUP
D. A. LOWELL,
SPECIAL REPRESENTATIVE.

CH'EN TS'UNG-KUH
FU LAN T'AI

Deputy Vice Presidents of the Board of Finance acting under the authority of H. H. Duke T'ai Tsa, President of the Board of Finance.
I am away strong - the
set up was strange - and
before you can get quite
true sense of what you did think
at all - at least - it was
that you had always known.
From there it is fine. You
are right. If it came it will
be the best. Then there
wonderful - for just that not.
It will be yours here. To your
sake and to bring this theme it
should be this way. I feel as if
it was in right hands now
and knew (that the can do
what is not for you - serious-
child - left 12th - I believe.
I can make you happy. But I
can feel and almost you -
be able to you. - but any
for worse - Dainty - and I pray
him. That he may bring you
to me.

Original in private hands.

The Willard Straight Papers at Cornell University
If I hear from you soon, that will be an answer to your letter. I am to see my mother and father this week, and they want some news of you.

I was at the depot today, and saw your letter. It was a great surprise to me. I was glad to see you in the letter, and I was happy to think that you were coming to see me. But I was also a little worried, for I didn't know what I would do without you. But I knew that you were coming, and I was happy. I was glad to see you again, and I was glad to have you with me.

I wonder if you have any plans for the future. I hope that you will come to see me again soon. I am looking forward to your visit. I am sure that you will enjoy your time here, and I am sure that you will have a good time. I am looking forward to your return. I am glad to see you again.

If you hear from me, please let me know. I am looking forward to your visit. I am sure that you will enjoy your time here, and I am sure that you will have a good time. I am looking forward to your return. I am glad to see you again.

I wonder if you have any plans for the future. I hope that you will come to see me again soon. I am looking forward to your visit. I am sure that you will enjoy your time here, and I am sure that you will have a good time. I am looking forward to your return. I am glad to see you again.

If you hear from me, please let me know. I am looking forward to your visit. I am sure that you will enjoy your time here, and I am sure that you will have a good time. I am looking forward to your return. I am glad to see you again.
I want you. Want you more
than I ever wanted anything
in anyone, and I need
you—child, for you are the
true one. But I want you wholly—
to feel that you are so
true that you make me
do that I am truly
within the circle.

This is my brave—
and it stays in my
life—indeed, in you—
was worthy of you—may
God bless you— and others,
you—the one—true

Willard Straight at

The Willard Straight Papers at Cornell University
The Willard Straight Papers at Cornell University
This letter is in private hands.

The Willard Straight Papers at Cornell University
Summer. That's in front
that you can't hear came
but since it was on the
way. I am glad that I can
to go back to you. and when
now I like that this interest
in thing so better. In a minute
so. That in can be just
straight up out of kind
saw. A feel that this is
the way it will be. Winter.
Clear. As it will be
such. A do something. Forge
feeling to know that have
nothing for houses. To share.
You for you. And lest

Said Wright. But pleasant you

Willard.
This message has been transmitted subject to the conditions printed overleaf which have been agreed to by the sender.

If the accuracy of this message be doubted, the Addressee, on paying the necessary charges, may have it repeated from station to station over the Company's system whenever possible, and should any error be shown to exist, all charges for such repetition will be refunded.

N. B. — This form must accompany any enquiry respecting this telegram.

STATION KRONPRINZ WIL 

Handed in at New York at 5.30 p.m. Received here at 7.41 m.

TO Willard Straight KRONPRINZ WIL

Preliminary agreement signed today. Details when you reach London. We are pleased you are on your voyage.

The Knight

DATE: OCT 28 1910

Dear Davison:

The news that the Preliminary Agreement had been signed, was, as you may imagine, most welcome. I hope that things will now go smoothly and that the Adviser, and "Banker of High Standing" will shortly start for the East. From London I shall write you again enclosing certain suggestions regarding the Final Agreement which I am holding until I learn from your cables the present status of the negotiations.

In the rush of the last morning I forgot to take up with you the Willard letter which I am herewith returning and regarding which you said you had wished to speak with me. Without knowing your views, I hesitate to express mine, but it seems to me that to take this matter up at so late a date would only start a controversy which we might find getting out of control. Willard is quite right in what he says about Bell and his paper. It has never been friendly to the Group nor to American activity in the East which in any way ran counter to the idea of British leadership. I am not so sure about the remarks referred to being so particularly dangerous if allowed to pass unremarked. The frequent repetition of slurs of this sort, however, would have a bad effect. In view of this fact and since Cloud and the Bash people are apt to start mudslinging when I return to Peking it might be well to be ready to engage a lawyer to take such matters up if they become too obnoxious. There is a man in

Tiepertin who I think could be relied upon should the necessity arise.

Willard has a facile and vitriolic pen. Although his reputation has suffered somewhat of late, on account of what people term his rabid anti-Japanese attitude, he is the best informed writer we have on the Far East and he should be patted on the back if possible.

This has been a vile trip, no sunshine, and always rough, but it will soon be over. You know so well a lot of other things I'd like to say that I'll refrain. Please give my best regards to Mrs. Davison, your sister and the youngsters. I hope that Miss Hawley is much better.

With best wishes always,

Yours sincerely,

[Signature]
On Board S.S. "Kronprins Wilhelm".
October 30th, 1910.

Dear Frank:-

Very many thanks for your wireless. The news cheered me very considerably for things looked quite black as I pulled out of the river last Tuesday morning. I am naturally wondering what compromise was affected, and hope to learn at Plymouth tomorrow morning.

I am sending Mr. Davison a Memorandum about the draft agreement which will of course be turned over to you. The changes I suggest will probably not be affected by your recent correspondence about the preliminary agreement, which I assume have had to do with the price at which shares we take, or commission at which we sell the bonds, interest on deposits etc.  

A memorandum about the Financial Adviser is also forwarded though you have doubtless attended to that matter already. I hope Andrew will go. And I hope too that the "experienced Banker of high standing" will come along at an early date, for while I am ready to play the string out I don't want to stay away longer than I have to.

I am enclosing a letter from the Customs which should have gone to Messrs. McCallum, on Monday, but which in the rush I forgot to attend to. Please consult Mr. Stewart of the Customs House and tell him the circumstances, and have these things shipped to me, if you can through the Legion pouch, or by Nescott, but have it done soon or I shall lose much face, these packages being presents which I was supposed to deliver in London. Sorry to trouble you.

Mr. Davison has had many fine things to say about you and your prospects in our last conversations, and you have a bright future ahead I know. It's been a great pleasure to be with you this summer, and more than that to have been at your wedding & the only one I've been at at home since I was a very small boy. Please give my warmest regards to Mrs. McNab. With best wishes always,

Sincerely yours,

[Signature]

On Board S.S. "Kronprins Wilhelm".
October 30th, 1910.

Messrs. J. P. Morgan & Co.,
For the American Group,
23 Wall Street,
New York City.

Gentlemen:--

I beg to enclose herewith my account for salary and expenses for the period October 1st. to November 1st, 1910.

Kindly place the balance $200.95 due me to my credit with the International Bank, 60 Wall Street, New York.

Trusting that this statement will be satisfactory, I am,

Very truly yours,

[Signature]
W. D. Straight in A/C with J. P. Morgan & Co.
For the American Group.

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct. 20</td>
<td>Entertaining New York, Capt. Kifton, R. S. Miller</td>
<td>$1,600</td>
</tr>
<tr>
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<td>Publications from Br. of American Republics</td>
<td>$200</td>
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<td>Trip to Washington</td>
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<td>Tickets for Feodler to Syracuse</td>
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<tr>
<td></td>
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<td>Taxi etc. to dock</td>
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<td>Tips on steamer</td>
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<td></td>
<td>Salary to November 1st</td>
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<td></td>
<td>$1,200.00</td>
</tr>
<tr>
<td>Balance</td>
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<td>$1,400.95</td>
</tr>
</tbody>
</table>

The Willard Straight Papers at Cornell University
A year ago this morning you were starting to colonial our love, by a walking our arms ace, we put into her beginning, but now we're ending because she said we'd better be. We were again in your train. It sounds of the world. I keep thinking you see now. Strange must it? You are walking in there, wondering why your time. You're walking with - and joining - the crowd there. We keep knowing differences. Your are if you should to sit down, to change has. They is fine. You made me older feel - Your time is only to begin. He is long. He and you. It was so much, and it was not really felt. You're having not needing feeling - and going on near a wonderful time - still.
He has been working very hard. I cannot
understand, during my long absences from
his home to know what he has been doing.
Poor dear. Let us try to sacrifice him.
We have his baby and his home to
think about. I was really very sad. We
did not want to have a baby, but he is
very nice. He was quite interesting.
But he said he did not want me to
tell his friends to say the least.

In our house there are letters,
our mother's, his. He wants us
to take it out and
her. She left it behind in the
readers' boxes. The letters from the friends
in camp. One of the books
so that I should keep it
She made cartridges
the same photos
it was. She threw
him in the 1899
and to me. To the counter. I
really take these and see the
parts of January. I
wrote about it - not you need
not now. It will be delivered in
time for Christmas, anyway.

Original in private hands.

The Willard Straight Papers at Cornell University
Original in private hands.
S S Crown Prince William
Via Caterace N S.
Via New York
To Miss Whitney
Please write London until further notice.

Crown Prince Wilhelm
Via Halifax
To Miss W. Whitney
Grapia if this were enough

Liebestraum Borderland

Original in private hands.
The Willard Straight Papers at Cornell University
1909

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Rec'd Krisek X. L. Co.'s offer to go to China - made by Kahn and turned down. Left for Mexico with Leigh Hunt, meeting him in Chicago.

Monday, May 24, 1909.
Telegram sent to Peking which started the row about the Chinese loan. Bill tried to ask a question merely but with W. approving my telegram went, telling Hookhill if press reports were true to take immediate action.

Wednesday, May 26.
Went to Oyster Bay for night, having seen Bacon.

Friday, May 28.
Went to the Morgans at Westbury by afternoon train. H. Whacker in the morning. Sat next Miss D.W. at dinner.

Saturday, May 29.
Tennis tournament began at Westbury. Dance in the evening. Dinner at the Morgan's. Dance here - Bed 3 A.M.

Sunday, May 30.

Monday, June 1.
Went into town to see A.H. - talked with him for - until noon. Returned to Westbury for afternoon. Won midnight marathon by sitting up with Mr. Morgan until 2:15.

June 1st, 1909.
These days very busy in organization of the group.

Saturday, June 5th, 1909.
Oswego.

Monday, June 7.
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Saturday, May 29.
Tennis tournament began at westbury. Dance in the evening, after dinner at the Morgans. Dance here - Bed 3 A.M. at dinner.

Sunday, May 30.
Singing in the Terrace here. Bed 2:00.

Monday, May 31.
Went into town to see H.H.H. - talked with him for a while and returned to Westbury for afternoon. Won midnight marathon by sitting up with Mr. Morgan until 5:15.

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Returned to N.Y. and saw Mr. Schiff.
Monday, June 21.
Second farewell dinner, also a drunken occasion.

Tuesday, June 22.
Hoped to sail but didn't. Went to Davison's for the night.

Wednesday, Thursday, June 24.
Night spent at the Bacon's.

Friday, June 25.
Night at Miss D.W.'s with whom I had a bully ride.

Saturday, June 26.
Night with Martin's at New Rochelle, under protest.

Sunday, June 27.
Davis's in afternoon, spent night.

Monday, June 28.
Last day and frightfully busy. Had Kirk Brice, Alice, Miss Nicholas at dinner - long joy ride with Alice in the park.

Tuesday, June 29.
Sailed - found harles and Buchanan at table. Fellow passengers, Mrs. McLean, Mrs. Hume and Elsie de Wolf. George Gould and theatrical friends.

Monday, July 6, 1909.
Bought clothes and worked. Riding in the A.H. with Grenfell.

Thursday, July 9, 1909.
Ball at porchester House. Danced before the King and Queen. The Brice's were good playmates. Dined with Earle's.

Wednesday, July 7.
First conference with German, British and French Groups - asked for our claim which we didn't produce. Dined at Embassy with delegates.
Wednesday, July 21.

Went down with Mrs. K. to Hoff about 5:55 miles. in the H. machine - beautiful day and delightful ride. Met H. C and Roland about 4:20 - returned to Gastein and dined with Mrs. C.

Thursday, July 22.

Left Gastein at 5:26 A.M. Spent four hours in Salzburg. then via Munich went on to Hamburg.

Friday, July 23.

Met Max Warburg in Hamburg - had a long talk on situation with him. He impressed me greatly as able and extremely clever. Went over the city and about the harbor in the afternoon. Dined with old Warburg at his place down the Elbe - left that night for Neuhlem. Much impressed by harbour facilities which have made an ordinarily impossible harbour a splendid commercial port.

Saturday, July 24.

Reached Neuhlem 8:40. Spent day with K. who did not seem very well.

Sunday, July 25.

Left early morning for Paris - reached there about seven evening. Grenfell came in. Dined at Paillard's and went to Bal Tabarin. Saw Buchanan for a while.

Monday, July 26.

Paris - a morning in the office - lunch with Earl - afternoon scattered. Saw Ambassador White and talked over loan situation with him. Met Bourke Cochran and saw his wife in afternoon after having absorbed numerous whiskey and sodas in Oren's company. Dined with Buchanan, Mrs. B. and Mrs. Carnarvon - a bore.

Tuesday, July 27.

Rode in the Bois with Hartley. Breakfasted with him, lunched with Weber, H. Grenfell, and Melchior who had come over from Hamburg to discuss situation. Dined with Forty and left for London at 9:15 after having read off a long letter to B.Y.

Wednesday, July 28.

Reached London at 5:20 A.M. having travelled over with one clerk who is building a R.M. in Canada. Breakfasted with Island who developed his Russian cooperation scheme. Saw Ambassador at eleven. Addis at one, when he surrendered - virtually I believe on behalf of the groups. Telegraphed S.Y. saw Ambassador again - dined alone at Mrs. Mansions and left for Paris at nine. Met Steve Welkins on route.

Thursday, July 29.

Reached Paris at 6:00 A.M., saw Grenfell at 9:20, then spent day in office. Saw K. and lunched with him, there was K., her husband and mother in law. Office again winding up things with Grenfell. K. at six after having packed and a heart to heart dinner with Mrs. P.W. who was very friendly and most sympathetic.

Friday, July 30.

Arrived Neuhlem about one o'clock - met K. and Hill and lunched with them. They saw me over to Frankfort in the evening - we dined at the Frankfurter Hof and had an affable occasion. Left at 10:22. it took as usual.

Saturday, August 1.

Arrived Berlin - went to embassy with Melchior - met Buhole and Hill. Lunched with Melchior and met Basel from Washington with whom I dined at the Continental. Spent the afternoon seeing Berlin. Met very affable.

Sunday, August 2.

Rode in the park - spent the day at the typewriter writing to J.P.M. & Co. Had Melchior and Hill at dinner.

Monday, August 3.

Rode in the park and at eleven thirty was with Melchior to see Mr. Hill. was much impressed by the Ambassador who was not a pedant as I had expected but a very affable person who seemed quite house broken. He advised Melchior not to go to the foreign office which that gent seemed quite inclined to do and which I had all along believed would be inadvisable. Dined with Hill after an afternoon spent in composing a letter and a code for M.H.M.
Tuesday, August 3rd.

Mode in park. Worked on letter to A.W. - Robert of A.P. called.

Lunched at Embassy - President ohuman, Mr. Welch, Lyman Abbott, xx Shackars - U.S. at Berlin, Wyne, ex u.s. at London, and Embassy staff present. Belknap, naval attaché seemed very able. Mode with contrary military attaché in the park. Dined with Stitt here, in Kaiserhof.

Telegram from E.H.H. - restrictive.

From E.H.H. still non-committal.

Wednesday, August 4th.

Mode in park in the morning. Lunched with Stitt and called on Belknap and the Shortles. Dined with Mr. and Mrs. Hill, and the Limburg at the Esplanade.

Thursday, August 5th.

Received orders to start. Mode went to Embassy, lunched with Stitt.

They dined with me - left at 11:24.

Friday, August 6th.

En route - wrote letters.

Saturday, August 7th.

Reached Petersburg in morning 8:40 - met by MacMorsey and with him breakfasted at the Europe. Saw old Filley. Went to Embassy where found a telegram from E.H.H. - answered and then saw Ambassador. Conversation reported in letter to E.H.H. and Davison. Left at 12:30.

Sunday, August 8th.

Wagon Lite car very smelly. Food fair - wrote letters.

