THE MARGARY AFFAIR
AND THE
CHEFOO AGREEMENT

By

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PREFACE

IN publishing this thesis, which I presented for the degree of B.Litt. in 1938, I wish to thank Mr. W. C. Costin, Fellow of St. John's College, under whose supervision the work was carried out. To the Public Record Office, the Library of the India Office, and the Bodleian Library, I am indebted for the facilities they afforded me in the prosecution of my research. Also I acknowledge with grateful thanks the generosity of Brasenose College and of the Committee for Advanced Studies who have been good enough to make possible the publication of this work.

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CONTENTS

ABBREVIATIONS

THE following abbreviations are used throughout:

F.O. = Foreign Office dispatches in the Public Record Office.

I.O. = India Office papers.

IWSM. = *Chou Pan I Wu Shih Mo* ('The Beginning and End of the Management of Barbarian Affairs, 1836–74'), Palace Museum, Peiping, 1920.

LCTY. = *Li Hung-chang's Correspondence with the Tsungli Yamen*, Series III of 'The Complete Collection of Li's Papers', Nanking, 1908.

P.P. = British Parliamentary Papers.

USFR. = Papers relating to the Foreign Relations of the United States.

WCSL. = *Ching Chi Wai Chiao Shih Liao* ('Sources of Diplomatic History toward the End of the Ching Dynasty, 1875–1911'), compiled by Wang Yien-wei, and Wang Liang. Peiping, 1932–4.

Hansard = The Parliamentary Debates.

Mayers = *Treaties between the Empire of China and Foreign Powers*, edited by W. F. Mayers. Fifth edition, 1906.

ORTHOGRAPHY

CHINESE proper names in the text are spelt in the accepted romanized form. The maps are reproduced from *Mandalay to Momien*, by John Anderson, by kind permission of Messrs. Macmillan & Co., with their original spellings. It is hoped that the public will have no difficulty in identifying the place-names referred to in the text.

CHAPTER I

A BRIEF ACCOUNT OF THE ANGLO-CHINESE RELATIONS, 1861–74

1. *A New Phase of Diplomacy*

THE treaties and conventions of 1860 concluded the war between China and England and France, and ushered in a period of peace and adjustment. Hitherto, the management of affairs with England, France, and the United States had rested entirely in the hands of the Governor-General of the Two-Kwang. The Treaty of Tientsin provided for the residence of a British minister in Peking, and the nomination of one of the secretaries of state, or a president of one of the boards, as the high officer with whom the diplomatic representative of the Queen could transact business on a footing of perfect equality.[1] There was no treaty stipulation requiring the establishment of a separate ministry of foreign affairs. The Chinese government could have discharged its obligations by the appointment of one or two high officers to deal with foreign representatives. But to relieve the burden of Chun Chi Chu, or the grand council, a Chinese foreign office, called the Tsungli Yamen, was set up.[2] It consisted of a directory and a secretariat; the former included an imperial prince and the ministers of the grand council, and the latter was composed of clerks drawn from the grand council and various boards who held both positions concurrently.[3] The number of the ministers of the Yamen was never fixed; in 1861 it was composed of three, and in the following year was increased to seven. Of the three original members, Kung acted as the head and continued in office till 1884. Besides the Yamen there were established at the same time two other offices, the High Commissioner of the three northern ports and the Superintendent of Trade for the south.[4]

[1] Article V of *British Treaty of Tientsin*, Mayers, p. 12.
[2] *IWSM.*, Hsienfeng Section, vol. lxxi, pp. 17–26.
[3] Ibid., p. 19.
[4] Ibid., pp. 20–3.

Though their function was concerned with trade they were constantly consulted by the Yamen on international affairs.

