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DOCUMENTARY HISTORY
OF THE
PEACE NEGOTIATIONS
BETWEEN
CHINA AND JAPAN,
MARCH-APRIL, 1895.

—
WITH TEXT

OF THE
TREATY OF PEACE.

—
OFFICIALLY REVISED.

—
2ND EDITION.

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MEMBERS
OF THE
CHINESE PEACE EMBASSY
TO
JAPAN.

MARCH—APRIL, 1895.



His Excellency LI HUNG-CHANG, Ambassador Plenipotentiary, Senior Tutor to the Heir Apparent, Senior Grand Secretary of State, Minister Superintendent of Trade for the Northern Ports of China, Viceroy of the Province of Chihli and Earl of the First Rank.

His Excellency LI CHING-FONG, Minister Plenipotentiary, Ex-Minister of the Diplomatic Service, of the Second Official Rank.

The Honourable JOHN W. FOSTER, Diplomatic Adviser.

Taotai, LO FÊNG-LUH, *Secretary.*

Taotai, MA KIE-TCHONG, *Secretary.*

Taotai, WU TING-FANG, *Secretary.*

W. N. PETHICK, *Secretary.*

J. B. HENDERSON, JR., *Private Secretary to MR. FOSTER.*

Doctor LIN LUEN-FEI, *Viceroy's Physician.*

Doctor DEPASSE, *Medical Attaché.*

CHANG LIU, *Attaché.*

LIAO PIN-CHÜ, *Attaché.*

LIU YUNG-MING, *Interpreter of Japanese.*

LO KENG-LING, *Interpreter of Japanese.*

TAO TA-CHÜN, *Interpreter of Japanese.*

DOCUMENTARY HISTORY OF THE PEACE NEGOTIATIONS

BETWEEN

CHINA AND JAPAN.

WITH THE TEXT OF THE TREATY OF PEACE.

Telegram from Japanese Government to Chinese Government.

COMMUNICATED THROUGH U. S. LEGATION.
Tokio, February 17th, 1895.

THE JAPANESE GOVERNMENT declare that the despatch to Japan of another Chinese Peace Mission will be wholly useless unless, besides the payment of a war indemnity and the admission of the complete independence of Corea, the Chinese Plenipotentiaries come prepared to negotiate under full powers upon the basis of the cession of territory as a consequence of war and an agreement to conclude definite treaties for the regulation of future intercourse. There are other questions of less importance which will also require adjustment. The Japanese Government reserve to themselves any additional demands which may in their judgment be either necessary or desirable.

Telegram from Chinese Government to Japanese Government.

Peking, February 23rd, 1895.

(Abstract).— Announces appointment of Viceroy Li Hung-chang as Plenipotentiary, with full powers to negotiate a Treaty in accordance with the terms indicated in the telegram of February 17th, 1895, from the Japanese Government; sends text of Letters Patent, and asks that the place of meeting be named. Also requests that the privilege of telegraphic communication in cipher with his Government, refused by Japan to the last Chinese Plenipotentiary, be accorded to the present one.

Telegram from Japanese Government to Chinese Government.

Tokio, March 1st, 1895.

The place of meeting will be Shimonoseki. After the full powers of the Chinese Plenipotentiary have been presented and found to be in good and due form, the Japanese Government will permit Chinese Plenipotentiary to communicate with his Government in cipher. Upon receipt of a copy of the Chinese text of the Letters Patent, the Japanese Government will arrange the date of meeting of the Plenipotentiaries.

Letters Patent from Emperor of China to His Plenipotentiary, Li Hung-chang.

(Translation).

Peking, March 3rd, 1895.

The Emperor of China proclaims these Letters Patent by Imperial Authority.

Being desirous of re-establishing sincere relations of friendship with the Emperor of Japan, We specially appoint Li Hung-chang, Earl of the First Rank, Senior Grand Secretary of State, Viceroy of the Province of Chihli and Minister Superintendent of Trade for the Northern Ports, as Our Ambassador with Full Powers to confer with the Plenipotentiaries with Full Powers appointed by Japan, and to conjointly negotiate with them and act as circumstances may require. He has Full Powers to settle the terms of a Treaty of Peace and to sign and seal the same.

The said Ambassador is a public-spirited and loyal officer to his country. During his previous



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The Ambassador Plenipotentiary has been clothed with full powers to negotiate and sign a Treaty of lasting peace and friendship. He is animated by a sincere desire to effect the object of his high mission, and he feels that it is an important preliminary to successful negotiations that an agreement be made for an Armistice.

Terms of Armistice demanded by Japan.

Shimonoseki, March 21st, 1895.

The Plenipotentiaries of His Majesty the Emperor of Japan can not regard the conclusion of an armistice as an essential prerequisite to successful negotiations for peace at this distance from the seat of all warlike operations. Nevertheless they will consent to a suspension of hostilities upon conditions that will guarantee an equality of benefit to the two Powers.

Having in view the actual military situation as well as the relative consequences of an interruption of warlike operations, the Imperial Japanese Plenipotentiaries announce as such conditions, the occupation by Japanese Troops of Taku, Tientsin and Shan-hai-kuan as well as the Fortresses and Fortifications at those places; the surrender by the Chinese Forces at those places of all arms and munitions of war; the control by the Japanese Military Authorities of the Railway between Tientsin and Shan-hai-kuan, and the payment by China of a war contribution, commensurate in amount with the length of the armistice.

If these conditions are acceded to, the time when the armistice is to take effect, its duration, the lines of demarcation between the Japanese and Chinese armies and other details may be at once elaborated.

In view of the present answer of the Imperial Japanese Plenipotentiaries, and in order to prevent any future misunderstanding, it would seem to be important to point out that the reply made by the Imperial Government of Japan to the earlier proposition of the Chinese Government for an armistice, does not bear the exact significance attached to it by His Excellency the Plenipotentiary of His Majesty the Emperor of China. The words employed on the occasion by the Government of Japan were as follows:

"The conditions of an armistice, in the event the Japanese Government should conclude to grant one, will be made known at the meeting of the Plenipotentiaries."

China refuses Japan's terms of Armistice.

Shimonoseki, March 24th, 1895.

The Ambassador Plenipotentiary of His Majesty the Emperor of China regrets that the conditions of armistice, as contained in the memorandum of the Plenipotentiaries of His Majesty the Emperor of Japan, are of such a character that it is not possible for him to accept them.

Having come to Japan to ask for peace and with a sincere desire for its attainment, he feels that the suspension of hostilities for a brief period during the negotiations, as proposed in his memorandum of the twentieth instant, would be alike honourable to and consistent with the interests of both countries.

Notwithstanding his failure to secure the acquiescence of the Plenipotentiaries of His Majesty the Emperor of Japan in a proposal which he regards as both reasonable in its terms and sustained by international practice, he will continue unabated his efforts to bring the negotiations to a successful issue.

Attempt to assassinate Chinese Plenipotentiary.

TELEGRAM FROM CHINESE EMBASSY TO
PEKING GOVERNMENT.

Shimonoseki, March 24th, 1895.

At 3 o'clock this afternoon Viceroy met Japanese Plenipotentiaries about armistice; was told of intention to attack Formosa. Returning through street in his sedan chair at 4 o'clock he was fired at by a Japanese in citizen dress and was struck by a bullet from 32 calibre revolver. Only one shot was fired. Assassin ran into a shop and was there arrested by police. Bullet entered left cheek one inch under eye which is uninjured. Viceroy attended by his own two doctors and Japanese army surgeons. They probed wound and searched for bullet but failed to find it and will renew search shortly. Wound serious but not necessarily fatal. Viceroy shows great fortitude, converses freely with clear mind and insists on attending to public business. Emperor has sent his doctors from Hiroshima. Count Ito and Viscount Mutsu called to express regret. Order preserved by military and police. Viceroy now resting quietly.

Details from members of Embassy.

The Viceroy was shot while in his sedan chair as it was turning from the main street into the short avenue leading to the temple occupied by the Embassy. The assassin stood amongst the spectators who lined the streets; he suddenly stepped forward, drew a revolver from his sleeve, fired at Viceroy at a distance of six feet and then fled, followed by police. He rushed into a shop where he was secured after a struggle. The revolver taken from him had one empty shell and four unexploded cartridges in its chambers. At the time, the Viceroy was wearing gold-rimmed spectacles and had lowered them slightly to look before him over the glasses. The bullet shattered the left glass without touching its metal rim, and penetrated deep into the head under the left eye. Many fragments of glass were found in his clothing and chair, but luckily none entered the eye or wound.

In the confusion which ensued the chair bearers stopped, panic-stricken, but were soon urged on by the Japanese police, who drew swords and charged the excited mob. The chair was hurried to the temple, and police cleared the streets.

The Viceroy afterward said that he had not particularly observed the assassin, but had a confused recollection of seeing a man step forward and level a pistol a few feet off, and at the same moment he heard a report and felt a sudden pain in his left cheek. Raising his hand to his face he found a bleeding wound behind the empty frame of his spectacles; he pressed his handkerchief to the wound but soon felt faint and, his hand dropping, blood streamed down his face, jacket and robe. On reaching the temple he was nearly unconscious, and was carried to his room and placed on a sofa. Doctors Lin and Depasse soon arrived and found the wound bleeding freely. Whilst they were preparing to check the bleeding a handkerchief applied was soon soaked with blood. When bleeding had been stopped the wound was bandaged and the Viceroy allowed to rest for a while before probing for the bullet was begun.

Several Japanese doctors and hospital assistants had now arrived in hot haste. The hitherto quiet temple had become the centre of alarm and excitement, its corridors filled with Japanese officials hurrying to and fro or waiting anxiously in whispering groups for news from the sick chamber. The Japanese Plenipotentiaries, who had parted with the Viceroy shortly

before, now came and with marked agitation expressed their horror at the deed and sympathy for its victim. Local officials, civil and military, followed with profuse assurances of regret.

The Viceroy's staff were assembled in his room and servants formed a sorrowful throng in verandah and courtyard. All were dreading the worst, for by this time it was known that the wound was deep and that the doctors had failed in their first exploration for the bullet. Without, a strong force of police surrounded the temple guarding all approaches; in the town martial law was proclaimed and the streets were patrolled by troops; but it was several days before the extent of the design upon the Viceroy's life was understood and fear of a formidable outbreak dismissed. The Governor and Chief of Police were removed from office; the police force was largely increased, and a distressingly minute search was made of the person and baggage of every passenger entering the town by sea or land.

On the second day the Emperor's physician and two Army Surgeons-general came by Imperial command to offer their services; each of them in turn examined and probed the wound long and carefully, but with no better success than the Viceroy's own doctors had met with—the bullet was not to be found.