Monday, August 9th.

En route. Letters, etc.

Tuesday, August 10th.

Mode... Colonel Osbley-Klrightt kindly introduced himself. Had much talk with him. See memo to E.H.H. and Grenfell and letter to Davison. No sleep.

Wednesday, August 11th, and Thursday August 12th.

Friday, August 12th.

Finished article on Manchuria for Blake allie.

Saturday, August 13th.

Reached Irkutsk at about 5:20. Left at 7:00. Passed Wagon Lite train a little later. On the train were the iceuncia. At Kirsizasmanz a one Beamclerk appeared, fresh from Reconta. Mutual friends. Memo upon conversation in letter to Phillips. The Chinese Eastern train much better than Russian express.

Sunday, August 14th.

Wrote and talked with Beamclerk. Reached Manchuria at about 11:00.

Monday, August 15th.

Reached Harbin at 10:50. Met by Watson, Paddock, Korneloff, Westchensky etc. Played about. Talked with Paddock till very late about Harbin and Sungari. He feels that the Russians are really in a bad way and only bluffing at present.

Tuesday, August 16th.

Left at 9 A.M. Line washed out near Sungari. Reached Kuangchengtsha at about 6:00. Found the Japanese express a most excellent train - Pullman cars, good food. Watson came down with us.

Wednesday, August 17th.

Reached Yungkao at 7:00. Poor Novaya Vremya man quite ill - went to N.F.'s grave, found it badly overgrown with weeds, etc. At Fisher's went over whole situation. He was interested in Manchurian schemes - good man. Saw Anderson of A.M. who spoke of his Siberian trip. Said he had found a steel mill near chitee.思い込み nails inside Russia were only 50 lbs. saw putting in 75 lbs. Between Irkutsk and Vlad. were now 75. Holwill met train at Shanhaikuan and rode down to Tangsho.

Thursday, August 18th.

Came through on freight and caught the express up from Vientain.

McCormick on board. Went over things pretty well with him. Reached Peking at 11:40. Fletcher and Harrison at the station. Mode in an auto to Legation. Called first on Rasmussen who was very friendly. He told...
me that to mention uhengfu extension of H.S. would be anathema. Then saw Hillier who also very friendly. Gordon ditto. He told me that uheng had given him certain assurances in 1905 - apparently on H.S. line. Described an interview in 1907 between uheng and Bapost wherein Bapost had been very rude. Owing this french obliged to take a back seat. He was very anxious to be friendly with Americans. Said he regretted not having been here before. Some details of alterations of scheme in a/fletcher suggested had been submitted to London, etc. - expected to hear shortly. Went to club, saw many and played tennis.

Friday, August 20th.
Lunched with Morrison, having seen Oliver, Jameson, etc. in morning.
Called on Liang Yun yen and had long talk. Manchuria being brought in. Went to Bankers meeting with fletcher. Long discussion - came home after ride in machine out on road to Summer Palace. Evening spent in sending telegrams. Turned in at 9:30 A.M.

Saturday, August 21st.
Another conference with Bankers in which they modified their attitude somewhat and arranged for American voice in affairs and it also modified provisions regarding marketing of bonds.
Went to new Shih uheng, Max Muller, etc. Went to German Legation later. Fairbanks and party arrived - met 'em at the station.

Sunday, August 22nd, 1909.
Saw french who brought up the uhinchou-raillink H.R. Afternoon knocked a polo ball about, then went to Barnett's, where were the fairbanks. Dined quietly, harrison coming in afterward.

Monday, August 23rd.
Worked. J.S. White of Shewan times and old yao came in to call. Went out myself in the afternoon. Dined with aridom, fairbanks, tan liang, liang run yai, show tai uhi. They had lunched here and discussed Manchuria - Jugglers - talk with liang, bolsamom, noszynski.

Tuesday, August 24th.

ffrench came in and we discussed the uhinch-M.R. scheme, he lunched here. Jameson and inizawa called. Went with ririey to w.n.r. where we saw uhow and lian yang, then to ruchiam ju where we found liang shih yi, an extremely sharp person. Discussed uhinch-M.R. tentatively with him. He had a scheme for centralisation of Chineses w.m.'s much the same as one outlined in N.Y. Now Borrowing certain large sums - so much per annum, to be used in an intelligent project of H.R. development. I pointed out that Manchurian line must be taken out of discussion owing to urgency of political situation. He said something about having to go slowly - being tied up or implicated with H. & S. Bank, which i did not exactly understand. Probably owing to shadow he was under when rie was dismissed.

Wednesday, August 25th.
Saw french and edgar pierre allen, who wanted inside information on the ground apparently that he had once talked to Vanderlip about uhine. In the afternoon men called and went over the whole situation with particular reference to the uhinchou-amer H.R. I pointed out the political advantages to be gained by the arrangement suggested. To all of my arguments he agreed but would not commit himself. Fa t'ung i saw also. Gave him the same thing in a more general way, stating that the situation in uhine proper and in Manchuria was quite different. In the one place they must take extraordinary steps to get help in the loans, etc. - now largely matters of business only. He was very agreeable.
Dined with mcurmick at the hotel.

Thursday, August 26th.
ffrench came in to say that he had seen jordan, who had just received instructions from the v.o. to tell the uhinese that the ex S. Govt. would support the H.R. to ritchelar. The Japenese Ambassador said he would not oppose it provided Japan had financial participation and engineers. I told french that we would see them in hall first. Jameson dropped in. Called on rieal yao, Brother of the Regent and commander of the palace guard. Had a nice place and was very pleasant. Played a little tennis and afterward went to see Liang Yun yi with
Friday, August 27th.

Mac came in and said Russians had again protested to the Wai Wu Fu. Waited until after we saw Prince Ching at three and then got off a telegram about it urging New York to take quick action. Dined at the new Wai Wu Fu with Liang Sun Ren, Fairbanks and harbor, captain Legation stuff and new man for Washington and new man for Italy. Pretty bad performance. Very hot night.

Liang told me that in his conference with IJuijn the Japs had brought up question of parallel lines and that Chins had replied that in case she desired to build the road she would consult Japan. Japan mentioned Whinhoe, Tsitsihar to which Chins had made no reply. He said that Japan could not interfere with our financial scheme. Fletcher saw IJuijn today about the Yungtsaohan mine.

Saturday, August 28th.

Lunched with H.A.K. and Fletcher - unpacked much stuff. Afternoon called on Shih Heu - a grand councillor - and met Hao of the Board of Finance. Much impressed by fine face of the latter. Dined with new Wai Wu Ru building. Fairbanks and Legation stuff there - Liang, Wang Yu Hsieh, etc. Fletcher had long telegram from Dept.

Sunday, August 29th.

Lunched with French and Backhouse. Later went with Fletcher call on Liang re the altered procedure. Liang rather sick about it as he said Chins would resent it. Hillier also peevish. Dinner in Legation for high Chinese. Yeau Yeau, Yeau Yeau, Fu Lun, Liang, Hsu, Liang Fang, Wang Yu Hsieh and many lesser lights.

Monday, August 30th.

No further message from New York. Everybody becoming very fed up with the long dragged out situation. Called on Fu Lun, Mat Hall of I Banknote Co. who wanted me to tell Yeau Yeau that when the chins govt. was tired of making its own notes at an enormous cost, the I.B.U. would take it over.

McDermott wanted to know if we would undertake to put in a private B.U. for Chinese, one to connect with the Rienstein-Kukow and one with the Wuh-Han Bank. Dined with Cassewame.

Tuesday, August 31st.

Called on when Pei Tsz. Pei when - a son of prince Ching - not much to say for himself but very pleasant. No development in local situation.

Wednesday, September 1st.

Told when returned the call - went to Yuchuan YU where conferred with Heu, Liang Yu Hsieh and others about Whinhoe - Tsitsihar. They seemed very favorable and we think the thing going well. Lunched with Jameson - called on Tuh Liang and saw fFrench and Backhouse for a short time. Reprano dined here and Adams came in later.

Thursday, September 2nd.

Told Liang about loan - then Hillier and Cassewame and Worshead stated that we didn’t care whether liang or Chins signed but that Chins must be a party on the one side and the four banks on the other, which made the transaction seem what it really is. Told Worshead thought we ought with I.A. Banks to appoint French acting agent for Naples section. Discussed Markets of issue, etc. Called later on IJuijn. Dined with Worshead.

Friday, September 3rd.

Morrison and Jameson lunched here. He said that the Americans were being cursed out for blocking the loan.

Saturday, September 4th.

Cassewame departed. In response to Liang’s request went up to see him. He said he was much embarrassed by delay. The Russians were trying to butt in. Chang had consented to sign a suppi agreement and Worshead was saying that the Am. were raising all sorts of obstacles because they could not carry their share of the loan. The Germans were also trying to pull additional chests out of Chins, claiming that they had been obliged to yield so much to us. New Cordes
and Hillier and laid particular stress on purchasing agents. Both inclined to object. Yieh Liang called.

**Sunday, September 5th.**

Got two telegrams off in very early morning, making one stupid mistake about it all with the 2nd sheet. Wrote letters and in afternoon rode with Fletcher Clark dined here.

Monday, September 6th.

Worked on the home mail. Liang sent down word urging us to hurry the matter along. This with the rumours being spread by others I telegraphed in the afternoon. Made Liang, who elaborated his embarrassments. Dined with Wai H. and Liang Jihin. Wang and Shen of the Board of communications and many others - all the Americans were there. Told Uhl and Hao about others' intrigues.

**Wednesday, September 8th.**

Met Hillier wares and saint pierre in an all morning conference when we prepared a new draft supplementary agreement and bankers memo. "Purchasing Agent" clause still open. French and English refuse to telegraph until informed our position. Lunche with Jameson. Afternoon, Dr. when you when and Dr. Li of the Bank of communications came in - had some conversation. friend of ago's - one west - dined here. stayed till an ungodly hour.

**Tuesday, September 7th.**

Wares lunched here. Liang Shih Yi called, with Yen of the Board of Communications. I tried to get them to commit themselves on whinchow, reitsbar, but nothing doing - said that won't. had not yet decided its Manchurian policy.

Dined with lun rei Yen and the wares,riders, whl, etc.

**Thursday, September 9th.**

Fletcher had telegram in A.M. asking for information. Nine came about three. Shih Hau called at four - apparently a little suspicious of our position owing cordes rumours. Save Liang word as soon as possible that we were ready to sign, having decided not press listing four market clause suggested by N.Y., owing cordes attitude and danger vis-a-vis chinese.

Musical dinner at club with Austrian band. returned early to do some telegraphing.

**Friday, September 10th.**

Set tight. www george's friend Ayrault from Groton here at lunch - had conference afterwards with French. Uhl came in in afternoon and told us about whang's complaints our delays, etc.

Dined hotel with Uhl.

**Saturday, September 11.**

Telegram received. Went to see whang's son where I found whow who wanted us to yield on construction a/c. When I told him we could not do, but suggested alternative propositions. we were ready to sign I said. returned home to find that the British had been instructed defer signature - apparently in instance british government.

Mode out with Fletcher to Hills. Ride of 2½ hours.

**Sunday, September 12th.**

Quiet day in the hills, enlivened only by discussion of probable significance of British deferred signature. What does it mean? will great Britain throw down the gauntlet to Germany in China - what will be the effect on German - Jap relations ----- Prather with long political report. Believe it highly foolish to jeopardize present loan as there seems some likelihood of doing by this indefinite delay. In any case it would seem to spell death of H. & U. Bank's supremacy out here.

**Monday, September 13th.**

Mode in 2 hrs 10 minutes. went to see Hillier and found all there, consulting as to best method of getting out of present difficulties. Hillier much disturbed. failed to take advantage of excellent chance to push purchasing agent's powers through. Accepted compromise instead which left old agencies as stated but provided that they should in consultation with other parties to supplementary agreement make proper provision for receipt of tenders and the extension of proper consideration, etc., to American materials. Prather wired this but had cold feet.
Further difficulties about "and/or" in Art. 17. Saw Morrison who much disturbed also and regarded this step as fraught with grave possibilities. He too wondered whether it meant that S.S. would throw down gaunt to Germany in China. Rumour abut H.M. Bank and Manchurian loan of 20,000,000 vls.

Tuesday, September 14th.

No developments today save a telegram re the International Bank and xxx one from Chou stating that the vicerey at Bukden was getting restless because of my non-arrival. ffrench told me that Shih Ssu had gone to Manchuria on a secret mission regarding our business and that all was going well. He said that the Manchurian Loan rumour but it is apparent that something is brewing there. Our people cannot expect me to discuss a question of this sort without committing them to a certain extent. they much give more discretion. Saw Allen who said he had been appointed a sort of a legal adviser to the Yu Uman Fu. Excellent thing. Yu uhi Tzu ought to have one also. Hatzfeld, who married Miss Acki lunched here. Fowler of Ismay called.

Wednesday, September 15th.

Fletcher had telegram re F.A. in morning so had to go out after lunch to see Saint Pierre. Miller and Worodes. Two Woodruffs lunched here, were fresh and amusing. Saint Pierre took suggested clause where four banks acted very well as did Millier. Worodes talked with him some here where we found Liang. In front of the latter Worodes' bluster was somewhat quieted. He finally accepted an addition instead of an alteration, a fine distinction which quite escaped me. Liang said that Stang was afraid he would die and wants to sign first. begs us all to get together. Left us to see Jordan. ffrench tells me that Shih Ssu returns tomorrow that he went to see Yuan Yang on our matter that all goes well and that it may come to a head very shortly. I wired home tonight for authority to sign. Ayault, Mrs. Bland, ffrench, the Max Millers and Harrison dined here.

September 16th, Thursday.

Ghou called early. Said Chang was very ill and people were afraid he might die. He was anxious to finish with the loan. Went to H.M. Bank for conference. Cordes and Millier stuck out regarding the purchasing agent on the old grounds that to admit us would necessitate altering the original agreement, which they, ostrich like, still seem to think remains unaffected by the changes made in it by the supplementary agreement. No word from the British Govt's attitude as yet. For anything further re Chinchow-Amur. Cought to hear tomorrow. Chou said that he would take up this question - also the Bank, with S. Tung today and let me know what xxmm he had to say. Ohou is in favor of it. He said it was likely that China would now take up her Manchurian questions with Russia. Sat off a letter to the office, must do more tomorrow. Adams came in - had a little discussion and a good deal of "Bryce's Commonwealth".

Friday, September 17th.

Worked on Schiff letter all morning. Lunched alone. Wallace, recently Third Secretary at Tokyo called - now on route for Denmark. Chang Yun Tung left for South but will not return here before leaving for Washington. Saw Chou who said he had seen Mr. Ha Tung about Manchurian Bank and H.M., that Mr. Ha had been favorably impressed and wished to see me. ffrench states that for some time he had opposed doing anything in Manchuria before consulting with the Japanese which would of course have been a fatal blunder. Said however that the Grand Councillor was now in favor of the whole show. On this basis I wired again to New York. ffrench xxm Tung of the P.O. had been to see him to ask whether he really wished us to go xx in on this scheme - apparently thinking that we were working some hankey-panky on each other.

Saturday, September 18th.


Sunday, September 19th.