Though the foreign ministers resided in Peking near the central government, their personal relations with the Chinese officials were limited to rare visits to the Yamen. Nevertheless their discussions prevented difficulties arising which might otherwise have led to serious complications. The important result gained was 'the avoidance of local acts of violence, which produce bad blood on both sides, and have been most prejudicial to the general tranquillity by weakening the authority of the Chinese government in the eyes of its people'.[1] Sir Frederick Bruce, the first British minister in Peking, carried out this policy with sincerity. He deprecated acts of local coercion by the consuls, and warned them not to call in the aid of naval forces in any case in which the lives and property of the British subjects were not directly endangered.[2] In his dispatch to Lord John Russell on September 8, 1862, he stated,

'Our true policy is to give weight and authority to the Foreign Board by compelling it to deal with foreign questions and to punish, if necessary, officials who violate Treaties, and thus to teach the latter to tremble when a Consul threatens to bring a matter under the notice of the minister at Peking. In this way, the Foreign Board will come to be looked upon as a powerful Department in the administration of the Empire; and the fact that the Prince of Kung is at its head is favourable to giving it the prestige, in the eyes of Local Governors, which is necessary to render it effectual for the purposes designed.'[3]

Connected with this policy of holding the central government responsible for the acts of local authorities was the practice of co-operation among the treaty powers. During the fourteen years after 1860 there was frequent consultation among, and collective action by, the foreign representatives in Peking. The most-favoured nation clause, which the western nations acquired without a corresponding privilege for China, created among them a community of interest in

[1] Bruce to Consul Gingell, July 17, 1862. P.P., 1863, LXXIII.
[2] Bruce's Circular to Consuls in China, Sept. 2, 1862. Ibid.
[3] Ibid.

the assertion and preservation of the treaty rights. Thus Bruce wrote: 'As all the Treaty Powers enjoyed the same rights, the security and rights of all foreigners are alike attacked when the subjects of any one Power suffer injury and obtain no redress.'[1] Foreign ministers generally held that joint action in China was desirable whenever their general rights were infringed in the person of a foreigner of whatever nationality.[2]

While the legations were installed in Peking, the Manchu empire was tottering to its collapse in face of the Taiping rebellion. Early British policy towards the civil war had been one of non-intervention, qualified by the defence of her own interests at the ports. This position became untenable, in view of the extraordinary hazard and risk to trade, and the increasing burden of keeping a considerable garrison to protect the foreign settlements.[3] Gradually the destructive nature of the insurrection and the blasphemous character of its doctrines alienated foreign sympathy for the Taipings. On the other hand, the court of Peking, for fear of an alliance between the foreign states and the rebels and in the hope of obtaining European assistance, adopted a friendly attitude towards foreign powers. This change combined with a renewed threat of a rebel intrusion into Shanghai decided the British and French governments, for the protection of their interests, to throw their weight on the side of the Imperial government. In 1862 the neutrality which the treaty powers had declared in Shanghai was abandoned. British steamers transported government troops. The employment of foreign officers and the purchase of foreign artillery strengthened the position of the government against the insurgents. A fleet equipped in England by Captain Osborn was, indeed, disbanded; for Lay, the first inspector of the maritime customs had, in excess of his instructions, agreed to its commander acting independently of the Chinese authorities.[4] Yet in the

[1] Bruce to Kung, June 5, 1863. P.P., 1864, LXIII.

[2] Bruce to Russell, June 12, 1863. Ibid.

[3] Bruce to Vice-Admiral Hope, June 16, 1861. P.P., 1862, LXIII.

[4] Morse, H. B., *International Relations of the Chinese Empire*, vol. ii, pp. 34–5.

Ever-Victorious Army, always associated with the memory of General Gordon, the service of foreigners and foreign artillery was used with most pronounced success. At Shanghai the British and French allied forces took under their protection the country within a radius of thirty miles from the city.[1] They captured a number of cities and restored them to the government. The fate of the Taipings was settled. Nanking fell on July 19, 1864.