On the third day the question whether or not the wound was mortal being undecided, the five physicians held a consultation as to the advisability of an operation to reach the bullet without incurring risk from further delay. It was decided to wait further developments; age, nervous shock and exhaustion from loss of blood were ranged against the possible success of a long, painful, surgical operation, and in the end this decision was justified, as no bad symptoms supervened, the wound healed kindly and the patient steadily gained strength. On being asked if he was willing to submit to an operation attended with some risk and certain to require long and absolute rest to heal, the Viceroy said that he would prefer to forego the operation and take his chance of life as he was, for the present crisis in the life of China required him to lose no time in arranging for peace. The day after the murderous attack he noticed the bloodstained robe he had worn, and when some one remarked to the Viceroy that this blood had been shed for his country his eyes filled with tears and he said with emotion "I would give my life also if that would avail anything."

Very gloomy and threatening were those days of suspense to the helpless Viceroy and his followers. The cause of China seemed hopeless indeed; her Envoy the victim of an assassin; her triumphant foe refusing to stay the sword while discussing peace; a new army about to embark against China; Japan frenzied for conquest; humiliating conditions demanded as the price of peace, and even those yielded grudgingly.

This cheerless outlook preyed upon the Viceroy's mind and retarded his recovery; yet though sick at heart he bore up bravely, made light of his wound and drove his doctors to the verge of despair by his ceaseless activity of mind and disregard of personal comfort.

The balm of Armistice, the first real harbinger of peace, which the Japanese Government hastened to pour upon the Viceroy's wound, did far more for the cure of his weightier sorrow than the ministrations of his physicians. The better nature of the Japanese people asserted itself and bore fruit in this and in the modified conditions of the Treaty. The aged Viceroy on his couch was to them a type of his unfortunate country and they were, for the time, touched by a feeling of compassion and perhaps also by some compunctions of conscience. The cause of the weak had at length found an eloquent exponent in the "dumb mouth" of this grievous wound.

Much might be told of interesting incidents crowded within that eventful month; of hopes and fears; pleasures and disappointments; constant strain of excitement or of work, day and night, with the Viceroy himself, an example in spirit and energy to all of his staff, undismayed by calamities, regardless of his own ease and hopeful of the future,—but enough has been said to depict the character of a strong man when battling against a sea of troubles.

Trial and sentence of the assassin.

DECISION IN COURT OF PRELIMINARY EXAMINATION.

Koyama Rokunosuke, real name Koyama Toyotaro, born on the 9th day of the 2nd month of the 2nd year of Meiji (1869), a *Heimin* without profession, resident at No. 32, Oshimamura popularly called Oshima, Ouragun, Gumma prefecture, having been examined at the request of the Public Procurator on the charge of unconsummated murder pre-

ferred against him, the Court finds: The defendant believed that the troubles which broke out between China and Korea (?) at the end of last year, which eventually led to the outbreak of hostilities between Japan and China, were due to the action of Viceroy Li, Minister of State and Viceroy of Chihli, and that the peace of the Orient could not be permanently restored without killing him. The defendant wished to proceed to China for the purpose of murdering the Viceroy, but the circumstances of the time did not allow him to carry out his object. Hearing, however, that Li was coming over to Akamagaseki city of Yamaguchi prefecture as Peace Envoy during the current month, he thought the opportunity should not be lost, and formed a decision to murder him. On the 11th March he purchased a revolver at the store of Kanamaru Kenjiro, Yokohama, a town in Kanagawa prefecture, and left Tokyo on the afternoon of the 12th instant, proceeding overland, and arrived at Akamagaseki on the 24th instant, and at about 4.10 p.m. the same day he fired the revolver, aiming at the breast of Chinese Envoy from outside his palanquin, at Sotohamacho, Akamagaseki city. He, however, missed his aim and the bullet struck Li about one centimetre below the middle of the left eye's orbit and he thus failed to put into effect his murderous intention.

The proof being sufficient for the facts above cited, the act of defendant is considered to be a high crime to which the provision of Arts. 292, 112, 113 of the Penal Code are applicable, and the case is submitted for open trial at the Yamaguchi District Court, according to Art. 168 of the Code of Criminal Procedure.

Defendant may protest against this decision within three days from the day on which the text of it was delivered to him.

(Signed) Judge Toyama Yoshimata,
in charge of Preliminary Examination.

(Signed) Nanisawa Kimpei,
Clerk of the Court.

Akamagaseki branch of Yamaguchi District Court, 25th March, 1895.

SENTENCE IN DISTRICT COURT.

In the case of Koyama Toyotaro, *Heimin* of Oura District, Oshima Division, Gumma Prefecture.

In consequence of the finding of the Tribunal of Examination in the case of the above Toyotaro

charged with a crime of unaccomplished murder, the case has been duly heard and the depositions taken. It appears that the said Toyotaro, believing that the rupture between this empire and China and the War that followed, were due to the unfortunate policy of the Viceroy Li Hung-chang (here follow Li's titles), and that unless the said Viceroy's life were brought to an end, the peace of Eastern Asia could not be preserved for any lengthened period; and learning further that the said Viceroy, by order of his Sovereign, was about to visit this empire and conduct negotiations for peace at Akamagaseki in Yamaguchi Prefecture, determined to kill him there; and with that purpose, on the 11th day of the 3rd month of the 28th year of *Meiji*, purchased from one Kanamaru Kenjiro, in Yokohama, Kanagawa Prefecture, a five-chambered pistol and some ammunition and set out from Tokyo on the 12th day of the same month, travelling overland to Akamagaseki, which place he reached on the 24th of the same month; and, watching his opportunity, at about 4.40 p.m. on the same day, encountered the said Viceroy riding in a palanquin in Sotohama-cho of the same town, took aim at his heart and fired at him with the said five-chambered pistol, striking him at a point about one centimetre centrally below the hollow of his left eye, but not inflicting a mortal wound.

The above facts are fully established by the said Toyotaro's confession, by the statements elicited at his examination before the Tribunal of Examination, by the testimony of 1st class Gendarme Abe Tsunejiro, and 2nd class Assistant-Surgeon Kuroda Nobuchika, and by the pistol and ammunition. The Criminal Code (here follows recital by Articles) provides that in a case where the killing of a man is premeditated and the crime is carried to perpetration, but owing to some unexpected miscarriage is not consummated, the punishment of death shall be reduced by one degree, the weapon shall be confiscated and the other articles taken from the culprit shall be returned to him;

Therefore, the said Koyama Toyotaro is hereby sentenced to penal servitude for life; the pistol and ammunition found on his person are confiscated, and the other articles taken from him are restored.

(Dated) 30th day of 3rd month of 28th year of *Meiji*.

(Signed) Here follow signatures of three Judges, and a Clerk of Yamaguchi Local Court.

In the Public Hall of Justice of the Yamaguchi Local Court, in the presence of Public Procurator Kurobe Chimpei.—*Japan Mail*.

Imperial Rescript from Emperor of Japan, communicated to Chinese Plenipotentiary.

Hiroshima, March 26th, 1895.

IMPERIAL RESCRIPT.—China is now in a state of war with Our country, but as she has sent Us in due observance of etiquette and forms an Ambassador for the conclusion of peace, We have named our Plenipotentiaries and instructed them to meet and negotiate with him at Shimonoseki. It being thus incumbent upon Us in pursuance of international usage to extend to the Chinese Ambassador a treatment consistent with the national honour and accord him sufficient escort and protection, We issued particular orders to Our functionaries to do their utmost in these respects; it is therefore matter for Our most profound grief and regret that there should have been a ruffian base enough to inflict any personal injury upon the Chinese Ambassador. As to the culprit, he shall be sentenced by Our officials to the severest punishment provided by law. We hereby order Our officials and subjects to pay respect to Our wish and preserve the glory of the country from degradation by strictly providing against the recurrence of such deeds of violence and lawlessness.

His Imperial Majesty's Sign Manual.
Countersigned by all the Ministers of State

Some of Numerous expressions of Sympathy in Japan.

It is interesting to read how the news of the Shimonoseki affair was received by the Cabinet Ministers of Japan or by others of equal importance. It is said that when the intelligence reached the Premier, who had parted with the unfortunate Chinese Plenipotentiary only a few minutes before the occurrence of that regrettable incident, he became highly indignant, and exclaimed to those around him that had the culprit been dissatisfied with the negotiations, he should have shot him, the Premier, not the Chinese Envoy. For did not the issue of the negotiations depend almost entirely upon the Japanese Plenipotentiaries who were in a position to dictate terms of peace, and not upon the Chinese Envoy, who was a suppliant for peace? The Premier then hastened to call upon the wounded

Ambassador, and returning from the latter's residence, said, with profound dejection, that though the affair was simply the act of a fanatical individual, the stain inflicted upon the nation's honour and reputation would assuredly be great. Had the bullet entered Count Ito's body and not that of the Viceroy Li, the matter would have been comparatively trivial, for the death of the Premier under such circumstances would inflict no particular loss on Japan.

When the news was telegraphed to Field-Marshal Count Yamagata, Minister of State for War, he happened to be in his study perusing some important documents. The telegram at once plunged him into the greatest sorrow and indignation. He hurriedly rose from his desk, and cried out in a voice choked with anger:—"The scoundrel has undone the great achievements of the nation." He then called for his carriage and proceeded to Headquarters. On receipt of the news Viscount Kabayama, Commander-in-chief of the Navy, left his hotel in haste for Headquarters, and when he came back he seemed to be harassed with painful thoughts, for he sat up all night absorbed in meditation. We take these details from the vernacular press.—*Japan Mail*.

TELEGRAMS.

From H. E. Sannojiya, Vice Grand Master of Ceremonies, Imperial Household:

My sincerest sympathy for the lamentable accident and earnest hope for speedy recovery.

From H. E. Yoshimoto, Vice Minister Imperial Household:

Deep sympathy for sad event and hope early recovery.

From H. E. Otori, Privy Councillor:

Deeply regret to learn the news of the unfortunate accident and hope for your speedy recovery.

From H. E. Hiromoto, Member of Parliament of Peers:

My cordial sympathy for yesterday's accident.

From H. E. Jutaro, Foreign Office:

Sincerely regret to learn the news of the most deplorable accident.

From H. E. Enomotto, President Asiatic Society:

Accept our heartfelt sympathy and wish speedy recovery.

From President of Produce Exchange, Hakodate:

Our sincere condolence to Your Excellency.

REPLY TO AN ADDRESS FROM "ALL CHRISTIANS IN THE CITY OF NAGOYA, JAPAN."

Shimonoseki, April 7th, 1895.

Hatanoshin Yamaka, Esquire,

Nagoya,

Japan.

Dear Sir,

My father has directed me to write the following, dictated from his bed, in reply to your Address to him, dated the 29th day of 3rd month of 28th year of Meiji, on behalf of the Christians of Nagoya.

He is deeply moved by the sentiments of kindly solicitude for his welfare expressed in your Address, and feels that the prayers you have offered for his recovery cannot have been unheeded by the Power who controls human destinies. He feels that his escape from sudden death was little short of miraculous, for his assailant sought his life and missed taking it by a fraction of an inch.