Went to see you, found him xxmm quite ill, and weak - walked with a cane
apparently much broken in spirit. He said that this recent agreement with Japan
had put us in a better position than ever before, - that China would have to turn
to us. He said Hsu and Shih Hsu were both in favor of the W.S. and Bank schemes
but that Tsai Tse was opposing on grounds that chinchou line would not pay - not
seeing political advantage of having us in Manchuria. Tang himself said he could
not return to the convt. that he needed a rest. Came up with Wilkinson - crown
advocate. Also after much difficulty saw Williams.
Monday, September 20th.
Worked all day on the Schiff letter. The Belgian Van Bergen came in to
propose Russo-Chinese Bank - Belgian and American cooperation. Hall to say goodbye
and a Chinaman who said he had a deal to put through. Harrison pere at fells. Peck
and wallace lunched here. Saw Na Tung at 4:00, handed him copy of Chinchou agree­
ment - talked about Manchurian Bank. He said he was inclined to favor both, but
that must first see the Viceroy. Was afraid of committing himself in any way even
by accepting the document. Liang Tun Tun whom I saw later, said that his Minister
in London had seen the British P.O. who had said that the Banks had not reached
an agreement! Govt. could not be accused of holding things up, having wanted to
know what we'd do. Dismissed. Discussed Manchuria - he said Russians were com­
plaining about agreement.
Tuesday, September 21st.
Von Bossecoms the Belgian came in as did a Chinese friend of Cole's.
Cordes came also. Had read Hiller's note last night. They had telegraphed that
our proposal was hardly acceptable in which of course their principals concurred.
I was rather angry with Cordes and later with Hillier and told them I should see
Chang about it and ask him to tell them that they must yield. I'm afraid the
British Govt. is trying to work a game on us, by making us take the risks of
breaking up an agreement of which they themselves disapprove, owing to the German
interest therein. Weak diplomacy. They should never have admitted Germany into
the H.S. line but should have compromised on the H.S. road. Saw Hillier also and
lost a little shirt with him also. Afternoon spoiled only by bad press copying.
Monday, Sept. 27.
Rode in in two hours. Saw French who had good news regarding the Chinchou
prospect - expected that our interview with Hsu would end in an agreement.
Saw Hsu at four - ffrrench and Backhouse present. He again expressed himself as
favorable to our plan but said that it must be settled by the Wai Wu Fu and the
Viceroy - advised me to see the latter - said he would support the project. We
decided to go to Mukden. Dined with Max Muller. On return ffrench came in said
that Hsu had intended put the scheme through but that Na Tung had that morning
sent in a memorial commending the plan but urging delay on a/c of possible
Japanese opposition. Regent in a bad temper and the move had been held up. He
feared that our Government would not support China. ffrench thought it might be
better not come with me. Shih Hsu reported to be very angry at his interference.
Tuesday, September 28th.
Left at 8:30 rode down with Ohl to Tientsin, rest of journey alone.
Saw Holwill at Chungwantsao. Special from Shanshikuan to Mukden.
Wednesday, September 29th.
Arrived at 8:00. Cloud met me. Settled household effects. Saw Willis
lunched and went to Yamen. Viceroy and Cheng present. Both very pleasant -
apparently keen on the scheme. Referred constantly to bribery and could not get
the indemnity fees out of their heads. Thought that this should be omitted.
Since they wanted nothing - My own impression that they might have wished a little
rake-off. went through the draft agreement which badly translated, made a few
unimportant changes. Viceroy very pleasant but very childish and ignorant.
Said would sign then refer to the throne - if O.K. it would go through, if not -
finish. Handed the bank agreement in as I left. Hope to sign tomorrow.
Delighted to be back. Disappointed in appearance of the place - all run down.
Thursday, September 30th.
Wang Yun came in about ten and with him spent the morning in revising
the agreement, which he said had been drawn up by the viceroy and governor.
Willis lunched here and I called at Yamen at three. Considerable argument about
contractors - whether contract definitely binds or not - about commissions on
materials which the Viceroy stuck out for, although it means nothing and regarding preference regarding materials, etc. These points settled, left at about five having arranged to sign on Saturday morning. Wired to ffrrench through Fletcher.

No word from N.T. which rather disturbing. However, I shall sign even without it. Dined with Willis.

Friday, October 1st, 1909.

Tseng of V.O. called to ask that we insert amount of interest on loan. This was done after some argument. He seemed quite reasonable - went over whole situation with him. Called on old To Wen and Wrouchnitsky - dined at Bertails.

An Omen much incensed regarding Mukden-Antung R.B. and anti-Japanese feeling very strong. At same time it seems that many feel the situation hopeless in view of Chinese inefficiency and Japanese determination.

Saturday, October 2nd, 1909.

Lunch with Willis in the Peking. Lunched with him. Wang came in as recounted in this letter. I retired, then Wang came again and Wang. I consented to sign. We signed at about 7:30 - a candle in the middle of the table. Wang, Tseng, the Viceroy and Governor being present. Dined with Wrouchnitz and stopped in to see Willis.

Four years ago -
Three years ago reached Mukden.

October 2, 1909.

Dear Prather:

Dear ffrrench:

Sorry but here you are signed. I had Fletcher's wire and agree quite that it would be better to have had you put your name to the document. The Chinese, however, took the bull by the horns. I told them on Thursday that I would wire you the provisions of the Agreement. They said that they would sign on Saturday but I did not think that there would be any difficulty in postponing signature in case you did not wish to act for you, and since they seemed anxious to sign, consented. On Friday, the Commissioner of R.J. came here and wanted to make minor change in the loan provisions. This I said I would have to refer, and said I thought that my answer would come today. Without waiting for further word from me the Viceroy wired the whole thing to Peking this morning. I notified the V.O. early that you were coming and that we could sign
on Monday. At noon the V.O. sent a man down and said the Viceroy wanted to refer the question to Peking. I told him that this was not playing the game and that they had agreed to sign first. I strongly objected to their referring it while you were on the way up. The man said he would report to the viceroy. He returned in half an hour saying that the telegram had gone off early this morning but that if I would sign today it would be all right for they would then sign without instructions and could act for themselves. A few minutes later the Commissioner of V.A. turned up. He begged me to sign today at once for he said there might be all sorts of difficulties crop up if we did not act quickly. With my eye on Na Yung I decided, notwithstanding my slim authority from you, to go ahead. My wire from New York had not come but I had said that unless differently instructed I should sign. They had plenty of time to stop me and I went ahead. The contract as you will see is so general that there is no way to get out by insisting on impossible terms if it be desirable to do so. I hope, however, that you will approve my action in taking the bull by the horns and risking this throw of the dice. With this document signed, Na Yung will not be so apt to oppose us further. I signed the documents "French" and underneath in small letters "per V.A." I hope that this suits you. I wish that you yourself might have done it, but as you will see from this and from the longer story when you see me, it was a pretty close thing. This goes by Bland. I will meet you at the station and Willis will put you up. I hope that you will be ready to go back at once. I told the viceroy that you would be here and would probably like to see him. He said that it would not be necessary as nothing further could be done until the Edict was issued. He is pretty nervous himself I think as he too has been taking a little risk.

I am in your hands and sincerely hope that you will approve what I have done.

Yours,

Sunday, October 3rd.

Rainy and quiet. Wrote N.Y. explaining action, etc., hope justified by circumstances. French arrived by mail train with Backhouse. Though naturally somewhat surprised, was I think pleased by my signing for him. Decided to return Peking a.p.q. On arriving at home found Wang Yum with the telegraphic edict referring matter to Wu Wu Pu - Yu Chih Pu, Yu Chien Pu, for consideration and report. Dined at Willis's. Long telegram in from N. Y. to which I replied, staying up till 4:45 A.M.

Monday, October 4.

Left at 8:30 - in special car - reached U.K. to find no will - sent letter to U.K. enclosing agreement with refrainings, etc. - went on by goods train.

Tuesday, October 5.

Reached Peking at eleven-forty - to find Chang dead and news of George's coming out which most surprising. Hukou loan is now probably busted.

Wednesday, October 6.

Saw Cordes in A.M. He was anxious to telegraph home that his people should act at once and not let the British steal a march on them by using Chang's death to further delay matters. Afternoon learned that Wu Hung Yum a respectable dub of seventy has been appointed grand councillor to succeed Chang. There is still a chance for you however. He sent word that there was no use seeing me now, that the three councils would consult about our railway scheme, and he would see me afterward. I sent back word that this would be no use, sent to ardon's garden party and dined at the hotel with Green and an amusing devil who is chief engineer of Siamese R.R.'s.

Thursday, October 7.

Nothing new. Mrs. Bland left N.Y. to join her husband at Harbin, he apparently being not at all well and having sent for her. Nothing new from the Chinese save that Hsu has been appointed to negotiate for the Hukou R.R.'s.

Friday, October 8.

No added excitement save a visit from Cordes who reported that his principles were now entirely in readiness to adopt our amendments to the P.A. clause and that the German government was going to take action in Washington.
with a view to securing Joint pressure on England. French also came in, had little news. Adams lunched here. Fletcher saw Liang whom he reported as being in a frightful funk, hardly daring to discuss the Chin-Al affair, asked whether he represented the war or the government. Fletcher replied, though without instructions, the government. Japs have apparently been on my trail, asking Liang to what I had been doing up country. Played polo.

Saturday, October 9th.

Saw Hillier and discussed N.A. etc., then called on Sale, French having been here at lunch. Found Sale very pleasant and interested particularly in Spanish Navy project. His ignorance thereof was surprising. Later went to Liang whose feet very cold. He seemed to feel that for China now to build a China-Al R.R. was but to reopen the Hsin-mu question, that Japs could accuse China of bad faith. Said he preferred the Bank project. I merely told him that we had come to the time for a showdown, that I had come out for Manchurian business on the assumption that China would do her part. If she would not, I might as well quit.

Sunday, October 10th.

Quiet day. French came in after lunch to say that old Shih Hau was pushing the R.R. project and was very hopeful. The Reuter about Urme's recall and the probable protest against the Manchurian agreement by the State dept. has attracted the Regent's attention and Shih asked Backhouse whether we would fight if Japan opposed the line. B. said certainly but China must first give the H.R. A little tennis, and a quiet dinner.

Monday, October 11th.

Went to see French. News from Shih Hau still more hopeful — seems that the Chinese had wired Washington to ascertain the attitude of our Govt. and had been assured that the R.R. would receive its hearty support. Through Lake we learned that the Japanese are much exercised but do not contemplate a protest. Will, however, demand participation and will endeavour to get H.A.S. Bank etc. to take matter up. Regent is determined to put the scheme through.
advance sheet of <neuter>, stating that it was announced in Washington that American and English capitalists had completed arrangements for the <chinhoe>
Teitisher R.R., and that Japan would not object but would stand on her March
convention, whatever that meant. Then we got hold of <french> so that Shih
Hau could have it the following day in the Grand Council. <french> stated very late
Sent telegram costing $1064.


Considerable discussion about <crane>'s recall. <french> fearing that this
would have a most unfortunate effect on the negot. <french> and I went to see him
in the afternoon - <french> sang and Shen the Vice Presidents were there also. Hau
was much pleased apparently that something had resulted from my visit to <ubden>
and said that he would do all in his power to put the thing through. Had a little
polo after the interview then went down to meet <land> who came in in pretty bad
shape. Dined at <keevs> with Miss <oldmore>.

For lunch went to the Chinese R.R.'s, Obl and Hansen.

<WASHINGTON> Friday, Oct. 15.

Nothing developing save interview with <land> who had much to say about
his Russian plans as worked out in <peterburg>. Saw Prince <sa> at four o'clock
about <peking> tramways. Had Hau, Wang, Shen, <liang> and interpreter <uhao> at dinner.
Peck, <keevs>, <ubl>, <fletcher>, Z <harrisons>, <yers> and <jamesons>. Talked a little
about the <wigo> R.R. He said that <china> would build the line there as she had done
the <kalgan> R.R. I told him that I had heard that Russia would like to have an
Anglo-American syndicate build the road from Irkutsk to <wigo>, and would also sell
out <china>'s eastern R.R. to similar organization.

Sunday, Oct. 17.

Quiet and rainy day - worked on a semi-political letter confirming my
long and expressive telegram of the day before. <uhao> came in and was a little
wrought up about <neuter>'s having this news. He wanted the story. Dined with
Morris and an old Cornell man named Barry <clough> who is now a professor in
Australia.

Monday, Oct. 18.

Worked all day on the same letter. Saw <shiaw> and dined with <brambilla>
of the <italian> Legation. Very nice. A little bridge, afterward, and a certain
amount of music by Harrison on the piano. No developments but I learn that Japan-
ese are trying to block the R.R. in every possible way.

Tuesday, Oct. 19.

Gordes called in morning - was apparently very uneasy regarding attitude
of British Government and seemed to feel that something was going on which he knew
nothing about. He was suspicious. Wrote to <liang> but had no reply from him.
Played four chuggers of polo followed by bridge. <land> in a very knocking
state of mind. Wondered why we hadn't been to the Russians etc. Told him
that this was impossible as yet. With him and with <fletcher> had long disscussion
as to the probable significance and outcome of <ito>'s visit to <manchuria> and the
fact that he would undoubtedly meet <kokotsaev>, the Russian Minister of Finance
at <harbin>. Wondered no good we thought if the Russians were such damned fools as to
make an arrangement with Japan.

Wednesday, Oct. 20.

Did a little work regarding <bank> and the <huanghsu> conservancy. In
afternoon went with <fletcher> pay respects to Chang <shih ting>. Whole courtyard
filled with people, mourners in dirty white, tables, the paper and evergreen
figures that will be <arranged> carried in his funeral procession. The
main house doors were painted white and along a raised platform we walked to a
door where his tablet with the posthumous title "<ben hsiang>" was exhibited on a
golden tablet, surrounded by lighted candles and faced with platters of cakes and
fruits. To the right of the tablet on which this stood were <changs>'s two sons
and his grandson, very dirty in their white clothes and their faces swollen with
weeping. We bowed three times and went over to a side room where servants in
white and others with black bands on their arms served refreshments. Officials
from the <taochuan> <fu> and <wa wu> <fu> were in attendance. The walls were covered
with scrolls written by his students, etc. Went to <bridges> and after dinner
played bridge with <owens>.

The Willard Straight Papers at Cornell University
Thursday, October 21.

Long wire from N.Y. in morning requesting certain information regarding revenues to be utilized as security for chinshou road, etc. Said J.P.M. Jr. was in London. orders came in - was much disturbed apparently over situation. Feit that Brittishers were playing him fast and loose. Didn't know what was going on. Millier had been to EXXON Board of communications, etc., didn't know what for. Sfrench came in and said Edict had been out the Wednesday before, but it was not known how to inform us of the fact. Would probably come through the viceroy of Manchuria. We worked for a while on the company organization plan. I stood out for full and frank cooperation with the Chinese in order to take advantage of their increasingly independent spirit and to avoid the mines in which Bland now finds himself. Sfrench though much influenced by Bland, agreed.

Friday, October 22.

Quiet morning working on letter from J.P.M. & Co., regarding EXXON necessity of playing the game with Paulings. In the afternoon went with orders to call on wang and Tseng of the Hukuang R.B.'s, secretaries of the late chang Chih Yeng. We told them of the danger that the market would drop and urged China to reopen negotiations as failure to do so would enable J.B. to place the mines of delay on China's shoulders and perhaps upset the loan entirely. orders further told them to tell Niu Shih chang that in case this agreement fell through he still had his old one of last March for the canton-nantou line. He qualified all his asparagus about EXXON J.B. by saying that millier was anxious to go on but could not act on account of his boat. Learned that liang shih li had gone to mukden and that he was an enemy of Tang's, hence he and liang Y.Y. have probably been trying to dish Jameson. Collins, an engineering adviser to theanking viceroy dined here.

Saturday, October 23rd.

Everyone went to the races, saw Bland for a little time. Not word from N.Y. to go ahead with the manchurian Bank project. Called on rel Ting, a nice old thing, president of the Board of Agriculture, industry and commerce. Later learned that ito had a three hour interview with the viceroy at mukden. Tried to build fires on his book by getting in work to shih nsa and writing also to people at mukden putting them wise to our government's support. Dinner with de prille, Belgian Legation, a really splendid place. Pleasant evening. Finished first volume stonewall Jackson'. A great book, and full of lessons on character building.

Sunday, October 24th.

Quiet day in country. Round of golf in A.L. then sketches in afternoon. Bridge with Max Madame polo ses, dinner with Max Scull at the hotel.

Monday, October 25th.

Rained and spoiled our polo. Prof. Wood of Hamilton college lunched here. Worked on correspondence with the office. Sfrench came in in the afternoon to say that ito had told Hei Liang at mukden that Japan would not interfere with the H.B. this was done because Japan wished to reassure chinese and the foreign powers. If it be true the diplomacy cannot be too highly commended. It is a statesmanlike stroke, especially since opposition would bring Japan into conflict with us. Ijun when asked about this however, said that it was not true and that ito could have said no such thing. The role of peace-makers is one he often plays and I am rather inclined to credit what he is reported to have said.

Tuesday, October 26th.

Saw Sfrench in A.L. also Bland. Reiter swore that the information re ito's assurances to the viceroy were correct and that the viceroy was much pleased that the edict would be communicated at once, etc. He said he had heard these things himself. Bland whom I saw was rather down in the mouth, belly-scoed a good deal about the necessity for defining Japan's sphere, etc.

Fletcher saw Jordan who explained the B position regarding the Kukuang. Said that the line would not be built unless the Germans gave up the road from
Hainging to Huangshui in order to make the division of engineers satisfactory.

He said he would not object if such section went to the Americans. Tried to see Gordon but missed him. News came of Ito's assassination at Harbin by Koreans. Luckily Chinese didn't do it. His death will disturb far eastern relations, prevent the reproachment that might have taken place with Russia and if his remarks about Japan's new policy in Manchuria are true might by his removal throw things back to the impasse.