Thanks to this foreign assistance the effete Manchu empire maintained a lingering existence for another forty-seven years, and with it survived the stolid conservatism of the old régime. Sir Rutherford Alcock, the successor of Bruce, observed in 1867:

'Had foreign Powers been prepared to sacrifice the trade with China, and allow it to be destroyed, for a time at least, by the triumph of the Taipings, there would have been no need at this time to respect old customs and traditions; for it was the mission of this great movement apparently to . . . break down . . . all that could stand in the way of reforms and innovations on the old systems of national life and government. . . . Commerce was saved, but the future of China was left to be worked out through the old worn-out system of Confucius, and traditions of government and political economy no longer adapted to their needs.'[2]

Indeed, the political system of the Chinese empire was decrepit with age. For a long time there was no strong ruler on the throne like the early Manchu emperors. During the minority of the emperor Tungchih, the governing power rested with the empresses-dowager, acting with the advice of the grand council. The empresses, with all the intelligence of women in a Manchu court, were uneducated for government. As contemporaries realized, there was no prospect of great reforms in China during a minority, for only an emperor could sanction any changes in established laws and customs without being liable to a charge of treason. Not only was the monarchy weak: it was also not centralized. Though every provincial official from the governor-general downwards was appointed and removed at the will

[1] Bruce to Russell, Mar. 26, 1862. P.P., 1862, LXIII.
[2] Alcock to Stanley, Dec. 23, 1867. P.P., 1871, LXX.

of the emperor, each province constituted itself as a separate administration. It had its own militia, collected its own taxes, levied its own dues, and paid all the military and civil officers out of the proceeds of the provincial revenue. It remitted a certain amount of revenue and presented periodical reports on various subjects to the central government, but otherwise its connexion with Peking was loose. The vastness of the territory, the chaotic condition of the country after a long period of civil war, the feebleness of the central government, and the semi-autonomous character of the provincial administration presented insurmountable difficulties to the enforcement of the will of the central authorities. Yet this was the government with which foreign ministers had to deal.

2. *Conditions of Foreign Trade*

The four treaty powers had particular interests in their relations with China: Russia, the extension of her frontiers; France, the protection of catholics; and England and the United States, the development of trade. An efficient customs administration had been provided by the establishment of the maritime customs.

The Agreement of 1858 provided that a uniform system should be enforced at every port, and that the officer appointed by the Chinese government to superintend foreign trade might select any British subject he saw fit to assist in the administration of the customs revenue.[1] The arrangement was considered the more necessary when one-fifth of the customs receipts at each of the five ports was ear-marked to pay an indemnity to the British government.[2] Within five years the employment of foreigners in the administration of the customs was extended to all the ports. After the dismissal of Lay on account of the Osborn fleet affair, Robert Hart succeeded as Inspector-General. Hart won the confidence of the Yamen to such an extent that he exercised more influence on the court of Peking than any other foreigner in the next forty years.

[1] Mayers, pp. 30–1.

[2] Article III of the convention of 1860. Mayers, p. 8.

By the Treaty of Tientsin, the opening of the Yangtze ports from Chinkiang up to Hankow, designed to give British merchants a more direct approach to the marts in central and western China, was postponed until the restoration of internal peace.[1] In view of the progress of the Taipings in 1860 which seemed to preclude the possibility of an immediate cessation of war, the British government arranged with both parties to the conflict for opening the river to trade. The insurgents agreed to permit British vessels to navigate the river without molestation.[2] As an act of favour the Yamen consented to open Kiukiang and Hankow subject to certain regulations.[3] Trade on the Yangtze was permissible only at the three ports, Chinkiang, Kiukiang, and Hankow. Though the regulations forbade the supply of ammunitions or provisions to the insurgents, some foreign adventurers smuggled these goods for the use of the insurgents,[4] while others convoyed vessels engaged in the contraband trade in salt.[5]