He believes that his life has been spared to him for some wise purpose beyond the capacity of man to fathom; but he will venture to interpret his good fortune as an indication that his life's work is not yet complete; that he may yet do some good in the world, and perhaps render service to his country by endeavouring to restore peace and good will where strife now prevails.

He will be encouraged in his efforts by his belief in the continued sympathy you so kindly promise; and he begs you to thank, in his name, all the kind friends who have united with you in this touching expression of a benevolent feeling which has no limit of nationality.

His Excellency sends his regards to all and his sincere wishes for your health and happiness.

Your obedient servant,

Li Ching-fong.

Viceroy's son appointed Plenipotentiary.

An Imperial Decree, telegraphed from Peking to Shimonoseki April 6th 1895, appointed the Viceroy's son, Li Ching-fong, who accompanied his father on this Mission, Plenipotentiary to assist in the negotiations, and from this time until Viceroy's recovery he attended the conferences in place of his father.

**Japan offers unconditional Armistice as
amends for the outrage upon
Chinese Plenipotentiary.**

MEMORANDUM FROM VISCOUNT MUTSU.

Shimonoseki, March 28th, 1895.

His Imperial Majesty, in view of the deplorable occurrence of the 24th instant, which I need scarcely assure Your Excellency occasioned His Majesty deep grief, has commanded His Plenipotentiaries now to consent to an unconditional armistice for a definite period and within certain defined limits, which was at first denied by the Imperial Japanese Government.

My Colleague, Count Ito, as Your Excellency is aware, is now absent from Shimonoseki, but I shall be prepared, at any time which may be convenient to Your Excellency, to enter upon an examination and adjustment of the necessary details, with a view to the early conclusion of a convention of armistice.

Convention of Armistice.

Made at Shimonoseki, March 30th, 1895.

His Majesty the Emperor of Japan, having, in view of the untoward event which temporarily interrupted the depending negotiations for peace, commanded His Plenipotentiaries to consent to a temporary armistice:

The undersigned Li Hung-chang, Plenipotentiary of His Majesty the Emperor of China, Senior Tutor to the Heir Apparent, Senior Grand Secretary of State, Minister Superintendent of Trade for the Northern Ports of China, Viceroy of the Province of Chihli and Earl of the First Rank; and Count Ito Hirobumi, Junii, Grand Cross of the Imperial Order of Paulownia, Minister President of State, and Viscount Mutsu Munemitsu, Junii, First Class of the Imperial Order of the Sacred Treasure, Minister of State for Foreign Affairs, the Plenipotentiaries of His Majesty the Emperor of Japan, have concluded the following convention of Armistice:—

ARTICLE I.

The Imperial Governments of China and Japan agree to enforce an armistice between their respective military and naval forces in the Provinces of Fêng-tien, Chihli and Shantung, subject to the provisions contained in the following articles:

ARTICLE II.

The Forces affected by this Armistice shall have the right to maintain the positions respectively occupied by them at the time hostilities are actually suspended, but they shall not under any circumstance during the existence of this Armistice advance beyond such positions.

ARTICLE III.

The two Governments engage during the existence of this Convention not to extend, perfect or advance their attacking works or to re-inforce or in anywise to strengthen, either for offensive or defensive operations, their confronting military lines. But this engagement shall not prevent either Government from making any new distribution or arrangement of troops not intended to augment or strengthen the armies now actually in the field and engaged in military operations.

ARTICLE IV.

The movement of troops, and the transportation of military supplies and all other contraband of war by sea shall be subject to the ordinary rules of war and shall consequently be liable to hostile capture.

ARTICLE V.

This Armistice shall be enforced by the Imperial Governments of China and Japan for the period of 21 days from the date of the signature of this Convention.

In those localities occupied by the troops of the two Governments to which there is no telegraphic communication, the quickest possible means shall be employed in issuing the orders for the armistice and the respective Commanders of the two countries shall, upon the receipt of such orders, announce the fact to each other and take steps to enforce the armistice.

ARTICLE VI.

This Armistice shall terminate without notice on either side, at mid-day on the 26th day of the 3rd month of the 21st year of Kuang Hsü, corresponding to the 20th day of the 4th month of the 28th year of Meiji. (April 20th, 1895). If in the meantime the depending negotiations for peace are broken off, this Armistice shall in that case terminate at the same time such negotiations cease.

In witness whereof the Plenipotentiaries of China and Japan have hereunto set their hands and affixed their seals.

Done at Shimonoseki, Japan, this 5th day of the 3rd month of the 21st year of Kuang Hsü, corresponding to the 30th day of the 3rd month of the 28th year of Meiji. (March 30th, 1895).

LI HUNG-CHANG. (L.S.)

Plenipotentiary of His Majesty the Emperor of China, Senior Tutor of the Heir Apparent, Senior Grand Secretary of State, Minister Superintendent of Trade for the Northern Ports of China, Viceroy of the Province of Chihli and Earl of the First Rank.

COUNT ITO HIROBUMI. (L.S.)

Junii, Grand Cross of the Imperial Order of Paulownia, Minister President of State, Plenipotentiary of His Majesty the Emperor of Japan.

VISCOUNT MUTSU MUNEMITSU. (L.S.)

Junii, First Class of the Imperial Order of the Sacred Treasure, Minister of State for Foreign Affairs, Plenipotentiary of His Majesty the Emperor of Japan.

Peace negotiations resumed.

JAPAN ASKED TO STATE HER FULL TERMS OF PEACE.

Shimonoseki, March 24th, 1895.

Their Excellencies

The Plenipotentiaries of His Majesty
The Emperor of Japan.

Excellencies,

I regret to have to inform Your Excellencies that owing to the lamentable event which occurred when I was returning from the conference this afternoon, it will not be possible for me to attend in person the conference fixed for to-morrow at ten o'clock a.m.

I have, therefore, to inform Your Excellencies that Li Ching-fong will, by my direction, wait upon Your Excellencies at the appointed hour above named, and I have to request Your Excellencies to hand to Li Ching-fong for delivery to me, the Memorandum containing the conditions of peace as proposed by Japan, and which Your Excellencies promised to deliver to me at that time.

I need hardly assure Your Excellencies that I will give to the promised Memorandum my prompt and careful attention, and I hope that within a brief period I shall be able to resume the conferences with Your Excellencies.

I renew to Your Excellencies the assurance of my distinguished consideration.

Li Hung-chang,
Ambassador Plenipotentiary of
His Majesty the Emperor of China.

Japan delays stating Terms of Peace.

Shimonoseki, March 25th, 1895.

His Excellency the Plenipotentiary of

His Majesty the Emperor of China.

Excellency,

We had the honour to receive your Excellency's note of yesterday, in which, owing to the lamentable event which prevents Your Excellency from attending the conference appointed for this morning, Your Excellency requests us to hand to Councillor Li, for delivery to Your Excellency, the memorandum containing the conditions of peace proposed by Japan.

Immediately upon learning of the deplorable incident which gave rise to Your Excellency's request, we both called at Your Excellency's residence to make enquiries regarding Your Excellency's condition, and to express our deep sorrow at the cruel and wanton attack upon Your Excellency.

We can assure Your Excellency that the sentiments we expressed on that occasion are shared by the whole Empire of Japan.

We shall, in deference to Your Excellency's request, communicate with Councillor Li regarding the depending negotiations, but the necessity of reporting to His Imperial Majesty, in the first place, the circumstances attending the regrettable occurrence of which Your Excellency was the victim, will render some little delay indispensable. As soon, therefore, as we are able to make any communication on the subject, we shall at once acquaint Councillor Li of the fact.

Again tendering to Your Excellency an expression of our deep regret at the painful event, we beg to assure Your Excellency of our distinguished consideration.

Count Ito Hirobumi,

Viscount Mutsu Munemitsu,

His Imperial Majesty's Plenipotentiaries.

Waiting and suffering.

Shimonoseki, March 26th, 1895.

Their Excellencies

The Plenipotentiaries of His Majesty

The Emperor of Japan.

Excellencies,

I have the honour to acknowledge the receipt of your Excellencies' note of yesterday's date, in which you tender the expression of your deep regret at the lamentable event which made necessary my note of yesterday, and

explain the circumstances which require some little delay in complying with the request contained therein.

I was greatly touched by the personal visit of Your Excellencies to my lodgings to inquire as to my condition, and by the earnest expression of your deep regret at the act from which I am now suffering.

I desire also to make profound acknowledgment of the sympathy manifested by His Majesty your August Sovereign; of the tender thoughtfulness of Her Majesty the Empress in hastening to send articles prepared by Her Majesty's own hand to assuage my wound, and for the despatch to my relief of His Majesty's physicians. I have great hopes that, through their skill and the other measures dictated by Your Excellencies for my comfort, I shall soon be relieved from pain, and be able with restored health to make a more formal recognition of my great appreciation of Their Majesties' sympathy and succour.

The explanation which Your Excellencies give for the brief delay in delivering to me the promised conditions of peace is entirely satisfactory; but I shall await with deep interest the receipt of the document which so greatly concerns the welfare of my country.

With heartfelt gratitude, I reassure Your Excellencies of my distinguished consideration.

Li Hung-chang,
Ambassador Plenipotentiary of
His Majesty The Emperor of China.

Renewed request for Terms of Peace.

Shimonoseki, March 30th, 1895.

Their Excellencies

The Plenipotentiaries of His Majesty
The Emperor of Japan.

Excellencies,

The Convention for an Armistice having been signed, I am now anxious that we should proceed with the negotiations for a permanent peace as speedily as possible, so that our labours may be concluded before the expiration of the armistice.

Owing to the wound from which I am suffering, my physicians do not regard it as prudent that I should attempt for some days to come, to go to the place of meeting provided for our conferences; but if your Excellencies see proper to do so I shall be greatly gratified if you could send to me in writing the conditions of peace. If that course is not agreeable to your Excellencies

I shall be much pleased to arrange a place for our conferences in the building now occupied by me and where I can without undue exposure meet and confer with your Excellencies.

I shall, accordingly, hold myself in readiness to receive the communication above indicated, or arrange for a visit from your Excellencies this afternoon or at any hour which may be convenient to you to-morrow. I have the honour to renew to your Excellencies the expression of my highest consideration.

Li Hung-chang,
Ambassador Plenipotentiary of
His Majesty The Emperor of China.

Japan's First Draft of Treaty of Peace.

Shimonoseki, April 1st, 1895.

His Majesty the Emperor of Japan and His Majesty the Emperor of China, desiring to restore the blessings of peace to their countries and subjects and to remove all cause for future complications, have named as their Plenipotentiaries for the purpose of concluding a Treaty of Peace, that is to say:

(Here insert names and titles of Plenipotentiaries).

Who after having exchanged their Full Powers, which were found to be in good and proper form, have agreed to the following Articles:—

ARTICLE I.

China recognizes definitively the full and complete independence and autonomy of Corea, and in consequence the payment of tribute and the performance of ceremonies and formalities by Corea to China in derogation of such independence and autonomy, shall wholly cease for the future.