Wednesday, October 27th.

Went to Shanghai and with urinell and himself discussed the loan and agreement, trying to learn their ideas as to how the loan contract and construction contract should fit in. This done, saw Backhouse about Manchurian Bank agreement. Ffrench and he had same story that the Wu Han had not been informed of the issuance of the adict as they wished to communicate to us through the Viceroy of Manchuria. Backhouse was, as he has been all along, most optimistic. I personally am being disgusted with the whole business. Jow Gordon also and proposed a way out of the Huaxiang impasse by which we should have the Chief Engineer for the Haaining-Yangshen section, said engineer to be under the general direction of the German chief engineer for the entire railway line. Gordon said he would telegraph it. Jordan and Bos both approved the idea. Polo in afternoon. Wired with Hanson, young Harrison has remarkably good voice - touched high "O".

Thursday, October 28th

Worked all morning. Gordon came in to lunch, followed by Adams who suggested that I take Break's new place temporarily. Went to p.r. Ijuin but found him out. Knocked the pole ball for a time after seeing Miller with whom I discussed the loan situation, suggested the compromise - was inclined to favor it but wanted at once to bring up the matter of financing the Ichiang-Szechuan section which I deplored, as unnecessary and only likely further to delay matters. I thought it much better to confine the discussion to engineers. In the meantime Luxembourg had been lunching with Gordon and came to suggest to Fletcher that the Germans would make this concession on the Wuang Yang-Yangshen section if we would cooperate with them on something else, for instance the Yumenyu-Changtu R.R. This project is of course all in the air still. We thought we would play 'em out a little. Jordan had seen Fletcher also about this matter.

Friday, October 29th.

Ohl, French and Gordon came in the morning, nothing much new. France had nothing to offer on the Ijuin's delay. Something in domestic politics was all he could give. Fletcher thinks it may be that Thun Fang is coming to the Grand Council and Mr. Harry would follow England and Russia and England would try to break it up probably but would ultimately be forced to come in.

Saturday, October 30th.

Went to the B. of C. in the morning. Saw Li Ching Yai and Wang - Chang's old secretary. Asked about Hukuang matter but received very little satisfaction.

He said that the provinces would not have to be considered but I imagine that the Board will be afraid to tackle the question. Polo in the afternoon.

Sunday, October 31st.

Fooled with papers - did a round of golf and lunch at the Yellow Temple. Fixed pictures in the afternoon.

Fletcher had a message from Washington asking about Uruma incident, stating that Japanese had made representations on subject. McCormick sent the message. Said that Ijuin had Knox's statement and had given it to Wu Han Fu.

Monday, November 1st.

Miss Whitney very charming. Mrs. and Miss Bend arrived in the express from Maidan, with Korostowetz, who came back from his conference with Kokotscheff.
and the Menocals, just out from home. The Whitney party went to the Hotel but came down to lunch. Watson, who stopped the night, was there. Polo in the afternoon, the guests coming down to look on. Ten with the Harrisons - Liang Tun at dinner - made a very pleasant impression and had no business talked to him at all.

Am convinced that the mess idea with Fletcher will not work any longer and am going to beat it as soon as I can get a place.

**Tuesday, November 2nd.**

Prepared in the morning for receiving the ladies - clearing out of Fletcher's and moving over here to the big house. Lunch solus, broken only by French who came in to tell a few more yarns about the Edict being out but none of them daring to communicate with us. Shih Hau is a monumental liar or the Regent is a damned drunk or both. Took the R.'s, Miss W. to the Lama temple this afternoon. They were very properly impressed and the view seems to have taken well. Certainly they could not see Peking under better auspices. Pei Lun came to dinner with the Harrisons. It made a pleasant party and we sang about meeting him quite as a white man which I think he rather enjoyed. Fletcher saw Korostets who more or less threatened a Russo-Japanese combination. I presume that in dealing with Japan they are intimating that they expect to tie up to us, thus playing off both sides against the middle.

**Wednesday, November 3rd.**

Blowing like the devil with much dust - persuaded guests to stay in the house. Had Green, Menocals, Jameson and Owen to lunch - pleasant party. Farewell to Green and welcome to Menocal. Went house hunting in afternoon. Apparently some dribbling up on the places which old Shao had discovered. Hockey, Bridge at home, then Green's farewell dinner at the Hotel. All the Bankers, Bland included but no row with Cordes. Everything passed off very nicely.

**Thursday, November 4th.**

Attempt at working in the morning but unsuccessful. Ladies presence somewhat disconcerting I find. Mac in for lunch. Polo and dinner at Harrisons.

Call by Pei Lun. No work at all save a little on the agreement in the morning and uncoding a cable that came in the afternoon. Harrisons at dinner with Barmetts and Addison.

**Friday, November 5th.**

Went to Yellow Temple and drum tower. Miss Corbett to lunch and the ladies calling on Princess Pu Lun. Bland, Addison, Harriet at dinner.

**Saturday, November 6th.**

Called on Tuan Fang - had long and interesting interview about many subjects. Ladies cut at lunch. Polo. At Pu Lun's for dinner, the princess going very strong.

**Sunday, November 7th.**

Summer Palace and Yu Chuan Shan. Quiet dinner and long talk by lantern light. The best day for many moons.

**Monday, November 8th.**

Early lunch and afterward winter palace - went with D.W. and the Bends - beautiful place. Day unfortunately not clear enough for pictures. Called at house on way back and all were delighted with it. Then to Jordan's, French at dinner. Hears that He Liang has been instructed to communicate with me. News came of Cloud's recall. I talked pretty late with Fletcher.

**Tuesday, November 9th.**


Long wire to Prather about internationalization.
Wednesday, November 10th.

Had Lin and Adams in for lunch. Went to the Salon d'Automne afterwards, then polo while the ladies did the temple of agriculture followed by a motor ride into the sunset with us.

Dined at Brambillas where we had a most pleasant evening - four playing bridge - Addison at the piano.

Thursday, November 11.

Record breaker. Beautiful day, lunch at Wan Show Sze - ride along the Jade canal afterwards - home for tea at about 5:20 - quiet dinner en famille, with a juggler afterwards. A little music and then another fireside talk with D.W.

Friday, November 12.

Morning into Chinese city, lunch supposedly with Jameson but Fletcher had telegram so I stopped and helped him. Lung Pu Szu and the de Prilces, in the afternoon the latter preceded by a short walk into the sunset.

Boissons, Menocas, Bland and Brambillas at dinner. Some bridge.

Saturday, November 13, 1909.

Started for wall at 10:00 from Hankow with Bland. Private car. Windy. Good day.

Sunday, November 14, 1909.


Monday, November 15th.

In the morning an excursion after a table for Mrs. Bend and a walk back through Morrison street, stopping for a card on the Brambillas. The Princess went through the house with me, and suggested here and there. It was hard not to ask her to stay on and live there. Lunch at Bland's, his birthday. A wonderful ride, into the sunset. Quiet dinner and a little choking in the throat I think. The new moon over the right shoulder, the 2nd time together, the last time being at Mosley.

Tuesday, November 16th.

The curtains fell, we walked together to the station, going out in the Chien Men Gate and looking across the city, then down below and out again to the Beggares' Bridge, then back to the crowd. We lunched alone. Poloes, saw uordes and french neither of whom had news. Had a long telegram from Ex Hamburg but nothing satisfactory. Bland was lonely too. He dined here and talked for a while. Fletcher and I also went out for some time, then wrote letter clearing off a goodly number to Aunt Laura, Mrs. Gomb, K.E., the Swifts, etc.

Wednesday, November 17th.

Lonely - a/c's all morning. Newmarches at lunch. Saw Hoyer of the Russian Finance Ministry and gave him the same line that Fletcher had previously given Korstwets. Said we would cooperate commercially, freely and frankly, touched lightly on the acquisition of the C.N.E.R. and the starting of a Manchurian system. Pointed out political advantages of an Anglo-Russian-American entente.

He asked about Germany and Japan. I told him I didn't think they'd dare combine. French dollar in both recognized as essential. He said Japan had approached Russia and had made the overtures for the Kokotsch-Ito meeting. Russia of course had to take a sympathetic interest. Besides there were no propositions from the other side. I said that as far as our position went re the Chên-li S.R. we would stand pat. if Japan came in it would be on a commercial arrangement, not a political right. He asked about Russia. I said the same thing applied and that our position was just and whether we had to meet Russian-Japanese opposition singly or in cooperation it made no difference. Fletcher saw Korstwets and gave him a little entente talk, an exchange of notes, etc. K. liked it and said he had recommended such action a year ago. Dinner at Customs House.

Thursday, November 18.

Rather miserable. Long argument about house, deeds, etc in A.M. Finally straighten out. Words came in on his way to the S. of C. returned having seen Li Ching Wei and Wang and having learned that the Hukou negotiations would not be taken up again for some little time, so Teal Tse
apparently had his foot in it now. Lunch, letter from New York. Jordan came in to see Fletcher about Hukuang, saying he had just had a telegram for his information, quoting news of our own and German government. Some discrepancies. Bland also came in and was a little sore about the assurance re the Hukden-Istung S.H.R.'s I explained however that the stories had been given out at home not here.

Quiet dinner and long yapping.

Friday, November 19th.

Fixed the place in the morning and drew on New York for large sums - had Hoyer the Russian financial agent in for lunch - a very clever and amusing fellow. Slick. I should say and a little impertinent. Called on Liang while Yi in the afternoon - had quite a long talk. He advanced several new ideas about the Hukuang; said that the money was not sufficient and that he didn't like this messing about with engineers. Why not have a Chinese engineer for the whole line, he said? The English, he said, much better than the English he said. He thought that if he had charge he could fix the provinces. Re Kalgan, Kirin Liaocheng, he said that work had been started. He Kalgan-Kischita he said that the mines etc. would have to be discussed simultaneously. He wished, he thought, that things would look up very shortly. The curtain would rise, could we build a road from Dacangmu to Kungchihmu to connect with the Kirin road. I thought we could.

Saturday, November 20.

Another beautiful day. Polo in the afternoon, fairly good dinner with Lemly at the Wagon Litde. Music by the Wiesingtau orchestra that was quite good. Stayed pretty late and came back meeting all the college youth just outside the gate, brought them back and fed them a drink.

Out in the morning with Backhouse to the new place.

Sunday, November 21.

Still another day of sunshine, walked with Fletcher to the house - had Shaw, Addison and Richtahu at dinner. Mode with both and dined with Addison before going to the concert of the Wiesingtau band at the hotel.

Monday, November 22.

I lay started all right but fell down by noon and at night was blowing. Spent morning in the house and most of the day in fighting with myself about going to Shantung which I much wanted to do. Decided better not however. Saw Backhouse who told me of the row going on in the race between the Dowager and Yuan Shih-kung whose disrespect to the late Dowager's funeral is making a great row. B. too has his troubles he wants to go home lest his father disinherit him. Lady French came back. Harnett and two awful women dined here. Scorn and lies.

Tuesday, November 23rd.

Felt again - too much for polo. Went to get away but it's better not. Called at various places. Had Liang shih yi and run in to a quiet dinner. They stayed very late. Liang said that although he had told me that the curtain might soon go up the race row and Yuan Shih-kung's downfall could delay matters for a time - perhaps a month or more. He was much concerned about it. Wanted an estimate for the Che-Allen line - interest payments, etc.

Wednesday, November 24th.

House for a while. Polo and then bridge game at Madame de Stiles.

Quiet dinner.

Thursday, November 25th.

Thanksgiving - also the day set apart for King's Birthday. Went in morning to American Board missions to hear Martin speak. The 60th anniversary of his departure for China. Lunch at home. Saw Dr. Lu in afternoon about getting some more ground. Dinner at home with Bland and Fletcher and Jameson. Ball at British Legation. In morning received a message from Hamburg to effect that settlement had been reached. Fletcher had similar message practically from Washington. He had stated that French in Peking were restless. This undoubtedly some of Addis' work again. Saw Dr. Pierre and Millier both of whom said were prepared to go ahead when instructed to do so.

Friday, November 26th.

Feeling a little rocky after a night of celebration. Had tempered as
Fletcher. Saw Cordes in order to tie things up and make sure that all the colleagues were ready to proceed. French also saw in the morning "at Backhouse. Both swore that things were going well and that the idiot could be expected at almost any minute. Some say that it will be communicated, others that it will not. I'm hard to say. One moment I am glad that I did not go away, the next I am very sick about the whole business. Menocal's were to have dined here but cold-footed, so Bland and I dined alone. Am not a very cheerful companion these days.

Saturday, November 27th.
Quiet enough. No news. Polo in afternoon but bad tempered. Dinner alone after which de Prilles for bridge. Boismans, de Prilles, Bland at lunch.

Sunday, November 28th.
Morning with contractor. Lunch at Sam Chow Su - "In Memoriam". Ride stopped by dust storm. Dinner with Liang Shih Yi and Yun at Bland's. Morrison just back from Tai Yuanfu.

Monday, November 29th.
Quiet enough. Went to the house, called also on Teal Yu who seems to have improved a good deal since he was in Washington - and has become much more coherent. There saw Yuan Shih Kai's son - Yuan Tai. He didn't seem to think that his father would be coming back for some time, not at least until he could be sure in his power. Young Yuan was much pleased at what I told him about his father's position in America, and when I said that abroad he was the Chinese possessing the widest measure of confidence. Dined alone.

Tuesday, November 30th.
Nothing doing - went up to the house for a time and played polo in the afternoon. French, Bland, Menocal and Barnette to dinner. Finished my accounts which removed a considerable load from my mind.

Wednesday, December 1st.
Went to Tientsin with Bland, Jameson and Morrison. Saw Yang who still seemed weak and ill - an effort for him to talk at all apparently. He said that he would take the Manchurian High Commissionership if his health would permit. He would be glad to get to work again. Said that many blamed him for Chang's death. He had earned the old man's hatred by telling the Regent that he should pay no attention to provincial grumblings nor should he give his power to others. Thought that possibly rich might be made viceroy of Manchuria, but that it would not necessarily mean a change of policy. Lunched with R.T. I came back for dinner.

Thursday, December 2.
Morning saw Ohi who had more stories about Tiang Liang going to Manchuria as viceroy. Lunched with Morrison, Colonel Ting of Hague Conference fame. Went to Albert G. Lee, late of Westinghouse Co., Greene of the N. C. Daily News. All of the Customs were there, not exciting. Polo, call on Barnette - evening at home and disappointment over mails again.

Friday, December 3.
Paid bills and fooled about with Christmas presents - went to the house at noon to see how things were progressing. Danced at Russian Legation in the afternoon and dined at the Austrians that evening. Sir John, who was at the latter place said he'd just had a telegram which seemed an indication that the Huakung was being settled up, though there was a note about it which made him feel that perhaps there was some misunderstanding regarding the possibility of floating with the Chinese a loan for the Ichang-Chengtu section.

Saturday, December 4th.
Busty day. Knocked a ball around and dined at Ker's with Miss Jordan, Menocals, one Booker, miss Watt and Mr. Gray. Pretty awful.

Sunday, December 5th.

Monday, December 6th.
Lunched with Luxembourg - played a little bridge at the de Prilles, dined with Ohi and Lemley and Fletcher and Morrison at the Hotel, going afterward to a concert by Madama Paggi and Spohr and Miss W. Webster - quite good it was. Saw...
Backhouse in morning - he had little to offer but a letter received from Bland stated that Tang would shortly be coming back.

Tuesday, December 7th.

Word from French that he too had had a letter from Bland stating that Tang and Yuan's star was in the ascendant and that they both might be back shortly. French himself came in with story of Jordan's cold feet. Fletcher saw Liang who intimated something about the Manchurian loan on a bigger scale being substituted for the R.R. scheme. F. telegraphed it in the afternoon.

Wednesday, December 8th.

Saw Liang yung Yu at the Wei Fu Pu and had a long and not very satisfactory talk about Chinshoo-Amur. He confirmed what he had said to Fletcher the day before, that the Gov't. contemplated a much more comprehensive scheme, that they wished to do the Bank, etc., and make the enterprise a very large one, for the general development of Manchuria. I asked if I might wire this and Liang said yes. He said that he could do nothing and that the whole thing had again been referred to the Viceroy for his suggestion. Some old criss-cross and delays. Olly came in to dinner. Received letters from N.Y.

Thursday, December 9th.

Went to Tientsin, stopped with H.T. and saw Nye in afternoon. Simpsons and Munthe. Latter said that there would be nothing doing until this Palace row was straightened out. Yuan was being urged to come back by both parties but would wait until he saw how the cat jumped. Had asked that all legations at Peking be raised to ambassadors. Yuan's dismissal due to his intrigues with the Empress.