Foreign merchants were anxious to obtain the opening of the whole Yangtze river. The Yamen objected for fear of losing its transit duties and of the growth of the illegal arms traffic,[6] and politely refused a request by Bruce for a partial opening of three more Yangtze ports.[8]

British trade had suffered from the destructive nature of the Taiping rebellion, but it also recovered very rapidly. The Treaty of Tientsin increased the number of ports open to trade, and the revised tariff established practically a free trade system.[9] British merchants were given full permission to carry on the coastal trade under more advantageous conditions than those enjoyed by native traders.[10] In the

[1] Mayers, p. 13.
[2] Parkes's Notification, Mar. 9, 1861. P.P., 1861, LXVI.
[3] Regulations of 1861 and of 1862. Mayers, pp. 217–25.
[4] Bruce to Russell, July 14, 1862. P.P., 1863, LXXIII.
[5] Same to same, July 18, 1862. Ibid.
[6] Same to same, Sept. 22, 1862. Ibid.
[7] Bruce to Kung, Nov. 6, 1862. Ibid.
[8] Kung to Bruce, Nov. 13, 1862. Ibid.
[9] Sargent, A. J., *Anglo-Chinese Commerce and Diplomacy*, p. 174.
[10] While native produce carried coastwise had to pay export duty at the port of shipment, and at the port of entry, coast trade duty (the amount of

eighteen-sixties, 80 per cent of the total of China's foreign trade was with the British empire.[1] The chief imports were opium, cotton and woollen goods, and metals, and the chief exports, tea and silk. The main centres of trade were Shanghai, Hankow, and Canton.[2]

The growth of trade incited foreign merchants to demand further facilities. As direct access to the inland markets offered great possibilities, the opening of the whole empire seemed especially desirable. British merchants were allowed to travel and trade inland with passports, but possessed no right to reside in the interior. They claimed that by Article XII of the Treaty of Tientsin they should be allowed to purchase or rent land or buildings 'whether at the ports or other places'.[3] The British authorities rejected such a claim as contrary to the letter and spirit of the treaty.[4]

which was declared to be half import duty), tariff-paid foreign imports when re-exported to any port in China were protected against all further exaction of duty by the maritime customs by the exemption certificate. Regulations relating to Transit Dues, Exemption Certificates, &c., Mayers, pp. 217–19.

[1] In 1868, of the total value of China's imports and exports amounting to 140 million taels, the trade with the British Empire (Great Britain, Hong Kong, and India) was 117 million taels. Abstract of Trade and Customs Revenue Statistics from 1864 to 1868. P.P., 1868–9, LXIV.

[2] Ibid.

[3] The Shanghai Chamber of Commerce to Russell, Sept. 4, 1862. P.P., 1863, LXXIII.

[4] According to Bruce, 'the word "places" was introduced to prevent any chicanery on the word "ports"; and the clause was introduced to refer to any other ports or places not mentioned in the Treaty which the Chinese government might hereafter consent to open to foreigners. But it was not intended to open by a side wind the whole of China to British residents, which is the construction put on words by the memorialists'. Bruce to Russell, Sept. 22, 1862. Ibid. If the right to build or open warehouses, churches, or hospitals in any part of the Chinese Empire had been the intention of Article XII, 'those privileges would certainly have been conceded in more explicit terms; but considered, as it must necessarily be, in connexion with the preceding Article which expressly limits to particular cities, towns, and ports, the rights of British subjects in these respects, Lord Russell is of opinion that this claim is one which cannot be sustained'. Hammond to the Shanghai Chamber of Commerce, Feb. 19, 1863. Ibid. Wade, who was responsible for the insertion of the words 'other places' in the Treaty, regretted that they had been misunderstood for, according to his original idea, they meant the vicinity of the port, such as Whampoa to Canton or Woosung to Shanghai. That these words could not be taken as referring to the interior was clear when read together with the limitations of the passport privileges as defined in Article

Next to residence inland, British merchants desired freedom of commerce from physical and economic restrictions. The connexion of the outside world with Shanghai by telegraph and later the opening of the Suez Canal had transformed commercial methods. China was then without a single railway. To facilitate communications with the interior and to tap the resources of the empire, foreign merchants wished to see railways and telegraphs constructed and the scientific working of the mines. There were, however, two obstacles to the introduction of such mechanical appliances, a lack of capital and, more important, the hostile feeling of the people to such innovations.