ARTICLE II.

China cedes to Japan in perpetuity and full sovereignty the following territories together with all fortifications, arsenals and public property thereon:

(a).—The southern portion of the Province of Sheng-king within the following boundaries:—

The line of demarcation begins at the mouth of the River Yalu, and ascends that stream as far as San-cha-tsu, thence it runs directly North to Yü-shu-ti-hsia; thence it runs directly West until it strikes the River Liao; it follows from thence the course of that river southward to the 41° North latitude; from thence it coincides with that parallel of latitude to the

westward as far as 122° longitude East of Greenwich and from that point of intersection it follows the same meridian of longitude southward to the coast of the Bay of Liao-tung where it terminates.

This cession includes all Islands appertaining or belonging to the Province of Sheng-king situated in the eastern portion of the Bay of Liao-tung and in the northern part of the Yellow Sea.

(b).—The Island of Formosa together with all Islands adjacent or belonging to the said Island of Formosa.

(c).—The Pescadores Group, that is to say all Islands lying between the 119° and 120° longitudes East of Greenwich and 23° and 24° North latitudes.

ARTICLE III.

The alignments of the frontiers described in the preceding Article and shown on the annexed map, shall be subject to verification and demarcation on the spot by a Joint Commission of Delimitation consisting of two or more Japanese and two or more Chinese Delegates to be appointed immediately after the exchange of the ratifications of this Act. In case the boundaries laid down in this Act are found to be defective at any point either on account of topography or in consideration of good administration it shall also be the duty of the Delimitation Commission to rectify the same.

The Delimitation Commission will enter upon its duties as soon as possible and will bring its labours to a conclusion within the period of one year after appointment.

The alignments laid down in this Act, shall, however, be maintained until the ratifications of the Delimitation Commission, if any are made, shall have received the approval of the Governments of Japan and China.

ARTICLE IV.

China agrees to pay to Japan as a war indemnity the sum of 300,000,000 Kuping taels. The said sum to be paid in five instalments; the first instalment being 100,000,000 taels and the four remaining instalments being 50,000,000 each. The first instalment is to be paid within six months after the exchange of ratifications of this Act and the four remaining instalments are to be respectively paid on or before the same date of the four succeeding years. Interest at the rate of 5 per cent per annum

shall begin to run on all unpaid portions of the said indemnity, from the date the first instalment falls due.

ARTICLE V.

The inhabitants of the territories ceded to Japan who wish to take up their residence outside the ceded districts shall be at liberty to sell their real property and retire. For this purpose a period of two years from the date of the exchange of the ratifications of the present Act shall be granted. At the expiration of that period those of the inhabitants who shall not have left such territories shall, at the option of Japan, be deemed to be Japanese subjects.

ARTICLE VI.

All Treaties between Japan and China having come to an end in consequence of war, China engages immediately upon the exchange of the ratifications of this Act, to appoint Plenipotentiaries to conclude with the Japanese Plenipotentiaries a Treaty of Commerce and Navigation and a convention to regulate Frontier Intercourse and Trade. The Treaties, Conventions and Regulations now subsisting between China and European Powers shall serve as a basis for the said Treaty and Convention between Japan and China. From the date of the exchange of the ratifications of this Act until the said Treaty and Convention are brought into actual operation the Japanese Government, its officials, commerce, navigation, frontier intercourse and trade, industries, ships and subjects shall in every respect be accorded by China most favoured nation treatment.

China makes in addition the following concessions to take effect six months after the date of the present Act:—

1st.—The following cities, towns and ports, in addition to those already opened, are opened to the trade, residence, industries and manufactures of Japanese subjects, under the same conditions and with the same privileges and facilities as exist at the present open cities, towns and ports of China:

- 1.—Peking.
- 2.—Shashih in the Province of Hupeh.
- 3.—Siangtan in the Province of Hunan.
- 4.—Chung-king in the Province of Szechuen.
- 5.—Wu-chow in the Province of Kwang-si.
- 6.—Su-chow in the Province of Kiang-su.
- 7.—Hang-chow in the Province of Chekiang.

The Japanese Government shall have the right to station Consuls at any or all the above named places.

2nd.—Steam navigation for vessels under the Japanese flag for the conveyance of passengers and cargo shall be extended to the following places:

- 1.—On the Upper Yangtze River from Ichang to Chung-king.
- 2.—On the Siang River and Lake Tung Ting from the Yangtze River to Siangtan.
- 3.—On the West River from Canton to Wu-chow.
- 4.—On the Woo-sung River and the Canal from Shanghai to Su-chow and Hang-chow.

The Rules and Regulations which now govern the navigation of the inland waters of China by foreign vessels shall, so far as applicable, be enforced in respect of the above named routes, until new Rules and Regulations are conjointly agreed to.

3rd.—All goods imported into China by Japanese subjects, upon the payment, either at the time of entry or subsequently at the option of the importer or owner, of a commutation tax or duty of two per cent upon the original cost, shall thereafter in every part of China, be exempt from all taxes, imposts, duties, charges and exactions of whatever nature or under whatever denomination levied in the name or for the profit of the Government, public functionaries, private individuals, corporations or establishments of any kind. In like manner and to the same extent but without the payment of any commutation tax or duty whatever, an equal immunity from every kind of taxation shall be accorded by China in respect of all Chinese goods and produce purchased in China by Japanese subjects and declared to be for export, such immunity from taxation shall exist from the date of such declaration up to the time of actual exportation. All Chinese goods and produce intended for home consumption, when conveyed in Japanese vessels from one open port to another open port in China, shall, upon the payment of the coasting trade dues existing at this time be, in the same manner and to the same extent, exempt, during the whole process of such conveyance, from all kinds of taxation, including import and export duties. It is, however, understood that the foregoing stipula-

tions do not in anywise affect any arrangement for the time being in force regarding the taxation of imported Opium.

4th.—Japanese subjects purchasing goods or produce in the interior of China or transporting imported merchandise into the interior of China, shall have the right temporarily to rent or hire warehouses for the storage of the articles so purchased or transported, without the payment of any taxes or exactions whatever and without the interference of any Chinese officials.

5th.—The Kuping tael shall be taken to be the tael in which all taxes, duties and fees are payable by Japanese subjects in China and all such taxes, duties and fees may be paid in standard Japanese silver yen at their face or representative value.

6th.—Japanese subjects shall be free to engage in all kinds of manufacturing industries in China and shall be at liberty to import into China all kinds of machinery, paying only the stipulated import duties thereon.

All articles manufactured by Japanese subjects in China, shall in respect of inland transit and internal taxes, duties, charges and exactions of all kinds and also in respect of warehousing and storage facilities in the interior of China stand upon the same footing and enjoy the same privileges and exemptions as merchandise imported by Japanese subjects into China.

7th.—China engages to at once proceed under the advice of experts to remove the Woo-sung bar at the mouth of the Huang Pu River in such a manner as to maintain constantly a clear channel of at least twenty feet in depth at low water.

In the event additional Rules and Regulations are necessary in connection with these concessions, they shall be embodied in the Treaty of Commerce and Navigation provided for by this Article.

ARTICLE VII.

Subject to the provisions of the next succeeding Article, the evacuation of China by the Armies of Japan shall be completely effected within three months after the exchange of the ratifications of the present Act.

ARTICLE VIII.

As a guarantee of the faithful performance of the stipulations of this Act, China consents to the temporary occupation by the military forces of Japan of the following places:—

Feng-tien Fu (Moukden) in the Province of Sheng-king.

Wei-hai-wei in the Province of Shantung.

Feng-tien Fu shall be evacuated by Japan upon the payment of the first two instalments of the war indemnity herein stipulated for, and Wei-hai-wei shall be evacuated upon the payment of the final instalment of said indemnity. It is however expressly understood that no evacuation shall take place until after the exchange of the ratifications of the Treaty of Commerce and Navigation.

All expenses connected with this temporary occupation shall be defrayed by China.

ARTICLE IX.

Immediately upon the exchange of the ratifications of this Act, all prisoners of war then held shall be restored and China undertakes not to ill-treat or punish prisoners of war so restored to her by Japan. China also engages to at once release all Japanese subjects accused of being military spies or charged with any other military offences. China further engages not to punish in any manner nor to allow to be punished those Chinese subjects who have in any manner been compromised in their relations with the Japanese army during the war.

ARTICLE X.

All offensive military operations shall cease upon the exchange of the ratifications of this Act.

ARTICLE XI.

The present Act shall be ratified by their Majesties the Emperor of Japan and the Emperor of China and the ratifications shall be exchanged at.....on the.....day of the.....month of the 28th year of Meiji, corresponding to

In Witness whereof the respective Plenipotentiaries have signed the same and have affixed thereto the seal of their arms.

Done at Shimonoseki in duplicate, this...day of themonth of the 28th year of Meiji, corresponding to

China's reply.

Shimonoseki, April 5th, 1895.

In the brief time agreed upon within which I was to make my examination and reply to the draft of Treaty proposed by Their Excellencies

the Japanese Plenipotentiaries, I have given to the important subject the most earnest study and care which it has been possible to devote to it, in view of the physical disability under which, unfortunately for my country, I am now suffering. If, therefore, this Memorandum should not be as complete as might be desired, I can only plead these causes in excuse, and trust that within a few days I shall be able to answer fully and specifically all the points desired by the Japanese Plenipotentiaries.

Without taking up every Article in detail, I have sought to group together my views under the four important questions involved in the negotiations and embraced in the draft of Treaty, namely; 1st, Corea; 2nd, Cession of Territory; 3rd, Indemnity; and 4th, Commercial Privileges.

I.—COREA.

The Chinese Government some months ago indicated its willingness to recognize the full and complete independence and guarantee the complete neutrality of Corea, and is ready to insert such a stipulation in the Treaty; but in due reciprocity, such stipulation should likewise be made by Japan. Hence the Article will require to be modified in this respect.

2.—CESSION OF TERRITORY.

The preamble to the proposed draft of Treaty sets forth that the object of making it is "to remove all cause for future complications." But this Article, in place of promoting that object, contains provisions which, if insisted upon and enforced, will be the sure and fruitful source of complications which may be transmitted through many generations.

It is the duty of the Plenipotentiaries of the two Governments, and it is a part of wise statesmanship, to negotiate such a peace as will make true friends and allies of these two great nations of the Orient, who are and must remain neighbours, and who have in common so many things in their history, literature, art and commerce. Territory long held by a nation, through many centuries and! dynasties, becomes a priceless heritage. Nothing will so arouse the indignation of the people of China and create in them a spirit of undying hostility and hatred, as to wrest from their country important portions of their territory.

This will be especially the case with that portion of territory described in clause (a)

of this Article, because it gives Japan a foothold and base for military and naval operations within easy reach of and constantly threatening the capital of the Empire, and because it takes from the present dynasty of China a portion of its ancient possessions. In this clause China hears Japan saying, "I am going to be your ever-threatening and undying enemy, with my army and navy ready to pounce down upon your capital when it suits me; and I propose to humiliate your Emperor by taking from him a valuable portion of his 'ancestors' home."