Friday, December 10th.

Nye twice. Dined with Munthe and the French Military Attaché - Erisot, a very clever man.

Saturday, December 11th.

Called on Yaal who called the agent a damned fool. Has been custom to visit Tientsin for some time now - a nice fellow. Nye three times - lunch with

Cox. Reached home to find thatawlmoor had decamped sticking Fletcher with something like $4,500 U.S., taking a scarlet lady with him. Dined at de Prilles, where saw French who intimated that the Chinese were all for chucking the Hukoung loan and giving words & Co. compensation in Manchuria. This is what we feared might happen.

Sunday, December 12th.

Windy and cold. House in morning - a man named Parsons, the architect from Manila with Butler and Peck came to lunch - friend of Angus's - had a short ride and spent the afternoon and evening in conversation.

Monday, December 13th.

Quite cold. Lunch. Dined with the French Minister Hargary, very pleasantly. Jordan, Blockland, Harrisons and Barnett, v. staff of French Legation. St. Pierre, Underdyke, Portugese and Luxembourg there. Explained the Hukoung situation and that the French objected to the division of engineers, thinking that they should stand on same footing as Germans and Americans - interchangeability of bonds also stuck in their crop. St. Pierre said he knew nothing about the Manchurian loan save the old thing hawked around three years ago, and offered to unsee. Said N. & S. bank had a claim, as they had loaned to the Viceroy and had a pledge that if any more money were borrowed for Manchuria it would be through them. I thought that this might be the sisu timber loan made in the autumn of 1908, but it was not. Luxembourg also asked about the Manchurian loan I put him off but there is apparently something in the air.

Tuesday, December 14th.

Saw Olly and put him on words trail - to run down the N. & S. Bank loan story. He saw words in the afternoon and in a rather indefinite conversation gathered that words knew that there was something doing in Manchuria and that Hillier had been talking to him about it. He said that he hadn't discussed the subject with me as I had never opened it with him. He thought that Germany and America would be the best people to combine for such an enterprise. A little
bridge and a quiet evening at home.

Wednesday, December 15th.

Saw ffrench in a.m. and told him I was disgusted. suggested that he tell Liang that by his shilly-shallying he was forcing the American Bankers in to the "Ring" which is just what he had desired to avoid. either the chinese would do business with us or we would chuck 'em, that's all. Adams lunched here. Fletcher in the afternoon had a telegram from Washington stating that he should go ahead with the internationalisation scheme as England had signified her willingness to cooperate with us. there was a delay of a month in getting U.S. 's reply and I am inclined to wonder whether or no she sounded Japan in the interval for otherwise I doubt very much Japan's falling into line. Lunched at home alone after having gone after ffrench to see if he could get any more definite news of the adict.

Thursday, December 16th.

Jhun, the old Mukden uhan teh'ko called, bearing a special message from the viceroy. He assured me that the Rx J boards had memorialized against the M.R. and that the Tu Uhin Pu thought the road wouldn't pay, while the wa x u ru was afraid of Japan. The ru uhan ru was afraid. They had memorialized stating that the M.R. was no good but that if money was to be borrowed for Manchuria it would be better to do so for mines - a bank, etc., etc. This had gone back to Hei. Jhun said no adict had been issued. i promptly went to see ffrench to see what I could do about the story. Backhouse was greatly shocked. My theory is that the Manch-alier is committed in some way to Hillier & Co., that the Viceroy wishes us to do the M.R. and then the Bank and that he therefore is trying by intrigue to make us think that we must push for the M.R. alone, taking Raging up the Bank later. Hsu while Jhun is believed to have some claim. S. said the grand Secretary's secretary tonight and he stated that the board had memorialized in favor of the M.R. & Bank and that all was well - said was Liang has committed himself in some way. in the meantime Fletcher is instructed to go ahead with Jordan and urge Jap participation in the Chin-ai.

Friday, December 17th.

Fletcher went to the wu xu ru and saw Liang - asked him about the adict and Liang categorically denied its existence. Fletcher did not lay the larger scheme before him but intimated that he would do so shortly. Liang offered no satisfaction regarding the Manchurian situation. Had taken ffrench and lady ffrench to see my house at noontime. Lunched with Horsman who is very discouraged about things in general - says the Times has not treated him well. U.K. run came in for a long talk in the afternoon. Had very little to offer save that he thought that things must needs go slowly.

Saturday, December 18th.

Took Mrs. Henocel to see my house. FFrench reported that Backhouse had seen the grand secretary who had assured him that the adict was out, that he had sealed it himself and that Liang could not, under his instructions have said more than he did. the U.S. said that it was about time that some notification was conveyed to us, hurt my legs playing hockey and was obliged to give up Barnett's dinner for which I was not at all sorry.

Sunday, December 19th.

Bad night. Legs still hurt. went in A.M. to see ren the xiangchengtszu y'otal, now down here regarding the manchurian settlement at that place and also he says to help along our loan matter. He struck me as a proper swine - dirty, noisy, conceited, the worst type of cantoneses. i disliked him extremely. Lunched at home. took Mrs. woppy for a drive. Madame Kusakke came in to chocolate and Addison to dinner. itzhugh came in to play bridge afterward.

Monday, December 20th.

A day full of letters. Chin, the vicecy's messenger from Mukden called in the morning and again urged that Fletcher make strong representations. He intimated that the won't wasn't sure that the Americans were in earnest. He feared that this was merely a commercial enterprise and wasn't fully supported diplomatically by Washington. for this reason he desired Fletcher to rant a bit and kick Na in the stomach. He pointed out that when Japan wanted the airlin-running M.R.
the matter was not referred to the board of finance and asked why that should be
done now. Write right - why should it. chin dined here and repeated much of his
morning's conversation.

Tuesday, December 26th.

Ride day - nothing doing. chin, the kuangchengtao yuetai called but had
nothing to contribute. went over the same ground. chin saw lu, the new viceroy
of uhili also came in. he is young, apparently intelligent but i should say
anything but strong. with him was the cheerful wen ping wen and little li of the
v.c. who i should say would come on one of these days. he is a silent little brute.
Walled at Barnett's and saw Luigi de luca at the club. dined alone while fletcher
was at liang van yen.

Wednesday, December 27th.

Dined at the viery's. Really not so boring.

Thursday, December 28th.

Started early and went to new shih-chung's place to make his picture.
Yun was there. he has a fine new home. li whang hsi (li hsiung cheng's son)
liang shih yi, wang ya deh, late minister to england - yen, the kuangchengtao
yuetai and hsiung from madden all appeared. we wandered over the house for some
time going through all the many rooms - then had a chinese luncheon. played a
little polo and made three goals. Should have dined at wesans but rather received
official confirmation of his appointment, and we had to have a celebration. chih
was here at dinner. rice business for horse. walled at the sar's. henry saw the
r.o. and na and liang approved the internationalization scheme in principle.

Friday, December 29th.

A little headache. seemed bad day - dusty and cold. no news. chin
came in to say that the viceroy's memorial had gone in and that the railway had
again been referred to the three boards. dined at home with mc Cormick as solo
guest. he got a little tight. had a lovely party at the wesans afterwards.

Saturday, December 30th.

Little headache. sleeping at noon and a very quiet day. dinner at the

Harrisons with the men in the house as the only other guests.

Sunday, December 31st.

Quiet day, lunch at the yellow temple and a little golf and sketching.

Monday, December 31st.

Went to the house with madame de millay, mayes of the standard oil co.
called and gave us some fresh dope on the relations between kitchener and curzon.
said the former was a blackguard. he also gave us a lot of stories emanating
apparently from millard about wilson and who was the real man in the family.
wilson being accused of being pro-japanese, etc. no other news. quiet dinner and
evening.

Tuesday, December 31st.

Nothing doing. Took Mrs. Barnett to see house. it seems to delight a
woman's soul to look over a place that is being fixed up in this way. dined
alone with prather and played four more chuggers of polo. dined with unfitugh
afterward. mc Cormick came in with a story about the attempted assassination of the
Regent, which i later learned was true. also Millier and ordies have been having
meetings with the chinese. perhaps with the gentrty! i must try and see those men.

Wednesday, December 30th.

Lunched with st. pierre wr - at three thirty went with Penney to call on
Foul Pea, pres. of the board of revenue. our conversation was fairly satisfactory.
He said he had no objection to the u.m. in case manchuria could find some
collateral to put up for the loan. the treasury he said had nothing to use for
this purpose /however i devoted every energy to trying to convince him that the
line would pay. he said he had nothing to offer on this subject, apparently
playing up the political and strategical only. this i promptly referred to. he
confirmed the news we had had from chin that the viceroy had again memorialized
and that the 3 boards would have to report within the month. Fletcher had word
that the Regent was highly pleased with the internationalization scheme. Bells.
Thursday, December 30th.
A quiet day. Brasenilla, Josthnasky xxx in to lunch with old Paloon who has been here since Christmas. Nothing doing in any way. Polo in the afternoon. Dined at Margerites with the French Secretaries, De Prilles, Fletcher and Harrison and Addison. Bridge after dinner of course.

Friday, December 31st, 1909.

Here endeth 1909. Frather had a busy day. Saw Jordan in the morning and went with him to Ijain. They told Ijain that U.S. and the U.K. were cooperating in the Chinshou-Aigun and in the larger scheme. Would be prepared to urge China to admit Japan or any other powers pledged to the "Open Door" to the former. Had told the Russians the same thing. It was still in its preliminary stages however Ijain said he had been instructed not to oppose but that he had told Liang that he thought Japan ought to be consulted. He then suggested that although Russia might have a certain interest, Germany and France did not and that it would be best for the U.S. and Japan with Russia promptly to put it through. Fletcher suggested that Japan so state to O'Brien.

Fletcher then sent the W.W.P. a second note, urging the issuance of the Edict and stating that on a/c with the Preliminary Agreement the U.S. and U.K. would be prepared to admit others, with China's consent. This got Liang angry and he asked why the Japa should come in at all. Fletcher received this cleverly and pointed out that he had to make these statements to save Japan's face to gain her support for the larger project but that China could force Japan into the latter by going abroad at once with the Chin-li and making a competitive loan which would detract from the value of the S.M.R. He thought Liang in a good mood. The amfge threat of Japanese participation may hurry China into issuing the Edict. I hope so.

Quite dinner here. The old year out gladly.

January 1st, 1910.
The man that made this Diary must have thought that the indicator therein would have many thoughts on New Year's day - pretty things about resolves to do - things or people better (not if he were a notal man). Perhaps hopes and fears for what the following twelth month might bring forth. I suppose all of us have such thoughts - mine shall - granted they do exist - not go into the Diary for pen and ink both bear too patent evidence of failure - of unfulfilled promise - of aspirations unrealized. On the resolves, such as they are, be graven rather in our own hearts - constant companions and mentors, not high phrases inscribed and consigned to the limbo of the written page - food for the curious and a mine for such as use the courts of law.

Friday and I turned in at 1:30. In the morning I walked along the wall from when Ken to Pytumen and then back through the city. Lunched quietly at home, made a few calls and ended up with bridge at de Prilles and dinner and bridge at Pudsey's. Found a good meal when I returned, with letters from Uhas and Bill Phillips, the latter announcing his engagement.

January 2nd.

Apparently the calendar man had another day of expectation. If so, one of disappointments. Rose late - walked with Cal to my new house which comes on but slowly. Lunched with Fletcher at home - read papers, took a ride through Forderland in order to start the New Year properly - then came home to dine alone. Fletcher having gone to Reeves where I should have been.

January 3rd.
Nothing doing at all. Chin came in in the morning, but had no news save that the Viceroy had been advised of the big scheme and enthusiastically approved. The Hoi Wu Pu and Regent are also supposed to be in favor of it. I urged on him the necessity of putting the chin-li Edict through at once in order to
January 4th.

Nothing doing in morning. Yen came in in the afternoon, to say that things were going very well and that the Regent, Prince Ching and Xu Tung were all delighted with the big project. He thought that they would be inclined to hold the smaller scheme up to see what became of the larger. I told Yen that the big project wasn't worth the paper it was written on unless the Chin-Ai Edict was issued at once for without this we had no standing and the Japanese could give us the horse laugh, by saying that China was not really in earnest. Yen agreed. Then Fletcher came in and cursed and growled a little, telling Yen that the American Govt. didn't care a damn about the project, but that it China's chance. She could take or leave it and her blood be on her own head. This frightened Yen a good deal and I think that he will run today with it to Wa and Ching. certainly to Liang. Dined at the Jordan's with a little dance afterward. General Machado, Portuguese Boundary Commissioner, was there. G.B. has put her foot in it by urging China to arbitrate with Portugal and urging her not to press arbitration with Japan.

January 5th.

Nothing much doing. Lunched with Menocal's - came back and fooled around for a time, then went to Madame de Pille's for music. Dined at Liang Yun Yen's house with Yen, the Kuangchengtu Tantai, Lien Yang, Liang Shih Yi, the Peking Prefect. Little Yuan, Lin Yu Lien, Tenny, Harrison and myself. Gave Liang some of the real dope after dinner, then played xit whist with Liang Shih Yi and Lunn.

January 6th.

Called on Yen at 10 A.M., handing him the Peking Daily News with the story of the drop in the Tokyo stock exchange on a/o of the rumored American demand that Japan should sell the S.M.B.R. - told him this was an attempt on Japan's part to stir up trouble, enabling her to tell our Government that while approving the big scheme, she could not in the face of popular opposition, acquiesce therein. Strangely enough events are now shaping themselves much as they did after the China-Japan war - by foreign pressure Japan is likely to be robbed of the fruits of her victory. Will she again secure sufficient funds to wage another war. From Yen's place went to see Teng, W. of F.A. for Kirin, lately of Nukden. He was just going to see Xu Tung and I gave him much the same story. Lunched with the Russian Brande, Jastchensky also there and two other Russians. Dined with Nanc here and went to the Austrian Legation dance where I remained about an hour and a half - came back to write to D.W. Can't think of much else these days.
Ma and Lu Chuan Lin as well as Liang - that they had all assured him that they
approved the general outlines of the scheme but wanted to wait a little before
issuing the Edict. The delay is blamed on the Fu Chih Fu - a Vice President by
the name of Shaw of Mukden the man stigmatized as responsible. Words also came
in and after a little skirmishing opened up on the Manchurian matter, expressing
his pleasure that something had been done and gave his assurances of German
cooperation. Dined with French, de Prilles, Lambert, St. Pierre.

Sunday, January 9th.

Had long walk alone in morning, saw Liang at noon. He said that he
had just instructed Tao Chih Lin, W.P., V.P. to prepare the memorial asking for
the Edict. Said where three Boards originally memorialized, that they had
approved scheme in principal but in referring back to the Viceroy had suggested
that he take up other things at same time. This is probably where the Germans
came in. The Viceroy, however, refused to do anything at all until the
Railway scheme was passed through and again memorialized. Tao Tao was now
making difficulties. The Fu Chuan Fu, Liang said, didn’t count. He was afraid
if an Edict was issued without consulting Japan, that the Japs would kick. I
pointed out that they had already informed our Ambassador in Tokyo that they would
not object and that this assurance had been given him by Fletcher. Furthermore,
China could very well advise Japan that the 40% of the contract, 60% to be
American, made ample provision for the participation of Japan or any other Power
pledged to the "Open Door" and the preservation of Chinese integrity. He said
that he'd do his best to push it through but that it could not be done in a
minute. My impression gathered during the interview was that matters were much
more favorable than at any previous time.

Monday, January 10th.

Teng and Uih came in in the morning. They had nothing to tell but were
very keen on learning what had happened between Fletcher and myself and Liang.
They were neither optimistic nor the opposite. F. saw no one, nor did I, save
french who came in to belly-ache. Morrison apparently had refused to get off any
message re the big scheme, being inclined to push-push the entire matter, saying
it was entirely too difficult and complicated for any practical purposes. Chinese
in the "Times" gives us much the same stuff. The British are a cold-footed lot.

Thursday, January 11th.

Fletcher off to his preliminary hearing with Faulkner. Went with
French to see Jordan and ask that he press for the Edict. Nothing doing.