More tangible in its effects on trade than the lack of modern means of communication were the restrictions imposed by inland taxation. After the Treaty of Nanking, China had agreed that Chinese merchants might transport inland British merchandise, on which tariff-duties had been paid, on paying the moderate transit dues then in force.[1] The inland taxes in 1843 were collected at fixed barriers, none of which approached within several miles of the foreign settlements. During the Taiping rebellion these barriers fell into disuse, and in dire need of money the Chinese government imposed local taxes, called 'likin', on trade at the ports and inland. To check the extortionate taxation of foreign trade by the provincial governments, the Treaty of Tientsin contemplated a definition of the inland charges, and the provision of an optional settlement by the foreigners of those charges by the payment of a single charge.[2] On framing the tariff rules at Shanghai in the autumn of 1858, it was found impossible to carry out the first object owing to the disturbed state of the empire, and, to secure British trade in British hands from arbitrary taxation, it was agreed that British subjects should be allowed, under certificate, freely to carry goods between a port and an inland market on payment of a transit duty

IX of the Treaty of Tientsin.—Wade's Memorandum respecting the revision of the Treaty of Tientsin, Dec. 1868. P.P., 1871, LXX.

[1] Article X of the Treaty of Nanking. Mayers, p. 3.

[2] Article XXVIII of the Treaty of Tientsin. Mayers, pp. 15–16.

which was fixed at one-half of the import duty.[1] This transit provision was not applied to opium, which after the payment of thirty taels per picul import duty was to be sold by the importer only at the port, and carried into the interior by the Chinese only, and only as Chinese property. The inland charges on opium were to be levied as the Chinese government saw fit.[2]

The Treaty of Tientsin and the tariff regulations did not interfere with the system of inland taxation on trade carried on by the Chinese, nor encroach upon the power of the Chinese government to increase the inland charges on goods not protected by certificate.[3] However, conceived solely to suit foreign interests, the treaty arrangement of transit dues ran counter to the fiscal administration of the Chinese empire. Already the establishment of the maritime customs had diverted a large revenue from the provincial direct to the imperial exchequer, and the transit certificate system threatened to withdraw another source of income from the local governments. The central government should have indemnified the provincial governments by making an allowance out of the maritime customs revenue, but this was impossible. The imperial revenue in normal times was about £15,000,000 annually, drawn from three sources: the land-tax which yielded two-thirds of the total, the sundry taxes, and salt gabelle.[4] Long years of civil war and wide devastation of the country by the Taipings, the Mohammedans, and the Nei-fei had prevented the collection of taxes. In such financial stringency the central government naturally kept for itself the surplus of the customs revenue after payment of the British and French indemnities had been met. To maintain their administration, and to finance the campaigns against the rebels, the provincial authorities resorted to the levy of likin on nearly all articles of trade both at the ports and inland. Branch transit collectorates multiplied in number, and the

[1] Article VII of the Agreement of 1858. Ibid., p. 30.
[2] Article V of the Agreement of 1858. Ibid., p. 28.
[3] Bruce to Consul Medhurst, Apr. 30, 1862. P.P., 1863, LXXIII.
[4] Wade's Memorandum respecting the revision of the Treaty of Tientsin, Dec. 1868. P.P., 1871, LXX.

rate of the taxes became excessive and irregular. At first imposed as a war measure the likin under various names continued in existence for nearly eighty years. Conducted by a system of 'farming' familiar to France before the revolution, it was attended with similar abuses. Nevertheless, likin was indispensable to the provincial treasury until one day drastic reforms were made by the scientific establishment of a centralized fiscal machinery.