It further means a line of fortifications along the whole co-terminous frontier; large standing armies and navies near at hand at great expense to both nations, and constant danger from frontier broils and from the lawless on both sides of the dividing line.

Japan, in inaugurating the war, announced her object to be to secure the complete independence of Corea, and her diplomatic Ministers in Europe and America declared that it was not the purpose of their Government to wage a war of conquest. If it should be consistent with these declarations, it is entirely possible to so modify Article II. and other Articles to be specified, as to make a lasting peace and one which will in the future make the two great peoples of the East sincere friends, and thus stand as an immovable bulwark against the encroachments of hostile nations. But if a peace is to be exacted by Japan through the successful fortunes of war, which will necessarily awaken in the Chinese people a spirit of hostility and revenge, it may well be anticipated that both nations, without any bond of sympathy or interest, will fall a prey to outside enemies.

3.—INDEMNITY.

China does not think it is just to require her to pay an indemnity for the expenses of a war in which she does not regard herself as the aggressor, and during which she has not invaded Japanese territory; hence it seems illogical for China to pay an indemnity. But in view of the fact that my Government, desiring to bring the unfortunate war to a close, so as to relieve the people from suffering, in October last promised through the American Minister to pay indemnity, and in view of the further fact that an indemnity was one of the conditions mentioned among the terms announced by

Japan, on the 17th of February last, through the Minister of the United States in Peking, I am prepared to insert in the Treaty a provision for a reasonable indemnity.

In the first place, it is to be noted that Japan stated the object of the war was to secure the complete independence of Corea. On November 22nd of last year it was announced to the Foreign Governments that China was ready to acknowledge the independence of Corea; and the expenses of the war beyond that time ought not to be included in the indemnity.

In requiring an indemnity of China it should not be fixed at a sum beyond her ability to pay, as her failure to pay would be held by Japan to be a violation of the Treaty and might lead to a renewal of the war. The amount demanded is beyond the ability of China to pay under her present system of taxation. To increase the internal or domestic taxes at this time would lead to great discontent and probably to insurrection, especially when added to the dissatisfaction of the people with the Emperor and his Government for making what they will style a humiliating and dishonourable peace. The Customs Tariff on imports and exports cannot be increased, because of treaties with Foreign Governments which require ten years' notice and the unanimous consent of the Governments concerned.

This latter source of revenue is the only available fund which can be hypothecated or pledged to bankers or capitalists in negotiating foreign loans. It is already so fully pledged for war loans that only a part of it can be made available for a loan to pay off the indemnity. From a statement prepared by the Commissioner of Maritime Customs at Shanghai, March 1st last, it appears that the Customs revenues of China were on that date pledged for the payment of war loans, in 1895, of Haikuan Taels 3,937,420; in 1896, of Hk. Taels 6,281,620; in 1897, of Hk. Taels 5,142,238; and that upon these war loans it will be necessary within twenty years to pay Hk. Taels 78,017,103 out of the Customs revenues. It is to be noted that since March 1st the amount of these loans has been considerably increased.

The credit of the Chinese Government and its ability to negotiate a loan have been greatly injured by the war. It has been compelled

to pay 7 and even $8\frac{1}{2}$ per cent. interest, and the lowest rate it has obtained abroad (and that for a small sum only), was 6 per cent with a heavy discount on the face value of the bonds. It is claimed by prominent and experienced bankers that the best rate which can be obtained at the conclusion of peace is $6\frac{1}{2}$ to 7 per cent on the full value of the bonds.

The average annual total revenue received from Chinese Customs including transit dues and opium likin, from 1890 to 1893 inclusive, amounts to Haikuan Taels 22,548,150; and of this sum it has heretofore been customary to pay over to the Provincial Authorities six tenths. If this important sum of ready cash is diverted to pay the indemnity, new taxation will have to be imposed in the Provinces and the people would complain. If a foreign loan is sought to be made to meet the indemnity asked by Japan, it would require in principal and interest, at $6\frac{1}{2}$ per cent., if redeemable in twenty years, the enormous sum of Haikuan Taels 690,000,000, an amount entirely beyond the possibility of the Chinese Government to negotiate and beyond its ability to meet by taxation.

This will be apparent to any one at all acquainted with Chinese revenues, when it is remembered that the indemnity to Japan is not the only financial burden which has been brought upon China by the war, and which must be immediately provided for. As already mentioned, the terms of peace when made known will cause the present dynasty and the Government to become unpopular with many of the Chinese people, and local discontent and disorder may be expected. Besides, there have been called into the field large numbers of raw and undisciplined troops, which with the conclusion of peace must be dishanded, and there is great danger that they will commit acts of robbery and lawlessness which will seriously tax the Government to suppress. The energies of the Government will be tried to the utmost to preserve the peace, and without peace and order it will be impossible to raise even the usual revenues. It will, therefore, become necessary, in order to preserve internal tranquillity, to organize and equip an army according to modern methods of warfare, and to rebuild the Navy which has been practically destroyed by the war. These will

require large and immediate expenditures of money, but it will be impossible to raise the money for these purposes if this heavy indemnity is to be paid. The Government is contemplating various reforms and improvements in the country, but all these will be paralyzed if Japan does not largely reduce her demand.

The indemnity is termed in the draft of proposed Treaty "a war indemnity," which it is supposed means an indemnity to pay the expenses incurred by Japan in the prosecution of the war. But if that is the case, I think the Japanese Plenipotentiaries must admit that the sum demanded is largely in excess of that amount. It is not possible for one not possessed of the official details to know the exact amount of the war expenses of Japan up to the present time, but there are certain official and public data and statements which would seem to fix the limits within which that sum may be approximately estimated, and the Japanese Plenipotentiaries will be able to confirm or correct it. It is understood that there was in the Public Treasury of Japan, at the opening of the war, about 30,000,000 yen. How much of this sum was used for war purposes is not known to the public, but it may be assumed that all of it was appropriated for that purpose. Soon after the opening of hostilities a war loan of 150,000,000 yen was authorized. According to the report in the public press of Japan, the Prime Minister, His Excellency Count Ito, made a speech in the Lower House of the Japanese Parliament on the 20th of February last, in which after referring to the failure of negotiations at Hiroshima early in that month, he used this language: "From the subsequent state of the war and under the present circumstances it is difficult to tell when peace will be restored, and it is not improbable that the war fund may become insufficient." He thereupon asked the Parliament to authorize an additional war loan to meet the emergency of a considerable prolongation of the war.

It seems fair to infer from this speech that the first war loan had not been exhausted and would not be unless the war was continued for some time. The Japanese vernacular newspapers, in referring to this speech and the action of the Parliament on the subject, stated that "the actual need of the fund will be some time in June or July next, and the Government is

said to have submitted it to the Diet, not because the money is in urgent need, but because the Diet is just now sitting." (see *Asahi*, quoted in the *Yokohama Gazette*, February 23rd); and the following: "of the first war loan there remains 50,000,000 *yen* to be raised, and of the 80,000,000 already floated a considerable sum has still to be paid up." (see *Kokumin*, as quoted in the *Japan Mail* of February 23rd). In addition, account is to be taken of some popular contributions. But if these statements are to be accepted as approximately correct, it would seem reasonable to believe that the total money expenditure of Japan in the war up to the present time does not exceed 150 million *yen*.

In estimating the war expenditure of Japan, it should not be forgotten that victory has given that country many valuable spoils of war, such as the captured naval vessels and the large amount of military material and supplies, which should fairly be deducted in fixing the gross amount of the indemnity.

To charge China with interest on the deferred payments of the indemnity is an onerous and unreasonable provision, and becomes doubly so when the enormous amount demanded is considered.

4.—COMMERCIAL PRIVILEGES.

In the very brief time allowed for an examination and reply to the Treaty draft, it has not been possible to study fully the complex and detailed questions to which the commercial privileges and stipulations asked for give rise. The following must be taken as merely an expression of views, and full reservation is made to add to or correct them hereafter. It is hoped, however, that the following statement may aid the Japanese Plenipotentiaries in understanding some of the clauses to which China is disposed to agree and some respecting which modifications will be asked.

War having suspended the operation of the late Commercial Treaty, a new agreement is recognized by China as necessary and she is ready to accept the existing treaties with Foreign Powers as the basis of negotiations; it will require, however, in due reciprocity that a stipulation be added to the introductory paragraph of the Article, granting favoured nation treatment to China in Japan.

Reply is for the present reserved on the 1st and 2nd Clauses.

The 3rd Clause provides for a reduction of the transit dues on Japanese imported goods to two *per cent*, or a practical decrease of one half of one *per cent*; and it is proposed to abolish altogether the existing transit dues on goods exported. When it is remembered that this same Treaty draft contains an Article demanding of China the payment of an indemnity beyond her present power to make, it seems most inappropriate to ask China to give up any of her existing sources of revenue. Rather ought Japan, in view of what has been stated respecting the Customs revenues, to agree to an increase of that tariff. At the same time that Japan is negotiating with Foreign Powers to secure an increase of her own tariff, it is hardly consistent to demand of China a reduction of her already low tariff.

The effect or object of the 3rd clause appears to be to exempt foreign goods from any dues or likin tax whatever after they have passed out of the hands of the importer or foreign owner. This is a subject which has been often considered with foreign diplomatic representatives at Peking, and the fairness of such a claim has never been shown. There is no Government which more jealously guards its commercial privileges than Great Britain, and her subjects engaged in the Chinese trade have often moved her Ministers to secure relief from the likin tax, but without success. Lord Elgin, who accompanied the British army to Peking and exacted from China after the occupation all the commercial privileges which he deemed just on the part of the victor, rejected the claim as now proposed and said he "did not see his way clear to further protection of imports against taxation once they have passed into the hands of a Chinese purchaser." (British Government Blue-book on Revision of Treaty of Tientsin, 1871, p. 443). The British Board of Trade, having official supervision of foreign commerce, examined this subject at the request of the British Office of Foreign Affairs, and decided that "to insure the sale of the (imported) goods to their ultimate consumer with no enhancement of cost derived from taxation * * * * is a view which cannot be entertained by Her Majesty's Government. There is nothing in the Treaty which appears to my Lords to

justify such a sweeping demand, and in view of the internal taxation to which native goods are subject in China, it would be in their opinion both unjust and inexpedient to enforce such a demand, even if it were warranted by the terms of Treaty stipulations" (Ib. p. 347). Sir Thomas Wade, so familiar with Chinese trade, and so long the able representative of Her Majesty's interests at Peking, said the likin tax "is not in its nature more open to objection than our income tax, nor, indeed, to any extraordinary tax by which a State short of money may recruit its finances." And again, referring to the abuse to which the privilege asked for in the 3rd clause would give rise, he said, "it is hard enough on the Provincial Governments that they must give up their tolls on goods that are foreign-owned; but it will be harder still if Chinese, armed with foreigners' certificates, are to carry Chinese-owned goods toll-free from one end of the Empire to the other." (Ib. pp. 444 and 447). In view of these declarations, so well founded in justice and propriety, I feel sure the Japanese Plenipotentiaries will be willing to modify their proposition so as to secure the protection of imported goods only so long as they remain in the possession of the foreign owner. This will be secured by granting to Japan favoured nation treatment, and Japan should be satisfied with that.