He said that his instructions made it impossible to press for the Edict without
urging China at the same time to accept Japanese participation. That would have
been worse than useless. Jordan is a damned old missancy. He
thought the big scheme impossible, so did Willis who walked into the house with
me afterward. Yoshima came in to tell me that Japan would lose face if she gave
up the N.R. I told him that this was not the case. She would on the other hand
probably reserve operating control, would make her system part of the Manchurian
N.R.'s and a much more paying venture, bolster her credit in europe, amolatitize
her position in Korea, remove the Russian menace and thus be able to reduce
military expenditure. He could not reply to the arguments but left unconvinced
that was plain. Skated, dined alone and tennis came in after dinner to say that
Liang had told him the same old dope - that he was now pushing the scheme.

Wednesday, January 12th.

Nothing new. Willis came in in morning and we walked to the house.
French came in in the afternoon with sackhouse's story of Shih Hau and his own
of Liang Yan-yun. The same old story that the Japs had told Liang that they
wanted to be consulted - that China would not build the railway if they were
interested and would not risk their wrath by not consulting them. A pretty
kettle of fish. French also said that Shih Hau said he had not told the uran...
Council of Knox's telegram to Fletcher urging the immediate ratification of the Chinchou Agreement. Liang had promised Fletcher that he would do so. Skated and read at home. People called Velasquez - Mexicans - she claiming to be from Washington, here at lunch. Poor thing - utterly brainless and incompetent.

January 12th, Thursday.

Quiet enough. Fletcher's reply to his note to Ma Tung was a visit from little son, the interpreter, who came to say that he would be glad to receive Fletcher but he had nothing to say. Fletcher then gave him the same old story and told him that if he would repeat it he (F) would not have to go to Ma's. He said that it was the "Operating up" and "10% profits" that were sticking in the Chinese craw. r., said that these perhaps could be reserved for future consideration, but that the edict must be secured immediately. We both telegraphed our chiefs about these two clauses, and I am inclined to hope that Mr. Knox may insist upon the ratification of the agreement as signed. I should be pleased to be able to tell the Chinese that they could take it or leave it as they wished. But I suppose I shall be denied this satisfaction.

Friday, January 14th.

Nothing doing. Barrett and Allen at lunch. Fletcher went to W.P. in afternoon having had a telegram from Knox telling him that the operating up, and profit sharing clauses could be reserved. Liang apparently seemed hopeful, said he was pushing the other boards for early action, that they had worked out their plan for handling the Japanese - i.e., that the day before the issuance of the edict Liang would call upon IJIN and say that Fletcher and Jordan had assured him that Japan would have no objection in principle to the line - IJIN having said as much to them both. He would then simply inform IJIN that since he had said that Japan would like to be consulted in case the R.R. was built, he had come to tell him that they were about to issue the edict. Maybe they'll have the guts to do this and maybe not. Time will tell. Said goodbye to Morrison, skated and read Hunter, after seeing Willie off for Vientain.

Saturday, January 16th.

Teahima the Jap came in and I told him that of course the agreement was signed, had been for a long time. He asked if he could telegraph that and I said sure. Fletcher saw Yew and Teal Tee. The former was very favorable and said he had memorialized for the ratification of the edict. Teal Tee said that the thing had not been thoroughly explained to him but after Fletcher had given him a lot of hot air, he promised to see Prince Ching the next day - Sunday - and tell him that he was quite willing that the Prel. Act. should be ratified, making certain reservations. It looks very good for the present, unless the Japanese step in and raise the devil, which they may do even yet, in which case the whole show is wrecked. I hope, however, that the Chinese will stick to their guns. It will probably be all right if they act within the next couple of days, which they may do. One never knows however - they are such terrible lama ducks.

Sunday, January 17th.

Quiet day. Finished draft final agreement and covering letter and had an hour's skate. Saw no one save Poppy and dined alone with Fletcher. He received a note from Teal Tee in the afternoon saying that he T.T had been much impressed with T's conversation of the day before, and that he had had a conference with officials of the other boards. A memorial along the lines laid down by Fletcher would be said to be sent in within the next two or three days. Things are looking up.

Monday, January 18th.

Beno lunch here - had hockey in afternoon, the soldiers kicking us by 3 or 4 to nothing. Dined at French's with Liang Shih Yi and Yun C.K. Liang wanted to talk about the R.R. - said he had wished me to see Teal Tee and point out to him exactly what Fletcher had done so successfully, i.e., that the main thing was to get something definite that we could trade on. Later if it seemed advisable we could give up the Chin-Al and put a R.R. where we wished in case Japan and Russia agreed to the big project. He said that the memorial would go in on Thursday, covering the point. Teal Tee having been brought aroung by Fletcher's talk. I then urged him to give a clear cut Edict and not to complicate the thing by bringing in the big scheme, etc. that seemed to me unnecessarily risky. Liang
said that he would take this up.

Tuesday, January 18.

Hockey practice at noon, again at 4. Fletcher went to W.N.P. and reports 
that Liang understood about the necessity that that Edict of ratification should 
refer to the Chin-Hi R. only, and not bring in the larger scheme. He said that 
it would be sent up within a day or two. His man came on Monday to say the 
Memorial would go in on Thursday. Liang Shih Yi said the same thing. Dined at 
home.

Wednesday, January 19th.

Chin came in for a yap in the morning. He has the same story about the 
memorial going in on Thursday or Friday. He said that there would be no chance of 
discussing details until after the China New Year. We discussed plans 
for coal mines at Pel Piao and near Mergen. He said he would take the matter up 
with the Viceroy and let us know by wire, through Eng the Commissioner of F.A., 
now in Peking. I suggested that we could negotiate here and then when every 
thing was O.K. I go to Mukden to sign. Suggested the same thing as regards the 
detailed agreement for the main line. Mining proposition - loan at 6%, interest 
1st charge on revenues of mine which mortgaged under Imperial Edict - 50% of 
profits to administration 40% to Group - Am. engineer and materials.

Thursday, January 20th.

Word came in the morning that the memorial was from the 3 Boards 
approving the Act of Oct. 2nd. had been sent in. Nothing doing until afternoon 
when Tenney who had been scouting came back with the news that Liang said it was 
O.K. though he had not seen the Memorial approved. Lien Fang later told Tenney 
that he had seen it and that it was O.K. Fletcher, Harrison and I dined at Vincls 
where Margery, French Minister, told F. that he had heard that the Edict had been 
issued, we got our telegram off at about twelve, saying that we had been informed 
- nothing more - that details would follow. News from the south that was very 
welcome.

Friday, January 21st.

Nothing more definite till afternoon. when Fletcher saw Liang who showed 
him note which he proposed sending, stating that the Viceroy of Manchuria had 
memorialized etc., and that after the said memorial had been referred to the three 
Boards and embodied in a memorial by them it had been approved. The transaction 
does not seem a very clear cut one. Saw Yang at about 6 P.M. and attempted from him 
to secure a copy of the viceroy's memorial or at least that of the Three Boards. 
Unsuccessful. Adams and wife here at dinner, with Malcom, McConnell, Waller, 
Reaves and Sister and Chi. Fletcher had word from O'Brien that Japan had turned 
down the big proposition but would consider participation in the Kueichow road. It 
looks as if we'd pull the Edict out just in time. I sincerely hope that our 
people will have the guts to refuse Japan any participation in the R.R.

Saw Margerie in the afternoon and he hoped that the French bankers would 
get in on our loan.

Saturday, January 22nd.

Nothing much new today. Lunched with the Adams, Hillier came in and 
asked us to grant the B.E.C. participation in the Chin-Ai loan. He said that they 
gave that they'd been a little done in in the a/c of the Pakumen business. He 
said that under the tripartite agreement anything given the B.E.C. would also 
be divided with the French and Germans. He also on behalf of Vordes and St. Pierre 
suggested that we divide the loan in four parts. I answered that I could only refer 
the matter to New York, that participation of any could only be extended to 
financing as the construction was already provided for by contract. I also told 
Hillier that certain provisions had been made in the Preliminary Agreement which 
had recently been ratified by Imperial Edict, for the participation of other 
financial interests - such participation however, I told him could not under the 
form of the agreement be equal.

Sunday, January 23rd.

Fletcher received instructions from home to hobble the Wei Wu Pu by an 
interchange of other notes, more specifically referring to the agreement of October
2nd. This he managed to put through with Liang during the course of a general conversation about raising the customs tariffs and all manner of other things. Liang wondered that he hadn't been more specific in the first place. St. Pierre came in in the morning about the Hutsang protest owing to the Chinese having begun construction work. I refused to be party to any such thing until the Bankers came to an agreement. St. Pierre was not at all enthusiastic about participating in the Chinchou loan - said he doubted whether his Govt. would permit a loan where there was no chance of a return for French industry. He said that Millier had spoken without his authorization. Looks as if Millier had tried it out that he might go to the others and say - "Look what I did". If the E.A.C. had participation St. Pierre said, of course they would have to offer - as a part thereof to the French and Germans - the French however, were at liberty to take it or leave it as they wished.

Monday, January 24th.

Nothing doing. R.T. came to lunch and I did a lot of mail before five o'clock. Played hockey with the all British team and were beaten 5-0. They were much stronger than we. No further news about the U.S. or the Knox memo save that all the papers state that the Russians and Japanese have both refused to consider it - both pledge themselves anew to the open door. Japan declines because her acceptance would not benefit Japan who is already strictly adhering to the "Open Door," and is definitely committed to the integrity of China. Russia turns it down because acceptance would injure her "State and private interests."

Tuesday, January 25th.

I learned in morning that Khorostwets had authorized warne of the E.A.C. to telegraph that Russia would protest against the chin-ai. Fletcher saw Liang who told him that Khorostwets had told him that the line interested his Govt. very seriously, that its construction to the borders of the Amur province might be considered an unfriendly act. He then asked Liang what China would think of Russian participation. Liang very properly asked him what he meant - that Russia would protest or wanted to participate. Liang then told him that the entire thing had been placed in American hands - that he had not even notified the British of the ratification of the Preliminary Agreement, considering that the enterprise was American even though Russian was in it. That night I asked Khorostwets if his Government was going to protest. He said no, but that it was much interested. He then told me of his talk with Liang. He explained why the line interested Russia, crossed its railway, approached her frontier, and to a certain extent paralleled her Harbin-Kuangchengfu line. For that reason he thought we could understand how much the road interested his Govt. I admitted that. He then suggested that the Govt. or group approach the Russian Govt. to learn what could be done to satisfy their objections, which he said were very real - much more serious that he had anticipated. I said I didn't know what the Govt. would do. As far as I was concerned I could not recognize Russia's special interests by going to him. If he wished to participate he could make an offer which I was authorized and would be very glad to consider. He hemmed and hawed, finally agreed to see what could be done about getting Mosor or Jengchernsky up and agreed too that the question should be made commercial not political. I told him I was surprised that Russia had declined the big scheme. He pointed out the weakness of Vladivostock if the E.A.C. were neutralized even though the E.A.C. was also treated in the same way. Japs could attack Vladivostock from Korea. I recognized this. Then pointed out that in three or four years when the Chinchou-Aigun line was finished if the Russians sold out the E.A.C. to us on special conditions, they could easily make arrangements with China to transport troops if necessary, withdraw their railway guards and then make China do the same.

Wednesday, January 26th.

Nothing doing. Fletcher went to Tientsin. I attended the memorial service for the poor little Madame Ballew, dead in childbirth. Poor little thing - only nineteen. Her husband is mad. Finished second draft detailed agreement in the 24 hours to catch afternoon's mail. Nemo dined here.

Thursday, January 27th.

Called on Liang and complimented him - later cabling the situation. This evidently pleased him greatly - he told me of his conversation with Khorostwets.
how Korostewitsch had told him Russia would consider the Chih-hsien unfriendly and then asked if Russia could come in, stating that he understood that provision was made for the admission of friendly powers. He asked whether China considered Russia friendly or not. Liang said he had done so but since Russia considered China unfriendly in building the R.R. he didn't know what to think. He also told me of Liqun's conversation with Na Yung - in which Liqun apparently got little satisfaction. I was much impressed with the fact that the Chinese seem to have cast their lot in with us for the time being anyway. Liang wanted the Germans admitted to have seen words about the Mukung matter when he had told me of the perfidy of Albion - the British endeavours to encourage the guile to go ahead, dark hits by the Legation at the Yu Hsien Pa, etc. wished to take some action on a/c of the Chinchou Section C.W.M.B. advertisements. I told him nothing doing as far as I was concerned until the Bankers reached an agreement in Europe. Talked ice-free port with Liang. He thought that could be included in loan act. Coal mines also favorable. Discussed sank at some length and reached a sort of a general understanding. Now is the time to strike when we've got 'em on the run and before the Japs get their intrigues to work. Russian action seemed to trouble Liang a little. He also wondered what kow would do now that his project had been turned down. I suggested that we might take on a loan for the Chinese half of the Hsien-chung-hsiang M.K. He said he'd rather get the Russians in there, so I suggested that he might admit them for the Chinese half of the loan. He said he would in case R. would promise not to interfere with the Chih-ai line.

Millier came in in afternoon, stated that in suggesting equal division he had spoken under instructions from home and on behalf of colleagues. Wordey, whom I had seen just before going to Liang had been very bitter about British action and wished to protest to Chinese against the Chinchou section advertisements that have just appeared in the press. With Millier and St. Pierre a telegram was sent in this regard.

Friday, January 28th.

Worked hard at getting explanatory letter for draft agreement off. Took ride with Donald and Harrison out to south of city and then in the Hai Pien Hau. Had Skated for a brief time - Fletcher came back after his Faulkner case. Ohl came in in morning with Paris Herald issue of the 19th - had something about the "Harriman & H.K. Syndicate" having approached Japan in 1908 regarding neutralization - a project which at that time was turned down. As I had read Ohl a portion of Schiff's letter to Takashima about this subject, I feared he had used it. In figuring out dates however, we concluded that Ohl had sent the message on the basis of old knowledge before I read him the letter. Henceforth, these things must be noted. China's final reply to Fletcher's note asking if the edict of the 19th referred specifically to the agreement of October 2nd, came in this morning. Very satisfactory in its terms. Fletcher telegraphed it at once. New York message instructing non-committal attitude regarding participation B. & C., etc., said after being discussed with State Department.

Saturday, January 29th.

Called at Hao's at 10:00 A.M. Found him quite pleasant - a little anxious about the copy of Reuters telegram in the "Times" regarding the Chinchow line. Wondered what Japan and Russia were going to do. Seemed to feel a little I think that he had been stayed with, having more or less taken Fletcher's assurance that the Chih-ai was the first essential of the big scheme's success, as a promise that if the Chih-ai were approved the big scheme would go through. Stopped in to see French who read quotations from Erlanger's letter regarding R & S. Bank and Manchurian provincial loan, the unwillingness of the R & S. group to touch provincial securities, and the readiness of Erlanger to take 'em on. Then called on Teal Taw, who was affable indeed - asked a few questions about the R & S. and discussed the bank project in a general way. Replied that Manchuria must have money, but felt that a joint owner bank would be difficult owing to the presence of the Ta Ching which however, he said would not performance the functions of an agricultural bank. Did not attempt to go very far into details with him as
didn't want to commit myself on anything. Awful day - wind and dust. Bridge at de Frilles in afternoon. Dinner alone.

SUNDAY, FEBRUARY 20th.

Quiet. Walked on Shun Yien Fu in morning in order to pave way for building my wall in the spring time. Very cold. Stopped at house on return. ffrench came in for a belly ache - painted most of the afternoon save when bored by McCormick. Sketched a little and dined at home with Prather - no developments save a telegram from Sears asking for money.

MONDAY, JANUARY 31st.

Still nothing much doing. Cordes came in with the story of the Huakang complications, the memorial by the gentry through the Ta Ching Bank, and rescript referring same to D. of C. There seems little to be done. Teng came in after I had spent all yesterday and most of today waiting for him. He had nothing new to contribute. Dinner at M. Muller's for bridge club. Sargeries, de Frilles, Brembilles, Yourell, Fletcher, Harrison, Addison and I with Luxembourg who didn't contribute much. Very merry and bright. Thirty years old today. Telegram from princess - best of the day.

TUESDAY, FEBRUARY 1st.

Meeting of Bankers in afternoon - regarding the memorial from the Ta Ching bank and others, i.e. the Hupei and Huanan gentry, stating that they had funds in hand and asking for a concession to build the Hupel sections of Hankow Canton and Hankow-Szechuan H.K.'s. Cordes wanted to protest. St. Pierre was non-committal. Miller had little to say. A telegram stating facts was drafted in pointing out that failure to protest against Chinese action might probably result in the definite grant of a concession to native capitalists. I added that I believed it would be a mistake for us to protest. I then informed Cordes and St. Pierre of what I had said, stating that the American position was different from theirs. He claimed the right to furnish half funds in case Chins wanted to borrow foreign money.