Though damaging to general trade, the imposition of likin on Chinese subjects was the unimpeachable right of the Chinese government. No treaty had freed the Chinese people in the treaty ports from taxation by the Chinese government. Transit certificates only exempted foreign goods cleared under them from all charges in transit. Once they had become Chinese property, no exemption from likin or any other taxation, whether at a port or an inland market, could be claimed.[1] This had been the official view of the Board of Trade and of Alcock, the British minister.[2] On the other hand, the British merchants contended that their imports, on which the tariff duty had been paid, should be exempt from all further charges between the treaty port and the nearest inland custom houses. On this question Wade took the side of the merchants,[3] Hart that of the Chinese government.[4]

Apart from their criticism of likin, the British merchants complained that the transit certificates were not respected *en route*, and that foreign goods in the interior were differentially or prohibitively taxed. In fact, the inward transit traffic in goods of evident foreign origin worked fairly well, while the outward transit traffic in native produce was a source of complaints.[5] To do justice to the Chinese authorities, foreign merchants were equally, if not more, to blame because of their abuse of the transit privileges. Hart testified that 'in the majority of known cases there has been quite

[1] Mallet to Hammond, May 19, 1869. P.P., 1871, LXX.

[2] Alcock to Medhurst, Apr. 1, 1869. Ibid.

[3] Wade's Memorandum respecting the revision of the Treaty of Tientsin, Dec. 1868. Ibid.

[4] Hart's Memorandum, Jan. 23, 1876. P.P., 1877, LXXXVIII.

[5] Fraser to Derby, June 1, 1877. F.O. 17/755.

sufficient reason for supposing that the transit privilege was being abused'.[1]

3. *Question of Extraterritoriality*

The extraterritorial status of British subjects in China was confirmed by the Treaty of Tientsin.[2] As years passed by, many and frequent complaints arose in the mixed cases. While the foreigners alleged that Chinese assailants were not arrested or were insufficiently punished and that the Chinese courts used torture in criminal proceedings, the Chinese were dissatisfied with the foreign courts which often treated what the Chinese called murder as manslaughter.[3] On the question of debt recovery, the foreigners stated that the prevarications, delays, and excuses of local authorities gave the defaulters a chance to escape, and that in the lower courts it was almost impossible to get redress.[4] On the other hand, the Chinese complained that while the British merchants did their utmost to extract the full amount from the family of the Chinese debtor, defaulting Englishmen managed to escape their liabilities by their bankruptcy and companies acts. These complaints arose from the differences in the laws of the two nations, and for mixed cases there was no common procedure.

At Shanghai there was a new experiment. The exercise of jurisdiction over the Chinese at the port was entrusted to a mixed tribunal. During the Taiping rebellion a considerable influx of refugees into the foreign settlement took place. Consequently the consuls exercised police control over Chinese subjects. Mixed suits, civil and criminal, were tried by a consular court. Both the British and American ministers were opposed to this arrogation of power.[5] Sir Harry Parkes, the British consul at Shanghai, suggested a scheme for the establishment of a Chinese court with foreign assessors within the settlement, modelled on

[1] Hart's Memorandum, Jan. 23, 1876. P.P., 1877, LXXXVIII.

[2] Articles XV, XVI, and XVII. Mayers, p. 14.

[3] Hart's Memorandum, Jan. 23, 1876. P.P., 1877, LXXXVIII.

[4] Memorial by the Shanghai Chamber of Commerce, Nov. 7, 1867. P.P., 1871, LXX.