It may be remarked on the 4th clause that, laying aside for the present the consideration of the justice of this claim, its prudence may be seriously questioned. To allow foreign merchants to temporarily establish themselves at great distances from the Treaty ports, beyond the protection and control of their Consuls, would seem to be inconsistent with the practice of extraterritoriality, and greatly embarrassing to the Chinese Authorities. Sir Thomas Wade, in discussing a similar proposition presented by British merchants, said, "I am decidedly against any sweeping demand with reference to it. * * * * We are bound to ask nothing from her (China) except when we see our way to a fair provision for the control of the extraterritorialized foreigner." And again, "if our merchants are to congregate in any number in a Chinese town or suburb inland, I shall be much mistaken if we do not soon find the necessity of a land concession forced upon us." (Ib. pp. 435 and 449).

The 6th clause refers to the privilege of importing machinery into China to convert Chinese raw materials into manufactured goods, a question which has been much discussed with the Diplomatic corps at Peking, and which has been settled against the privileges asked for in this clause. The prohibition of foreigners from engaging in China in manufacturing industries has been one of long standing and in which Foreign Governments have acquiesced, as a prohibition which properly belongs to the sovereignty and independence of a nation. To allow foreigners to enter and establish factories for converting the natural products into manufactured goods would tend to destroy the livelihood of the Chinese and work a serious injury to native industries which it is the duty of the Government to protect. The regulation is one which has been in existence for many years and one which has been adopted by other nations, and should not now be abolished. The provision inserted in the 6th clause exempting all articles manufactured by Japanese in China from all internal taxation is most objectionable and unduly discriminating. Besides, if these privileges are granted to Japanese subjects, they must necessarily be extended to all nations which have treaties with China, and the ruin of the native industries would be swift and certain.

The provisions contained in Article VIII, making the evacuation of the places named therein dependent upon the conclusion of the Treaty of Commerce provided for in Article VI, seems an unnecessary and unreasonable provision. By the terms of the latter Article Japan is at once guaranteed the most favoured nation treatment, and thereby placed on an equality in respect to commerce with all competitors.

The foregoing embraces a review of all the important and essential provisions contained in the draft of Treaty submitted for my consideration, and to which I have made a frank and as complete a reply as has been possible under the circumstances. A few Articles of minor importance or of mere detail have not been noticed, but it is believed that if an accord should happily be reached on the four questions above discussed, the Articles not treated of may be arranged in due time.

I trust I may be pardoned for saying that I have served my country for half a century,

and it may be that I am nearing the end of my days. This mission is probably the last important service I will be permitted to render my Sovereign and His subjects. It is my sincere desire and my highest ambition to reach such a conclusion of our negotiations as will bring lasting peace and friendship to the people and Governments which we represent.

We should listen to the voice of reason; we should be so controlled by the highest principles of statesmanship as to safeguard the interests and the future welfare of these two great peoples, whose destinies and happiness for many generations are now in our hands.

It matters little to Japan, in this time of her abounding prosperity and greatness and in the abundance of able men, whether she to-day receives a larger or smaller indemnity, or whether she enlarges her boundaries by the annexation of a greater or smaller portion of the territory now within the reach of her armies; but it is a matter of vast moment to her future greatness and the happiness of her people, whether or not by the negotiations now in hand her Plenipotentiaries make of the Chinese nation firm friends and allies or inveterate foes. As their representative I stand ready to join hands with Their Excellencies the Plenipotentiaries of Japan, in making such a peace as will leave no seeds of enmity to spring up and curse us in future generations, and such a peace as will bring honour to us and blessing and enduring friendship to the two great nations of the Orient.

Li Hung-Chang,
Ambassador Plenipotentiary of
His Majesty the Emperor of China.

China Asked to Formulate her Proposal.

Shimonoseki, April 6th, 1895.

At the meeting of the 1st day of the 4th month of the 28th year of Meiji (April 1st, 1895), the Plenipotentiaries of His Majesty the Emperor of Japan, proposed that in presenting the conditions of peace, a mode of procedure should be adopted by which the draft Treaty of Peace would be presented Article by Article and the Plenipotentiary of His Majesty the Emperor of China should express his acceptance or non-acceptance of the several articles one by one, thus disposing of each article in succession.

In view, however, of a desire repeatedly expressed by the Chinese Plenipotentiary that

the draft Treaty might be presented to him *en bloc*, the Japanese Plenipotentiaries finally complying with his wishes, presented to him the draft Treaty in its entirety under an assurance that he would, within the space of four days' time, either signify his acceptance of the Treaty as a whole or indicate the particulars in which it was unacceptable.

In now examining the memorandum presented by the Chinese Plenipotentiary, the Japanese Plenipotentiaries are disappointed to find that the communication is confined to an elaborate recital of the domestic difficulties of the Empire of China coupled with a request to the Japanese Plenipotentiaries for a reconsideration of the conditions of peace.

The memorandum not only cannot be taken as a reply to the draft Treaty presented by the Japanese Plenipotentiaries but it fails even to definitely express the wishes or desires of the Chinese Plenipotentiary.

In conclusion, reminding the Chinese Plenipotentiary that the domestic difficulties of China do not properly fall within the sphere of the present discussion and that demands arising as a consequence of war cannot be regarded as matters for negotiation in the ordinary acceptance of that term, the Japanese Plenipotentiaries beg to express their desire that the Chinese Plenipotentiary will, without additional delay, definitively announce his acceptance or non-acceptance of the draft Treaty of Peace already presented, either *en bloc* or severally article by article, and in case any alterations are desired, that he will present them in concrete form.

Counter-proposal by Chinese Plenipotentiary.

Shimonoseki, April 9th, 1895.

It is a source of much regret and disappointment to me that the Memorandum which I sent to the Japanese Plenipotentiaries on the 5th instant should not have been regarded as satisfactory. So far from its being confined to a recital of the domestic difficulties of China, it will be found to be a specific expression of my views on every important Article and paragraph in the draft of Treaty submitted for my consideration.

But in my earnest desire to conform to the utmost of my power to the wishes and conven-

ience of the Japanese Plenipotentiaries, I have prepared and send herewith a counter-draft of Treaty which will be found to constitute a reply to every Article in the draft of Treaty submitted by the Japanese Plenipotentiaries. It will be noted that a new Article has been added, which I trust will be found acceptable.

The counter-draft made under my responsibility as a Plenipotentiary is the extent to which it is possible for me to go in the present stage of negotiations. If the propositions therein contained do not meet fully the views of the Japanese Plenipotentiaries, I feel sure an agreement may be most readily promoted by verbal conferences; and, in view of the short time remaining of the armistice, I hope the Japanese Plenipotentiaries will fix a time for a conference with the least delay possible.

China's counter-draft of Treaty of Peace.

Shimonoseki, April 9th, 1895.

His Majesty the Emperor of China and His Majesty the Emperor of Japan, desiring to restore the blessings of peace to their countries, and to establish upon a solid basis relations of friendship and intercourse which shall confer reciprocal benefits upon the subjects of both, and assure the harmony and mutual confidence which should subsist between good neighbours, have named as their Plenipotentiaries for the purpose of concluding a Treaty of Peace, that is to say:

His Majesty the Emperor of China
and His Majesty the Emperor of Japan.....
who, after having exchanged their Full Powers, which were found to be in good and proper form, have agreed to the following Articles:—

ARTICLE I.

China and Japan recognize definitely the full and complete independence and autonomy and guarantee the complete neutrality of Corea, and it is agreed that the interference by either in the internal affairs of Corea in derogation of such autonomy, or the performance of ceremonies and formalities by Corea inconsistent with such independence, shall wholly cease for the future.

ARTICLE II.

China cedes to Japan in full sovereignty the following territories together with all towns and cities, public offices, granaries, barracks and public buildings therein.

(a). One prefecture, one sub-prefecture, and two districts in the South of the Fêng-tien Province, namely,

- 1.—The district of An-tung.
- 2.—The district of Kung-tien.
- 3.—The prefecture of Fêng-hwang.
- 4.—The Sub-prefecture of Hsiu-yen.

The boundaries of the above-mentioned prefecture, sub-prefecture and districts shall be taken in strict accordance with the Chinese official surveys.

(b).—The Pescadores group of islands, lying within the 23rd and 24th parallels of latitude and the 119th and 120th degrees of longitude East.

ARTICLE III.

(Japanese text accepted without change).

ARTICLE IV.

China agrees to pay to Japan as a war indemnity the sum of 100,000,000 Kuping Taels. The said sum is to be paid in five instalments, the first instalment being 28,000,000 Kuping Taels, and the four remaining instalments being 18,000,000 Kuping Taels each. The first instalment is to be paid within six months after the exchange of ratifications of this Treaty, and the four remaining instalments are to be respectively paid within each of the four succeeding years which terminate six months after the exchange of ratifications of this Treaty; but China shall have the right to anticipate at her pleasure any or all of said instalments.

ARTICLE V.

The inhabitants of the territories ceded to Japan, who wish to take up their residence outside the ceded districts, shall be at full liberty to sell their real and personal property and retire, without their being subjected, on this account, to any contribution, tax, or charge whatever. For this purpose a period of two years from the date of the exchange of the ratifications of the present Treaty shall be granted. At the expiration of that period those of the inhabitants who shall not have left such territories shall be deemed Japanese subjects.

The property in the ceded territories, real and personal, owned by non-resident Chinese shall be respected by the Japanese Government, and shall enjoy the same guarantees as if belonging to Japanese subjects.

ARTICLE VI.

All Treaties between China and Japan having come to an end in consequence of war, China and Japan engage immediately upon the exchange of the ratifications of this Treaty, to appoint Plenipotentiaries to conclude a Treaty of commerce and navigation and a Convention to regulate frontier intercourse and trade. The Treaties, conventions and regulations now subsisting between China and European powers shall serve as a basis for the said Treaty and convention between China and Japan, and as regards all the open ports, navigation, taxation, storage of goods, the mode of taxation &c, Japan will be treated in the same way as the most favoured nation. From the date of the exchange of the ratifications of this Treaty until the said Treaty and Convention are brought into actual operation, the Japanese Government, its officials, commerce, navigation, frontier intercourse and trade, industries, ships and subjects shall in every respect be accorded by China most favoured nation treatment.