Attached as were not parties to the contract of June 6th, though by advice the officials had been instructed to admit us thereto.

Dined at home after skating.
Friday, February 4th.

Fletcher was in before going to see Korostvetz. Fletcher also saw him - quieted him down a good deal and told him that the matter could be arranged with the Governments easily enough, that it was not a concession but merely a loan contract. Worked him up. He did not take up the attitude regarding the Portsmouth treaty that he had with me and apparently also with Ohl and french. Ohl came in and I gave him a little stuff about Blagovestchensk and Aigun, that the Russians were now afraid of the Chinese. F. went to F.C. and bid not see Liang but had word that he wished to see him and that both Russians and Japan had sent in notes saying that they wished to be consulted. Fletcher playing it very quietly and very well, not excited at all.

Saturday, February 5th.

Moved today: Plenty trouble. Stay at F.'s until the last things were sent away - then came over with the guardian and censors and had lunch and then got painted in my bath - very sticky for the Margerie dinner and dance.

Sunday, February 6th.

Lunched with Fletcher who dined here.

Monday, February 7th.


Tuesday, February 8th.

Addison at lunch, dined with Fletcher and went to Carnival. Good costumes.

Wednesday, February 9th.

Had Memocals and Max Shillars at lunch. Harrison too. Went to Ling Fu Bsu. Memocals, Harrison, Addison, Nation, Brasillias at dinner - good music after.

Thursday, February 10th.

Brasillias, St. Pierre, French at lunch. Rode for a short time and went to de Prilles, Margerie, and dined with Fletcher who was quite miserable, thus escaping dinner at the Brasillias Memocals - went in their after hours however and found the Brasillias still yapping.

Friday, February 11th.

Dr. Pinney, Memocals, Uills and Owens to lunch. Dined with Fletcher and Addison - de Prille coming in afterward to play bridge.

The situation now is apparently that Japan has offered to withdraw any objection to the road in case she be given such financial and material participation as may be agreed upon by the interested nations. This should precede a statement of Russia's requirements also and I believe that the British Govt. has played a foxy game in pacating both Japan and Russia in order to elicit a statement of their demands. This at least I hope has been the case. If so all is going well. French believes this to be the case. As to the Hukuang, an identical note will probably be sent in by British, French and Germans without us. The Chinese with whom I talked have been taking pretty well to cover about the Edict referring the matter to the Ku-chuan Fu.

Saturday, February 12th.

Spent most of the day preparing for advent of the H.T.'s, who came in on evening train. They dined here with Ohl, Tang, Yen, Mrs. Shillars is the limit. Geare turned up. Looked a nice lad, but had signs of a sportiveness that must be suppressed.

Sunday, February 13th.

Nothing doing. Fletcher at lunch. Visit over to the Fair. Geare came in, made good impression. Rode with the angry mob. Mr. Mrs. Brasillias, Mrs. Max Shillar, Mrs. Memocal, with Barnett tagging on. Finally shook 'em, and came back with Memocal only. Memocals and Fletcher with H.T.'s etc., here at dinner. A very small and disappointing home mail.

Monday, February 14th.

Saw French in the morning about letter from Tang, which written on behalf of the Viceroys requested us to come to Shanhaikwan to discuss the detailed agreement. Very satisfactory in the urgency of its tone. Fletcher also had a
message from Paddock stating that the viceroy wished to know when we would come to Mukden.

Tea flight at de Prilles for Miss Simpson, dinner with Mrs. R.T. at Stoelks. They are pleasant folk. Bad day getting Geare started along proper line.

Tuesday, February 15th.

French came in for a long talk, as usual, had a cable from Paulings which rather indefinite and unsatisfactory about the assurances of the British Govt. regarding support for the contract. Japanese demands were put. They want participation in finance, construction, engineers, materials, etc. and an engagement from China to build a connecting line with the S.E. such participation to be to the extent decided by the interested nations. Saw Liang at six.

He said Russian demands not yet in. Belly asked a good deal about the German American Chinese alliance, how he was to have gone to American and Europe to sound, after he had the proposals and how Yang, who wouldn't stay at Mukden, had been appointed in his stead. Discussed the Mucang a little, he thought the query from the French, Germans and British might have a good effect. Will probably ask whether an agreement has been reached in Europe. Dined at de Prilles. Very bored.

Wednesday, February 16th.

Lunched at Max Muller's, with Margettes and Ricketts, very bored. Dined at Max's - worse. Hollenberg, former German Ambassador at Washington was the honored guest, Margettes, Bredon, Phillips, Oliver, Putnam Wells, Urodas and members of German Legation. Awful but excellent dinner. Max is a supreme old pig. He's a damned fool - knows it and thinks that everyone else does. Wherein he is nearly right. Nothing new. Wired New York at length about the situation - that's all.

Thursday, February 17th.

Walked seven miles in the morning to work off Max's dinner which had been most excellent but horrid. Came back to find a long cable showing that New York had again failed to read my dispatches. Save them a good one in the afternoon.

Dined with Mrs. Max Muller, and discussed what we should do for the skidoo party. Dined at Fletcher's one mutual boredom, 0 French came around in afternoon but had nothing to contribute, save the usual hot air. Tashima came in as did Yang Kai Sun, the latter staying for some time.

Friday, February 18th.

Nothing doing - walked to Legation at noon, met Vincel who told me of Freemon's death of galloping pneumonia. Very sudden and sad. Fletcher had nothing to contribute. Dietrick of Steel Trust and White of Shefman, Torres here about an hour on M.R. business of new Corp.

Saturday, February 19th.

Went to Tientsin for a dance. Very good time. Stopped with Adams.

Dined at Mullers up from Shan.

Sunday, February 20th.

Tapped with Blakes.

Monday, February 21st.

Returned to Peking. Had midnight talk with Pratner.

Tuesday, February 22nd.

Busy with preparations. Dined at Fletcher with usual crowd.

Wednesday, February 23rd.

Had large dinner here. Stopped at 2:30 - quite a success.

Thursday, February 24th.


Friday, February 25th.

Entertained at dinner, - Prince Tsai Tao, Princes Pu Lun and Tsai Pu.

Liang run away, Hua Shih Chang and Tsai Tao dropped out at last minute. Han, Ijuin, Margettes, Kuswetz, Max Muller, Fletcher, de Prilles, Hollenberg, Korosetski, Max Muller, Fletcher, de Prilles, Hillier, Gordie St. Pierre, Whieltcr, Jostowsky - the Vice President of Wei Fu Pu, Yu Chuan Pu, with some of the under strappers such as Liang Shih Yi, Lin Yu Lin, Yu C.K. and Tong Kai Sun, with the American officers, Ohi and McCormick and the whole Legation
Staff, Bredon, Pirie, and Olson, altogether 52 people. It went off fairly well. Broke up at 2:20 A.M.

Saturday, February 26th.
Recovery, saw Jastrowsky, walked on wall, dined at home, went to Manocala for music and bridge.

Sunday, February 27th.
Saw Grinnell. Lunched in country with St. Pierre and Margerie, de Priller, etc. Dined at home.

Monday, February 28th.
Nothing new save that Chin turned up and we had a conference in the afternoon, with Backhouse, Grinnell, Chin, ffrench and myself. It was decided that Grinnell and Backhouse should not proceed to Mukden as had been arranged but that the construction contract should go up by Chin's messenger. Nothing else.

Tuesday, March 1st.
More conferences with ffrench. Home mail of considerable and welcome dimensions. Dined at Wohlberts, where Korostwetz was the chief guest. Ammon avoided him.

Wednesday, March 2nd.
Chin called in the afternoon but I did not see him. Some friction developing between ffrench and Grinnell. Dined at Margerie's after a hard day's work.

Thursday, March 3rd.

Friday, March 4th.
Chin and Tang came in morning. Handed them a draft agreement for mines. Letter from Viceroy regarding General Manager, and draft loan agreement. Will consult about it and then go to Mukden. If we are wary perhaps we can get this thing fixed up while the diplomatic smoke is blowing along. Dined alone. Long expected letter arrived.

Saturday, March 5th.
Tang and Chin lunched here and with ffrench and Backhouse and myself went through the loan agreements. Much more easy and satisfactory than I had dared hope. Dined at St. Pierre's.

Sunday, March 6th.

Monday, March 7th.
Hurried to get the mail off which was finally done - loan agt. - coal mines and letter to Group from Viceroy. These in English texts I later gave Tang whom I caught in the Mukden train. Vincis also left. Korostwetz called in the afternoon with his daughter. Told me Russian conditions and asked my views thereon. Told him it was another proposition altogether and could hardly be considered an alternative. Thought however, it might give us a chance to talk.

K. said the French and Germans were much interested in the project and British. Fletcher couldn't confirm this but said that the Japs were running around peeing on the Russian plan. It looks not unlike an attempt on the part of the trilateral to do us out of a railway. Schiff's speech came in through Heuter and should stir things up a little. Letter from George.

Tuesday, March 8th.
Nothing doing. Saw Wohlhart and gave him the same dope I had handed Korostwetz. Schiff's speech was causing some comment. Dined with Fletcher who had been at the Wu Pu but who had nothing to contribute therefrom save that umma was sitting tight which is the only thing for her to do under the circumstances.
Wednesday, March 9th.

Luncheon at the Willard. Fletcher, Addie, Harrison dined. Fletcher had a message from the Dept. in the afternoon suggesting a preliminary solution of the Mukden deadlock. U.S. and France making joint representations to England. U.S. to give up 100 contingent engineering sections. England to give sub-engineer on K.C. line. Went after words and Mt. Pierre to get them to bring pressure to bear. Hope we can close this up now.

Thursday, March 10th.

Met St. Pierre and Hillier about the new Mukden suggestion. Hillier didn't feel able to make any representations regarding the matter, nor Mt. Pierre at liberty to seek him to do so. The Germans however, will probably act with the French and ourselves. Went to a devil dance at Lama temple. Too much of a crowd to permit good spectacle. Foreigners very badly behaved. Lunched with the lama crowd. Dined at Jiuin's - a little cymics in asking Korostewitsch and Abrikosow to dine on the 5th anniversary of the entry of Japanese troops into Mukden. Max Mullers, Kucyski's, Barmette, Oliver, Luxburg and Whiflet present. Not so bad for we played bridge afterwards.

Friday, March 11th.

Nothing new. Had a boring dinner here with the Jeays, Warren and Holcomb, Mennon, Miss Ilitch, Stuart of the mines, Sears and myself.

Saturday, March 12th.

Fletcher had a department telegram stating Korkotseff's attitude of unalterable opposition to the Chihhoun line. Rather a bluff I think. Dined at the Luxembourg with Hargreaves, Max Mullers, Addison and Fletcher. When came in to say that the Viceroy's messenger would be in Vientien by the express on Monday morning.

Sunday, March 13th.

Rode in morning, went to Vientien by afternoon train. Sato, Mayor travelling down also. Looks suspicious.

Monday, March 14th.

Met Chen, Ohia and Tong in the morning at Chen's residence in Chinese city. Chen very nice fellow. Everything went off most satisfactorily. Had very few changes to suggest on loan agreement. Tried a bluff about substituting Peking Hankow procedure for contract construction. This we quickly exposed. Hope to get Viceroy to sign or at least initial almost immediately. Lunched with delegates. Returned with french and Walter Hillier, Miss Rambilla. Dined at Japanese Restaurant with Hudson and good show of its kind but a rotten kind.

Tuesday, March 15th.

The day in a long telegram. Houds, Hato and Ohl at lunch. Walk in afternoon, dinner at Luxembourg's with the German and Yuan Tai. Liun Heng and a man named Uheng who also goes with Tao Yeo to Europe and America. Music afterwards at de Milles.

Wednesday, March 16th.


Thursday, March 17th.

New Liang Shih Yi in morning after dawdling around his room for nearly an hour and a half. Never again. He's a swine of the first order. Walked to him about the Kalgass-Hulchow K.A. for which he said no foreign capital would be used just now. Most unsatisfactory interview. French lunch}}}
Mussia: I could go home and see what could be accomplished. He was still worried about what to answer to Mussia and Japan. He feared also our attitude towards China.

Friday, March 18th.

Had supper, talks and Uhl at lunch. Teng came in immediately afterwards with a long belly-ache as I had anticipated, what was the American going to do. Uhl could not move till he knew that. I told him that we should do business in Europe, but I feared not before. He will be back tomorrow night. Telegram came in from N.Y. with final instructions - go ahead. Fletcher, Sunday, Hemnick came to dinner - a lot of interesting Indian stories from the latter.

Saturday, March 19th.

Worked out the changes necessary in the agreement - had Adams and Fletcher at lunch, played polo, saw hockey cups away and dined at French's. Teng never turned up.

Sunday, March 20th.

Ride in morning, Lunched at Fletcher's with Nemo and Miss Hazeltine, called on Mrs. Holwill, bridge dinner at Harringers.

Thursday, March 24th.

Teng did not turn up again as promised and final instructions in from N.Y. and sent Backhouse to Tientsin to see what could be done before Teng went ahead to speak about the wheels. I think he is trying to do. Lunched with Nemo and had here, with Miss Worabet, Macomber F. Aycock, were at dinner. I am afraid would be a front was really quite a merry party.

Friday, March 25th.

Most beautiful morning. Had Hazeltine, Meyers, Nemo, Prater, Haigh, Ramsay, Addison at lunch. Played polo in a dust storm. Robinsons did not turn up as expected owing to steamer getting in late. Halted all dinner engagements pined alone with Fletcher and returned to find a note from French quoting Sirnall's telegram about Backhouse's interview with Directors, who found alterations satisfactory and who will submit same to viceroy.

Monday, March 26th.

Douglas Robinsons arrived by morning train, met at station by Fletcher. Nemo and self and Loo Yu Liu from the S.C. Lunched at Fletcher's. Did an auto ride in afternoon. Pined here - Hazeltine, Robinsons, Holcops, Nemo, Fletcher, Holcomb and walls and Loo Yu Ling - 14 - very merry and bright. Old Douglas rushed for Mrs. Hazeltine off her feet - she didn't know whether she was on her head or her toes. Broke up about 1:20.

Saturday, March 27th.

Most beautiful day at summer palace. Lunch furnished by Wai Wu Ru. Saw Oliver for few minutes who belly-ached about Custom's situation. Old Germans were trying to get a B.I.G. show Teng Uhi came in to see Fletcher - complained bitterly.
about British attitude — said they were not satisfied with Bredon's being in the Shin wa Chia, and had threatened that if the customs and other matters were not settled at once, they would not receive Yen Yoo. Fletcher told the Chinese to say that if this was the price of British hospitality they preferred that Yoo should not visit England. Stung.

Monday, March 26th.

All sorts of mix-up about things in general. Went through the winter palace with the Robinsons who came here to a very late lunch. Not a stroke of work all day. Dined at Harrison's and went afternoon to the dance at Ijina's. Quite merry and bright.

Tuesday, March 27th.

A little polo. After lunch at the memocals. Quiet dinner at home. No work this day.

Wednesday, March 28th.

Went with the Robinsons to lunch at the Margeries. Walk with Fletcher. Dinner and dance afterwards at the hotel, with a good deal of fooliness thrown in. Word from Backhouse about the Chin-Al negotiations. Fletcher saw Jordan who had had his talk a little and both of them talked to Korswets later like a father. W. thought that people in Petersburg might be willing to talk business and that I should go there.

Thursday, March 29th.

Polo in afternoon. Dinner here with Ahrends, friend of Bowitchin, Haseltine, Osh, officers. Range, very good party. No news save that Backhouse wired French that things were going satisfactory.

Friday, April 1st.

Large dinner here. Robinsons, Margeries, Bones, French, Frilles, Chien Teng, etc. Few complications all the time in Montez.

Saturday, April 2nd.

Dinner with Pa Lun. Word from the princess.

Sunday, April 3rd.

Quiet. Lunch at home. Dinner at Fletcher's. Negotiations are approaching the show-stoppers down stage.

Monday, April 4th.

Robinsons lunched here, went with Mrs. W. to Confucius temple and hall of classics. Had a splendid and helpful talk. They got away at 7:20. Pa Lun Lin and other r.o. people together with Hounds, venney and Peck down to see them off. A pleasant visit. Dined alone at home. French came in for a talk and stayed quite late. Things looking up a little.

Tuesday, April 5th.


Wednesday, April 6th.

Quiet. Telegram in from N.Y. which should enable us to close things up. Lunched with old wheelock at Campbells — called Ijinas, porters, Meyers. Dined alone at home. Mail of finality.