[5] Kotenev, A. M., *Shanghai: Its Mixed Court and Council*, ch. iii. International Mixed Court 1864–9.

the mixed tribunals on the frontiers of Russia and China. In May 1864 the Shanghai mixed tribunal, comprising a deputy of the local Chinese authority and a British vice-consul, was installed at the British consulate. Five years later a set of regulations was introduced by which the court was presided over by a deputy of the taotai with the rank of sub-prefect. In all cases concerning a foreigner, a consular assessor was to sit. Appeals were heard by the taotai sitting with a consul as assessor. The defects of this court, as alleged by foreigners[1] and confirmed by the investigation of the consuls,[2] lay in the absence of a definite code of procedure and law, and the inadequate power of the sub-prefect.

Another foreign complaint was the failure of the Chinese government to give protection to foreigners travelling in the interior, and the disregard of passports by the local officials. To cite two important cases. In February 1862 the abbé Néel and four Chinese converts were executed by the prefect of Kaichow. It appeared from the papers Count Kleczkowski, the French chargé d'affaires, had obtained, that the deed had been ordered by General Tieng, the chief authority of the Kweichow province. When the French protested, the Yamen appointed the governor-generals of Szechuan and the Two-Kwang as commissioners of inquiry. Their reports extenuated the fault of the accused. However, Berthémy, the French minister, demanded the immediate execution of Tieng. The Yamen, considering the adverse effect of such a measure on the prestige of the Imperial government, instructed the commissioners to find some other way of settlement. The Viceroy of the Two-Kwang then in Kweiyang argued with Mgr Louis Faurie for the substitution of banishment for execution as an adequate punishment for Tieng. In March 1865 the case was closed with acceptance by France of this arrangement and an indemnity of six thousand taels.[3]

[1] Memorial of the Shanghai Chamber of Commerce, Nov. 7, 1867. P.P., 1871, LXX.

[2] Report by Dr. Yates, the United States Vice-Consul-General, to the Consular body, Shanghai, Mar. 10, 1875. F.O. 17/708.

[3] The abbé Néel case, *IWSM.*, Tungchih Section, vol. vi, pp. 33–46;

The other incident took place in Yunnan. Mr. T. T. Cooper, travelling under passport, was detained in Wei-si. After escaping with his life, he charged the sub-prefect of that district with violence and extortion. On November 3, 1870, Wade gave the Yamen a full memorandum of the case.[1] For six months the Yamen delayed procuring a report by pleading the necessity of investigation and the distance of the country in which the affair had taken place. Early in the summer of 1871 the provincial authorities sent to Peking a report denying all allegations. Thinking that there must be something in Cooper's charges, the Yamen called for a second report. At the end of another six months a second report came, contradicting the main portion of Cooper's statement, but announcing the degradation of the sub-prefect for keeping bad order in his district. Wade had demanded an indemnity. The Yamen at first refused, but in June 1872 agreed to give four hundred taels as a gratuity. Although these incidents occurred in remote districts to which the central authority hardly reached, there remained in the minds of the foreign ministers a profound distrust of judicial investigations conducted by Chinese officials.

4. *Revision of the Treaty of Tientsin*

An opportunity to demand of the Chinese government the redress of commercial and judicial grievances and the adoption of a policy of mechanized communications came with the revision of the Treaty of Tientsin. As early as November 1865 Hart had urged upon the Yamen the advisability of introducing a mint, steamships, and telegraphs, of giving an audience to the foreign ministers, and of establishing a resident mission at the court of each of the treaty powers.[2] Wade too, in a memorandum to the Yamen (March 5, 1866), frankly discussed the position of China and advised the Chinese government to westernize itself by

vol. xiii, pp. 13–19; vol. xv, pp. 42–7; vol. xxi, pp. 49–68; vol. xxxi, pp. 20–5; vol. xxxv, pp. 10–12.

[1] Wade's Memorandum on Cooper's claim. Enclosure in Wade's letter to Granville, June 17, 1872. F.O. 17/630.

[2] *IWSM.*, Tungchih Section, vol. xl, pp. 13–22.

the introduction of industrial technique and the dispatch of Chinese representatives abroad.[1] The Yamen did not act on these friendly suggestions.