And reciprocally from the date of the exchange of the ratifications of this Treaty until the said Treaty and Convention are brought into actual operation, the Chinese Government, its officials, commerce, navigation, frontier intercourse and trade, industries, ships and subjects shall in every respect be accorded by Japan most favoured nation treatment.

ARTICLE VII.

Subject to the provisions of the next succeeding Article, the evacuation of China by the armies of Japan shall be completely effected within one month after the exchange of the ratifications of the present Treaty.

ARTICLE VIII.

As a guarantee of the faithful performance of the stipulations of this Treaty, China consents to the temporary occupation by the military forces of Japan of Wei-hai-wei in the province of Shan-tung. Upon the payment of the first two instalments of the war indemnity herein stipulated for, one half of the Japanese forces stationed there shall be withdrawn and upon the payment of the final instalment of the said indemnity, the said place shall be evacuated by the remaining Japanese forces.

ARTICLE IX.

(Japanese draft accepted without change).

ARTICLE X.

All offensive military operations shall cease upon the signing of this Treaty by the Plenipotentiaries of both countries.

ARTICLE XI.

In order to avoid future conflict or war between China and Japan, it is agreed that should any question hereafter arise as to the interpretation or execution of the present Treaty of Peace, or as to the negotiation, interpretation or execution of the Treaty of commerce and navigation and the convention for frontier intercourse provided for in Article VI of this Treaty, which cannot be adjusted by the usual method of diplomatic conference and correspondence between the two Governments, they will submit such question to the decision of an arbitrator to be designated by some friendly Power to be selected by mutual accord of the two Governments, or, in case of failure to agree as to the selection of said Power, then the President of the United States shall be invited to designate the arbitrator; and both Governments agree to accept, abide by and carry out in good faith the decision of said arbitrator.

ARTICLE XII.

The present Treaty shall be ratified by Their Majesties the Emperor of China and the Emperor of Japan and the ratifications shall be exchanged at.....on the..... day of the.....month of.....

In witness whereof the respective Plenipotentiaries have signed the same and have affixed thereto the seal of their arms.

**Japan Replies to Counter-proposal
and Reduces Demands.**

Shimonoseki, April 10th, 1895.

Preamble.

The Japanese Plenipotentiaries cannot consent to any amendment of the Preamble.

ARTICLE I.

The Japanese Plenipotentiaries find it necessary to adhere to this Article as originally presented to the Chinese Plenipotentiary.

ARTICLE II.

The Japanese Plenipotentiaries find it impossible to accept the amendment hereunder, proposed by the Chinese Plenipotentiary. They

consent, however, to modify this original demand so that it shall read as follows:

"China cedes to Japan in perpetuity and full sovereignty the following territories together with all fortifications, arsenals and public property thereon:

"(a).—The southern portion of the Province of Sheng-king within the following boundaries:

"The line of demarcation begins at the River Yalu and ascends that stream to An-ping-ho-kou; from thence the line runs to Feng-huang; from thence to Hai-chêng, and from thence to Ying-kou where it terminates. The places above named are included in the ceded territory.

"This cession also includes all Islands appertaining or belonging to the Province of Sheng-king situated in the eastern portion of the Bay of Liao-tung and in the northern part of the Yellow Sea.

"(b).—The Island of Formosa together with all islands adjacent or belonging to the said Island of Formosa.

"(c).—The Pescadores Group, that is to say, all Islands lying between the 119° and 120° longitudes east of Greenwich and the 23° and 24° North latitudes."

ARTICLE IV.

The Japanese Plenipotentiaries cannot accede to the proposal of the Chinese Plenipotentiary hereunder. They will, however, consent to amend their original demand as follows:

"China agrees to pay to Japan as a war indemnity the sum of 200,000,000 Kuping Taels. The said sum to be paid in eight instalments. The first instalment of 50,000,000 Taels to be paid within six months and the second instalment of 50,000,000 Taels to be paid within twelve months after the exchange of the ratifications of this Act. The remaining sum to be paid in six equal annual instalments as follows. The first of such equal annual instalments to be paid within two years; the second within three years; the third within four years; the fourth within five years; the fifth within six years; and the sixth within seven years after the exchange of ratifications of this Act. Interest at the rate of 5 *per centum per annum* shall begin to run on all unpaid portions of the said indemnity from the date the first instalment falls due. China shall, however, have the right to pay by anticipation at any time any or all of said instalments.

ARTICLE V.

The Japanese Plenipotentiaries cannot consent to the amendments proposed to this Article.

ARTICLE VI.

The Japanese Plenipotentiaries are unable to give their adhesion to the counter proposal hereunder, of the Chinese Plenipotentiary. They will, nevertheless, consent to the following modifications of the original Article:

"All Treaties between Japan and China having come to an end in consequence of war, China engages, immediately upon the exchange of the ratifications of this Act, to appoint Plenipotentiaries to conclude with the Japanese Plenipotentiaries a Treaty of Commerce and Navigation and a Convention to regulate frontier intercourse and trade. The Treaties, Conventions and Regulations now subsisting between China and European Powers shall serve as a basis for the said Treaty and Convention between Japan and China. From the date of the exchange of the ratifications of this Act until the said Treaty and Convention are brought into actual operation the Japanese Government, its officials, commerce, navigation, frontier intercourse and trade, industries, ships and subjects shall in every respect be accorded by China most favoured nation treatment.

"China makes in addition the following concessions to take effect six months after the date of the present Act.

"1st.—The following cities, towns and ports, in addition to those already opened, shall be opened to the trade, residence, industries and manufactures of Japanese subjects, under the same conditions and with the same privileges and facilities as exist at the present open cities, towns and ports of China:

- 1.—Shashih in the Province of Hupeh.
- 2.—Chung-king in the Province of Szechuen.
- 3.—Su-chow in the Province of Kiang-su.
- 4.—Hang-chow in the Province of Chekiang.

The Japanese Government shall have the right to station Consuls at any or all the above named places.

"2nd.—Steam navigation for vessels under the Japanese flag for the conveyance of passengers and cargo shall be extended to the following places:—

- 1.—On the Upper Yangtsze River from Ichang to Chung-king.

2.—On the Woo-sung River and the Canal from Shanghai to Su-chow and Hang-chow.

"The Rules and Regulations which now govern the navigation of the inland waters of China by foreign vessels shall, so far as applicable, be enforced in respect of the above named routes, until new Rules and Regulations are conjointly agreed to.

"3rd.—Japanese subjects purchasing goods or produce in the interior of China or transporting imported merchandize into the interior of China, shall have the right temporarily to rent or hire warehouses for the storage of the articles so purchased or transported, without the payment of any taxes or exactions whatever and without the interference of any Chinese officials.

"4th.—The Kuping tael shall be taken to be the tael in which all taxes, duties and fees are payable by Japanese subjects in China and all such taxes, duties and fees may be paid in standard Japanese silver yen at their face or representative value.

"5th.—Japanese subjects shall be free to engage in all kinds of manufacturing industries in China, and shall be at liberty to import into China all kinds of machinery paying only the stipulated import duties thereon.

"All articles manufactured by Japanese subjects in China, shall in respect of inland transit and internal taxes, duties, charges and exactions of all kinds and also in respect of warehousing and storage facilities in the interior of China, stand upon the same footing and enjoy the same privileges and exemptions as merchandize imported by Japanese subjects into China.

"In the event additional Rules and Regulations are necessary in connection with these concessions they shall be embodied in the Treaty of Commerce and Navigation provided for by this Article."

ARTICLE VII.

The Japanese Plenipotentiaries are unable to accept the amendment hereunder.

ARTICLE VIII.

The Japanese Plenipotentiaries cannot accept the substitute proposed hereunder, but they will agree to amend the original Article as follows:

"As a guarantee of the faithful performance of the stipulations of this Act China consents to the temporary occupation by the Military forces of Japan of Wei-hai-wei in the Province of Shantung.

"Upon the payment of the first two instalments of the war indemnity herein stipulated for and the exchange of the ratifications of the Treaty of Commerce and Navigation, the said place shall be evacuated by the Japanese forces, provided the Chinese Government consents to pledge under suitable and sufficient arrangements, the Customs Revenue of China as security for the payment of the principal and interest of the remaining instalments of said indemnity. In the event no such arrangements are concluded, such evacuation shall only take place upon the payment of the final instalment of said indemnity.

"It is, however, expressly understood that no such evacuation shall take place until after the exchange of the ratifications of the Treaty of Commerce and Navigation.

"All expenses connected with the temporary occupation shall be defrayed by China"

ARTICLE X.

The Japanese Plenipotentiaries find it necessary to adhere to this Article as originally drafted by them.

ARTICLE XI. (NEW).

The proposal hereunder cannot be accepted by the Japanese Plenipotentiaries.

Japan's Ultimatum.

Shimonoseki, April 11th, 1895.

His Excellency

Count Li Hung-chang,

His Imperial Chinese Majesty's
Plenipotentiary.

Excellency,

I deem it advisable to confirm in writing the substance of the observations which I had the honour to verbally address to Your Excellency yesterday, in connection with the modified conditions of peace which I then presented to you.

I informed Your Excellency and I now desire to repeat, that those modified demands must be regarded as final and that a categorical reply will be expected within the space of four days from yesterday.

I acquainted Your Excellency that the Japanese Plenipotentiaries had not failed to take into serious consideration the remarks which Your Excellency had made respecting the demands of the Imperial Japanese Government

as originally formulated, and I stated that a reduction in those demands to the lowest possible point of concession had been made in consequence of those remarks in which Your Excellency had pointed out the difficulties that would confront China if the full measures of Japanese original conditions were insisted upon.

The reduction of the indemnity by one-third; the adoption of easier terms of payment; the acceptance of one place instead of two for temporary occupation; the opportunity of substituting a financial in place of a territorial guarantee; the suppression of the clause regarding commutation and other internal taxation and the withdrawal of the claim for the removal of the obstruction to navigation at the mouth of the Huang Pu River, would, I explained, relieve China of those financial embarrassments, which in Your Excellency's estimation rendered the full realization of Japan's monetary demands extremely difficult.

I also made it clear to Your Excellency's appreciation, I trust, that the same spirit of conciliation had also contributed to bring about the very large abridgment of Japan's territorial demands.

In conclusion I permit myself to repeat what I have frequently endeavoured to impress upon Your Excellency's mind, that war is progressive in its consequences as well as its operations and that it is not to be expected that conditions of peace which Japan is now happily able to accept will be possible later on.

I renew to Your Excellency the assurance of my distinguished consideration.

Ito Hirobumi,
H. J. M. Plenipotentiary

China's last protest and appeal.

Shimonoseki, April 12th, 1895.

His Excellency

Count Ito Hirobumi,
Plenipotentiary of His Majesty
The Emperor of Japan.