Thursday, April 7th.

Lunch at memocals with Liang Cheng and visitinhoff. Rotten polo. Bridge at margeries, dinner with mcCormick, allard and Fletcher, with wahl blowing in afterwards. Telegram through french from backhouse which was a little difficult to understand — looks encouraging however. Started to make arrangements for leaving, relying on either the 28th or 30th of the month. Begin really to feel as if I might get away.

Friday, April 8th.

Wahl, McCormick and allard lunched here, called at de frilles and had Korswets, vestors, wheelock, campbells, frenchs, romesters, umassie, pittsburgh, Fletcher, de frilles and memocals all together 17 at dinner. Quiet though not very successful as had too much dead wood to carry — french had wire from Backhouse indicating that the people down there are still playing the goat and trying to do hanky-panky with the loan. Told S. to tell them we'd break off negotiations if they continued.

Saturday, April 9th.
Same hectic correspondence with Backhouse, not getting much farther - harbour works and coal mines still dragging. Polo, but not very satisfactory. Tea at Margerises, dinner at home, a moment at de rillies, and then the Austrians for one dance. Yap with Fletcher and home.

Sunday, April 17th.

Wheelock and French at lunch. Old men had many interesting stories - about Gordon, one wunday and the Taiping days. Backhouse letter most encouraging. Things are looking up. Got my reply off in good time and hope that we may close up the whole affair this week. Fletcher's 27th birthday. He and Harrison dined here. Candles but not a very good party as he was in the W.W.

Monday, April 18th.

Things going well apparently. All save construction contract. Lunched with H.P.F. and Wallenburg and Lu Lum in for a short time. Called on Mrs. Ohl. McMillan, and Ku and dined with Brambilla going to French's afterwards to get the latest dope sheets.

Tuesday, April 19th.

Fine morning - had French and Mr. and Mrs. Moore - he just out from London and Constantinople to lunch. Filled him with the proper ideas as a starter. Dust storm came up - got out final drafts of agreement and letters. Saw Allen for a time, but played no polo. Dined with Hanson at the students mess.

Wednesday, April 20th.

Went to vienstien, saw Backhouse and Urinnell and then met the Directors. Went through Agreement and letters, everything O.K. except Backhouse letter regarding Harbour works, which should be unnecessary because contract thereof should be embodied in the construction contract and the letter regarding the disposal of loan funds which cannot be fixed until Urinnell closes. Came home and wired N.Y. for permission leave 29th. Went to club dance for a moment and then to de rillies where we met the Belgian special mission that has come to notify Reuntung and the ministro of the accession of the new King Albert. Chinese seemed good tempered. Ching is O.K. but chin and Yang are bad.

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afterward. Things getting more complicated in Tientsin. "French decided to go
down.

Wednesday, April 20th.

While, Hillard, wet try at lunch, called at Max Muller's about a con
tillation.
Met the friends with whom we hope to go to Liberia - had a long talk with the
Minister who is quite lost in his present surroundings, a regular fish out of water.
Dined with friends at the club, in honor of Fletcher's departure. Orders to whom I
sat next, talked about a Manchurian bank, and said in a very strange way that having
nothing to do, he was going to sell two Lo for a few days. I suspect hidden myself.

Thursday, April 21st.

Mixed up with most extraordinary performance this morning - one of those
strange human entanglements and strangely enough the second that has touched me.
Had Thomas and Hillard at lunch - a long talk that touched on the wrong
and cloud incidents, but skirted them only - about the Manchurian farming project,
etc. Bad polo. Telegram from New York which enabled me to reply that I was going
to leave. Telegram sent the Travellers. Better news from Virginia. A much
needed rain. Dinner with Mr. Lun who was very nice indeed as always. Team old
Kuei chum, chow. Peck and myself made the party.

Friday, April 22nd.

Saturday, April 23rd.

Roto match, won by the others.

Monday, April 25th.

Went to Tientsin and received conditionally, copy final agreement for
chun-ai, insisting that some arrangement be made re James and his contract re
which he had played the goat. Kondoitch and urene came on train at Tientsin.

Saturday, April 20th.

Left with 3 roads, 2 dogs, 3 birds, 1 maid. Madame Pastor, Fletcher, call
Novitch, Queen and Williams in 2 special cars. Chinese got on at Tientsin and rode
to Yungkin closing things up.

Wednesday, May 11th.

May reached Moscow. Night went Petersburg.

Thursday, May 12th.

Went on to Berlin at night.

Saturday, May 14th.

Reached Berlin in early morning. Fletcher came in later. We decided to
go to London with H.K. following day. Went to reception at embassy that night.

Sunday, May 15th.

Left Berlin with a grand saber with H.K. Spent most of the day in his
private car.

Monday, May 16th.

Fletcher, Mr. and Roosevelts all reached London in special train.

Tuesday, May 17th.

Busy.

Wednesday, May 18th.

Busy, but beat it this night for Milan.

Thursday, May 19th.

Paris.

Friday, May 20th.

Reached Milan in early morning - motored to Vertova in afternoon.

Saturday, May 21st.

Motored to Aosta, on Maggiora. Left at 5.

Sunday, May 22nd.


Monday, May 23rd.

Miami agreement signed. Dined with James, J.F.K., Jefferson, Urenfell
and noon.

Tuesday, May 24th.

Miami agreement signed. Lunch at Amiens. Left for Aix.

Wednesday, May 25th.

Aix all day. Left for Paris.

Thursday, May 26th.

Paris - left for London.
Friday, May 27th.
London - dined with J.P.H., J.M. Davison, stillman, miss Davison, 
orwell.
Saturday, May 28th.
Left at noon for steamer “Lusitania”.
Sunday, May 29th.
Queenstown.
Friday, June 3rd.
New York. Left at night for Ulvago.
Saturday, June 4th.
Ulvago. Night for N.Y.
Sunday, June 5th.
Morning with Davison in Long Island. Congressional townshinngton.
Eveing with Wilson.
Monday, June 6th.
Day at Weyt. Dined with atherline. Saw Secretary at nine. Left on 
night.
Tuesday, June 7th.
All day and busy one in N.Y.
Wednesday, June 8th.
Sailed at 9 A.M. on Lusitania.
Thursday, June 9th.
Reached London about midnight.
Tuesday, June 13th.
Day in London - night train for Paris.
Thursday, June 16th.
Friday, June 17th. 

Saturday, June 16th.

Lunch with Beatrice. Started for St. Petersburg.
Monday, June 20th.
Reached ship in afternoon.
Tuesday, June 21st.
Welled and saw aoostewiz.
Wednesday, June 22nd.
First interview with aokotseff.
Thursday, June 23rd.
Saw elite, minister commerce, Jewelsky and minister of war all in one 
afternoon.
Friday, June 25th, Saturday.

Saw krioghinoff, stolypin, minister R.M.'s and aokotseff again. Late 
at stolypins. Left at six. Kidston was a wonder.
Sunday, June 27th.
Reached London about eleven - telegraphed to Dorothy.

Sunday, July 4th.
Crosed channel.
Tuesday, July 5th.
Returned to London on night train. And the adventure with the lady in 
black.
Sunday, July 10th.
Arrived in Divonne.
Tuesday, July 12th.
Went to Uberhofen.
Wednesday, July 13th.
Spent day in Uberhofen.
Thursday, July 14th.
Returned to Divonne.
Tuesday, July 19th.
Back in London.
Saturday, July 23rd.
Dined in houseboat with Ulomans after seeing polo at Halseleigh. Reached railings late at night.

Sunday, July 24th.
Had telegram asking me to go home.

Tuesday, July 26th.
Bishcer arrived at 3 A.M. Started for Geneva at 11. Dined with George, Logan, Kermit, & rather and got quite tight.

Wednesday, July 27th.
Arrived at Aix. Motored to Ivonne.

Thursday, July 28th.
Motored to Chamonix. Telegram came authorizing me to go home. Had no code.

Friday, July 29th.
Back to Ivonne and left Geneva for Paris.

Saturday, July 30th.
Reached Paris 6:30 A.M. Left for Cherbourg at 9:50. Berbey and Miss Coolidge on train. Left from Paimpol also.

Sunday, July 31st.
At sea.

August 1st to August 6th.
At sea. A hell of a trip.

August 7th, Sunday.
Arrived in New York. Went to想了 Hiện, having never seen them before.

Spent the night. She was fine.

August 8th, Monday.
New York. Spent night at saalock point. Apple cart almost over.

Saturday, August 14th.
Oswego. I think.

Saturday, August 20th.
Went to Myers, at Hamilton.

Monday, August 22nd.
Saw the president.

Friday, August 26th.
Went to Herkimer.

Saturday and Sunday, August 27th and 28th.
Herkimer.

Monday, August 29th.
Herkimer.

Tuesday, August 30th.
New York again.

Thursday, September 1st.
Meeting of group. The showdown. Manchurian loan proposition came in in afternoon. Dictated memo re inter-bank combination and went off to redo.

Friday, September 2nd.
Inter-bank form accepted by old & & M. and all the group in conference.

Saturday, September 3rd.
Anox came to a. i. Met Schiff, Lavison and myself. Beat it for nonquitt.

Sunday, September 4th.
Nonquitt.

Monday, September 5th.
Rather hectic trip back to a.i.

Friday, September 9th.
Went to Griscoms in afternoon.

Saturday, September 10th.
Griscoms.

Sunday, September 11th.
Griscoms, I think.

Monday, September 12th.
Griscoms from early morning. The day before, the roosevelt-aft meeting.

Saturday, September 24th.
Sunday, September 25th.

Monday, September 26th.
Wilson came to a.i. with proposal for currency loan which group accepted.
Spent afternoon with Eavisson and reached Wilson at Waldorf late at night.

Tuesday, September 27th.
Met Eunice at Mr. Morgan's library.

Saturday, October 1st.
Lunch for Eunice in.

Sunday, October 2nd.
Coney Island. Alice Longworth.

Monday, October 3rd.
Miller came over with proposition merge currency and Manchuria loan.
Also accepted by group.

Saturday, October 8th and Sunday, October 9th.
H.P.W.'s.

Wednesday, October 12th.
H.P.W.'s again.

Thursday, October 14th.
The Princess returned. Met the Lusitania after dinner with Miss Astor followed by a taste of the Blue Bird.

Friday, October 14th to Wednesday, October 19th.
Westbury.

Thursday, October 20th.
Washington for last talk with Knox before starting.

Friday, October 21st.
Westbury.

Saturday, October 22nd.


Sunday, October 23rd.
Oswego. Dinner with Robertston in Syracuse.

Monday, October 24th.
Westbury.

Tuesday, October 25th.
Sailed with Willis. Old Davis - an Englishman named Bennett and a Mrs. something or other, sister of noyna whom I had known on Manch Maru.

Monday, October 26th.
Reached London. Went to Pagets.

Tuesday, November 2nd.
Opening inter-bank conference.

Wednesday, November 3rd.
Still conferring.

Thursday, November 4th.
Signed London agreement.

Friday, November 5th.
Paris. Dinner with Mrs. Lawrence and Martha Bacon.

Saturday, November 6th.
Lunch with Bob Bacon and Logan. Started for Petersburg.

Monday, November 7th.

Tuesday, November 8th.
Dined with Blooms. Started for Moscow.

Wednesday, November 9th.
Left for Peking. Fraser, Jordan, Hospiglisis, Hohler, Madame d'Alameda on train.

Wednesday, November 22nd.
Irkutsk.

The Willard Straight Papers at Cornell University
Sunday, November 27th.
Reached Peking.

Tuesday, November 29th.
First conference with Chin. Everything very bad.

Sunday, December 11th.
Dinner Plotto. Lunch Einstein. Had two hours confab with Minister.

Monday, December 12th.
Much mail. Dinner Margeries.

Tuesday, December 13th.
Chin came in. now. Dinner de Prilles. First inter-bank meeting re
Kanvu R.P. and talked concerning loan.

Wednesday, December 14th.
Minister saw Tazi Tee. Came back very discouraged. N.Y. telegram came in
Thursday, December 15th.
Chin called in. Minister said couldn't take adviser and would begin
programme for currency reform in spring whether made loan or not. Lunched with
Walbourn, working out telegram, which went off late at night.

Had three senators to dinner, who were most reasonable. Much impressed.
Hsu, Chao, and chin the viceroy's representative also a strange man.

No mail.

Friday, December 16th.
Nothing doing.

Saturday, December 17th.
Still nothing doing, save brief passage at arms with chin. Lunched at
Wei su Fu with show, ren and alfred sze.

Sunday, December 18th.
Quiet day. Still no mail. Very blue. Large farewell for french.

People bore me.

Monday, December 19th.
French left at 8:30. Should have dined with Aglen but stayed here
instead and worked with willis, then leave up to three A.M. on contract for

Wednesdy, December 11th.
Dinner pleto. Lunch Einstein. had two hours confab with UILSTER.

Thursday, December 12th.
Much mail. Dinner Margeries. Still no mail.

Called on when Tun rei at board of communications and talk of hook-
worm.

Friday, December 13rd.
W.K.Yun came in morning, sent detrell to see when about hookworm. Had
ijuin, Hanbara, houda and sze other sandallog at lunch with walbourn, Einstein, et
all. Skated, dined at walbourn and danced for a little while at the Utls. Dis-
covered that tripartite had signed loan for 2,000,000 Tyler with Hanking Vicery.

Saturday, December 14th.
Christmas eve at walbourn. Party foolishness. Edit out banging
Vicery of Manchuria and M Chihli for supporting agitation.

Sunday, December 15th.
Insigie at lunch, ride with Winston, 0.H. Berry, Marginal, willis. Dinner
alone here with willis. Minister received long wire. Feel like the devil. saw
Casenave who admitted tripartite section to be dammed rotten.

2600 ton cruiser to be built for China by N.Y.S.B. Co.
Insigie and others at lunch. Walbourn, etc.

Tuesday, December 10th.
Saw St. Pierre off. Telegram from group. Casenave, etc. at lunch.

Memorals for cake walk. Thought was dining alone but made faux pas with carter.
Dept. telegram in at Legation. Utter balls.

willis came in to say thought contract would be signed next day.

Wednesday, December 11th.
Conference with walbourn. Lunched with Japs and saw Hanbara, also
Pastor. Conference with minister on his telegram. Rehearsed cake walk at MARGARET
Margeries. Still no mail.

Saturday, December 17th.
Nothing doing.

Sunday, December 18th.
Mamie at lunch. ride with Calhoun, O.H. Bal7, renocal, willi •• 1)1 .......
alone here with willis. Minieter received long wire.. Feel l1ke the deTll.

People bore me.

Monday, December 19th. Convene who admitted tripartite section to be dammed rotten.
Monday, December 26th.

Liang Shih Yü called - about Hukuang. Also Merriman of Am. Trading Co.

Saw Calhoun's wire. Dept. has come around to our view. Calhoun has let me in by not giving me access to Dept.'s instructions to him.

Letter no. 22 out.

Tuesday, December 27th.

Worked all day with Calhoun on his memo. Summarizing Dept.'s instructions for Tsai Tso. He went with other Ministers to Wai Yu Pu to discuss Hukuang.

Apparently succeeded in getting rise out of Na Tung. Danced near walk at de Margaries.

Wednesday, December 28th.

Morning with Calhoun, argument with Einstein. Conference on Hukuang with Hillier, Casenave. Saw Calhoun again later. He had wired Dept. on functions of Hillier, Casenave, Saw Calhoun again later. He had wired Dept. on functions of Ewing adviser regarding funds for Manchurian industry. Is going to try to act on Dept.'s instructions and insist on adviser who must oppose expenditures. Brings it all back to original situation save that group must approve loan plan before purchasing bonds. Probably this means a rupture. Dined alone. Ting came in later and yapped.

Thursday, December 29th.

Conference of bankers re Hookworm at 12. Yuchuan Fu at 2, their minutes, etc., up to five. Nothing much doing. Shen Yun Fu who was there talking utter balls. Got a rise out of Cordes however. Then saw Minister, went to French Legation and dined with Einstein. Letter No. 24 out.

Friday, December 30th.

At Sheng's request called on Lum in morning and had interesting talk on currency loan. He apparently has let Chen do his damnedest and almost run the thing on the rocks and is now himself going to come forward to pull the enterprise out to a successful conclusion. He will do same it seems with Hookworm, when the time comes. Went on to give Minister the dope and met Putnam Weale. went to college dinner. a really remarkably successful gathering of Americans and Chinese.
END
of film
Please Rewind

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The Willard Straight Papers at Cornell University