Excellency,

The note which your Excellency did me the honour to address to me yesterday respecting the progress and incidents attending the Peace negotiations makes it necessary, in justice to my Government and myself, that I should submit thereto a brief reply,

It is to be borne in mind that I was required to present in writing a categorical reply to the terms of peace demanded by Japan before I should be granted any conference with the Japanese Plenipotentiaries for discussing the terms of peace, and at the first conference granted me for that purpose I was met by the Japanese final proposal, as now urged by Your Excellency, before any oral discussion had taken place. Under such circumstances it can hardly be claimed that Japan's final proposal had been reached after a full opportunity had been afforded me to make known the views of my Government.

While it is gratifying to know that the enormous indemnity originally demanded has been somewhat reduced, it still remains an amount far greater than the cost of the war and constitutes a burden too heavy for China to bear, and one which would make it impossible to carry out much-desired reforms and improvements in the country.

It has not been possible for me to understand how the conditions of peace have been made much less onerous by what Your Excellency terms "the very large abridgment of Japan's territorial demands." The line of demarcation in the final proposal includes, with slight exceptions, all the territory in the Province of Shengking which has ever been occupied by the Japanese forces; and in addition the final proposal has demanded the cession of a rich, populous and important part of the Empire (Formosa) whereon no Japanese soldier has as yet set foot. Such a demand is not in accord with the practice of nations negotiating for peace.

While I cheerfully recognize the action of the Japanese Plenipotentiaries in abating some of their objectionable commercial demands, the final proposal still remains unprecedented and unreasonable in its terms in this regard and highly derogatory to the sovereignty of an independent nation. It requires the negotiation of a Commercial Treaty and frontier regulations under the duress of retaining Chinese territory, and refuses to submit any question of variance to the arbitration of a friendly Power. Pending the negotiation of the Commercial Treaty it demands favoured nation treatment for Japanese in China, and refuses the same guarantee or any stipulation for Chinese in Japan. It claims the privilege for Japanese to rent warehouses

and import and purchase goods and produce at any place in the interior of China away from the Treaty ports, without the interference of any official; also, that the Japanese should have the right to engage in manufacturing industries anywhere in China and without the payment of any domestic taxes on the goods manufactured and that Japanese coin be made receivable at its face value for payment of duties and taxes.

I have written the foregoing not with the view of provoking further discussion, but with the object of concisely repeating what I said to your Excellency when the final proposal was presented to me at the only conference afforded me for discussing terms of peace, and in the hope that the objections here set forth may be carefully considered by Your Excellency and that I may be informed of the result thereon at the next conference promised me by Your Excellency, at which I expect to submit the reply to the final proposal which my Emperor shall authorize me to make.

I renew to Your Excellency the assurance of my high consideration.

Li Hung-chang,
Ambassador Plenipotentiary of
His Majesty the Emperor of China.

Final.

Shimonoseki, April 13th, 1895.

His Excellency

Count Li Hung-chang,

His Imperial Chinese Majesty's Plenipotentiary.
Excellency,

I have had the honour to receive Your Excellency's note of yesterday, which professes to be in reply to mine of the day previous.

The object of my communication of the 11th instant, was, by repeating in writing what I had previously verbally declared, to make Your

Excellency fully alive to the actual situation. I wished Your Excellency to understand that full consideration had been accorded to Your Excellency's representations and that the modified demands of the Imperial Government must be regarded as final, admitting only of a categorical reply.

I fear, from the note now under acknowledgment, that my purpose was misinterpreted, since Your Excellency, while disclaiming any wish to provoke a discussion, criticises the final demands of the Imperial Government, as well as the course of procedure which has been followed, and expresses the hope that Your Excellency's objections may be taken into consideration.

It only seems necessary for me to say in response to Your Excellency's note, that the demands which I handed to Your Excellency on the 10th instant, being final, are no longer open to discussion.

Demands arising as a result of war are not proposals in the ordinary sense of that word and the Japanese Plenipotentiaries by permitting the demands of the Imperial Government to be made the subject of discussion, went to the extreme limit of concession in the interest of peace, and if their spirit of conciliation has been misunderstood they have the right to disclaim all responsibility for the consequences.

It only remains for me to add, in order to prevent future misunderstanding, that my refusal at this time to enter upon a new examination of Japan's demands, does not imply an acquiescence on my part, in Your Excellency's observations or conclusions.

I renew to Your Excellency the assurance of my distinguished consideration.

Ito Hirobumi,
Plenipotentiary of His Majesty, The Emperor
of Japan.

THE TREATY OF PEACE WAS SIGNED AT SHIMONOSEKI, JAPAN, APRIL 17TH, 1895.

TREATY OF PEACE BETWEEN JAPAN AND CHINA.

— 386 —

Made at Shimonoseki, Japan, April 17th, 1895.

Ratifications exchanged at Chefoo, China, May 8th, 1895.

HIS MAJESTY THE EMPEROR OF CHINA AND HIS MAJESTY THE EMPEROR OF JAPAN, desiring to restore the blessing of peace to their countries and subjects and to remove all cause for future complications, have named as their Plenipotentiaries for the purpose of concluding a Treaty of Peace, that is to say:

His Majesty the Emperor of China, Li Hung-chang, Senior Tutor to the Heir Apparent, Senior Grand Secretary of State, Minister Superintendent of Trade for the Northern Ports of China, Viceroy of the Province of Chihli and Earl of the First Rank; and Li Ching-fong, Ex-Minister of the Diplomatic Service, of the Second Official Rank;

And His Majesty the Emperor of Japan, Count Ito Hirobumi, Junii, Grand Cross of the Imperial Order of Paulownia, Minister President of State, and Viscount Mutsu Munemitsu, Junii, First Class of the Imperial Order of the Sacred Treasure, Minister of State for Foreign Affairs;

Who, after having exchanged their Full Powers, which were found to be in good and proper form, have agreed to the following Articles.

ARTICLE I.

China recognizes definitively the full and complete independence and autonomy of Corea, and in consequence, the payment of tribute and the performance of ceremonies and formalities by Corea to China in derogation of such independence and autonomy, shall wholly cease for the future.

ARTICLE II.

China cedes to Japan in perpetuity and full Sovereignty, the following territories together with all fortifications, arsenals and public property thereon:—

(a).—The southern portion of the Province of Fêng-Tien within the following boundaries:

The line of demarcation begins at the mouth of the River Yalu and ascends that stream to the mouth of the River An-ping; from thence the line runs to Fêng Huang; from thence to Haicheng; from thence to Ying-kow, forming a line which describes the southern portion of the territory. The places above named are included in the ceded territory. When the line reaches the River Liao at Ying-kow, it follows the course of that stream to its mouth where it terminates. The mid-channel of the River Liao shall be taken as the line of demarcation.

This cession also includes all islands appertaining or belonging to the Province of Fêng-Tien situated in the eastern portion of the Bay of Liao-Tung and in the northern part of the Yellow Sea.

(b).—The Island of Formosa together with all the islands appertaining or belonging to said Island of Formosa.

(c).—The Pescadores Group, that is to say, all islands lying between the 119th and 120th degrees of longitude east of Greenwich and the 23rd and 24th degrees of north latitude.

ARTICLE III.

The alignments of the frontiers described in the preceding Article and shown on the annexed Map, shall be subject to the verification and demarcation on the spot, by a Joint Commission of Delimitation consisting of two or more Chinese and two or more Japanese Delegates to be appointed immediately after the exchange of the ratifications of this Act. In case the boundaries laid down in this Act are found to be defective at any point, either on account of topography or in consideration of good administration, it shall also be the duty of the Delimitation Commission to rectify the same.

The Delimitation Commission will enter upon its duties as soon as possible and will bring its labours to a conclusion within the period of one year after appointment.

The alignments laid down in this Act, shall, however, be maintained until the rectifications of the Delimitation Commission, if any are made, shall have received the approval of the Governments of China and Japan.

ARTICLE IV.

China agrees to pay to Japan as a war indemnity, the sum of 200,000,000 Kuping Taels. The said sum to be paid in eight instalments. The first instalment of 50,000,000 Taels to be paid within six months, and the second instalment of 50,000,000 Taels to be paid within twelve months after the exchange of the ratifications of this Act. The remaining sum to be paid in six equal annual instalments as follows: The first of such equal annual instalments to be paid within two years; the second within three years; the third within four years; the fourth within five years; the fifth within six years, and the sixth within seven years, after the exchange of the ratifications of this Act. Interest at the rate of 5 *per centum per annum* shall begin to run on all unpaid portions of the said indemnity from the date the first instalment falls due.

China shall, however, have the right to pay by anticipation at any time any or all of said instalments. In case the whole amount of the said indemnity is paid within three years after the exchange of the ratifications of the present Act, all interest shall be waived and the interest for two years and a half or for any less period if then already paid, shall be included as a part of the principal amount of the indemnity.

ARTICLE V.

The inhabitants of the territory ceded to Japan, who wish to take up their residence outside the ceded districts, shall be at liberty to sell their real property and retire. For this purpose a period of two years from the date of the exchange of the ratifications of the present Act, shall be granted. At the expiration of that period those of the inhabitants who shall not have left such territories shall at the option of Japan, be deemed to be Japanese subjects.

Each of the two Governments shall immediately upon the exchange of the ratifications of the present Act, send one or more Commissioners to Formosa to effect a final transfer of that

Province and within the space of two months after the exchange of the ratifications of this Act, such transfer shall be completed.

ARTICLE VI.

All Treaties between China and Japan having come to an end in consequence of war, China engages immediately upon the exchange of the ratifications of this Act, to appoint Plenipotentiaries to conclude, with the Japanese Plenipotentiaries, a Treaty of Commerce and Navigation and a Convention to regulate Frontier Inter-course and Trade. The Treaties, Conventions and Regulations now subsisting between China and European Powers shall serve as a basis for the said Treaty and Convention between China and Japan. From the date of the exchange of the ratifications of this Act until the said Treaty and Convention are brought into actual operation, the Japanese Government; its officials; commerce; navigation; frontier intercourse and trade; industries; ships and subjects, shall, in every respect, be accorded by China most favoured nation treatment.

China makes in addition the following concessions, to take effect six months after the date of the present Act:

1st.—The following cities, towns and ports, in addition to those already opened, shall be opened to the trade, residence, industries and manufactures of Japanese subjects, under the same conditions and with the same privileges and facilities as exist at the present open cities, towns and ports of China.

- 1.—Shashih in the Province of Hupeh.
- 2.—Chung-king in the Province of Szechuan.
- 3.—Su-chow in the Province of Kiang-Su.
- 4.—Hang-chow in the Province of Chekiang.

The Japanese Government shall have the right to station Consuls at any or all of the above named places.

2nd.—Steam navigation for vessels under the Japanese flag for the conveyance of passengers and cargo, shall be extended to the following places:

1.—On the Upper Yang-tsze River, from I-chang to Chung-king.

2.—On the Woo-sung River and the Canal, from Shanghai to Su-chow and Hang-chow. The Rules and Regulations which now govern the navigation of the inland waters of China by foreign vessels, shall, so far as applicable, be enforced in respect of the above named routes, until new Rules and Regulations are conjointly agreed to.