January 1868, being six months before the expiry of the British treaty, was the month in which notice of its intended revision had to be given. In view of the lesson of treaty revision in 1858 which had led to a disastrous war, the Yamen was very serious in its handling of this matter. In a secret circular issued on October 12, 1867, to the provincial governments, the Yamen asked their opinions on six points: (1) audience, (2) diplomatic missions abroad, (3) telegraph and railway, (4) opening of foreign warehouses in the interior, and navigation of steamers in inland waters, (5) sale and transport of salt, and opening of coal-mines by foreigners, and (6) missionaries.[2] The opinions of the three most influential statesmen of the time—Tseng Kwo-fan (viceroy of the Two-Kiang), Tso Tsung-tang (viceroy of Shensi and Kansu), and Li Hung-chang (viceroy of Hu-Kwang) were very much alike.[3] They advised the Yamen to give an audience and send resident missions abroad. Both Li and Tseng were in favour of the working of the coal-mines, while Tso objected to this innovation. In regard to the treatment of the missionaries, they were unanimous in support of the *status quo* as provided in the treaties. The adoption of changes in the rest of the six points, they considered, would do more harm than good to the welfare of the lower classes.

Of late years, China had begun to emulate the west in the establishment of arsenals and naval yards, and the foundation of the Tung Wen college for the teaching of foreign languages, but Chinese statesmen thought that China should be able to do these things by herself without foreign interference. To prevent the pressure of the foreign ministers upon China in the matter of treaty revision, and to gain the consent of the foreign nations to the spontaneous freedom of action of China, the Burlingame mission was

[1] *IWSM.*, Tungchih Section, vol. xl, pp. 24–36. [2] Ibid., vol. l, pp. 24–8.
[3] Tseng's and Li's memorials. Ibid., vol. liv, pp. 1–10. Tso's letter to the Yamen. *Correspondence of Tso Tsung-tang*, vol. ix, pp. 52–5.

dispatched to the capitals of the western states in 1868. For some time the idea of sending a mission abroad had been broached, but till then no properly qualified men had been found. In June 1866, Pinchun, a sixty-three-year-old Manchu official, was appointed by the Yamen to follow Hart to Europe on a tour of investigation.[1] In November of the following year Anson Burlingame was about to resign as the United States minister to China. Kung requested him to explain to the treaty powers China's difficulties and her desire to be progressive. To the surprise of the diplomatic corps in Peking, Burlingame accepted the request. Accompanied by Chih Kang, a Manchu, and Sun Chia-ku, a Chinese, he left Shanghai on February 25, 1868, made glowing speeches in the United States, and by the agreement of July 28, 1868, obtained the consent of the American government to a policy of non-interference in the development of China. In London Lord Clarendon gave him a very explicit statement of British policy towards China: Great Britain, expecting from China a faithful observance of treaties, had no intention of applying unfriendly pressure to induce her to advance more rapidly in her intercourse with foreign states than was consistent with safety, and with due regard for the feelings of her subjects.[2]

Before this diplomatic manœuvre of China, Alcock had invited the opinion of the British merchants on the question of treaty revision. Their chief demands, to use the words of Alcock, were:

'relief from inland and local taxes, or exaction on goods; the question of transit dues and likin taxes; greater facilities of access and communication with the interior, which, in effect, means the introduction of railroads and telegraphs, and the right of navigation by steam of certain inland waters, the Poyang Lake more especially; the privilege of working coal and other mines, and of residence in their vicinity as well as at centres of produce and industry in the interior; and the establishment of an International Tribunal with a civil code of laws and procedure, and security for the due execution of awards against Chinese defaulters.'[3]

[1] *IWSM.*, Tungchih Section, vol. xxxix, pp. 1–2.
[2] Clarendon to Burlingame, Dec. 28, 1868. P.P., 1868–9, LXIV.
[3] Alcock to Stanley, Nov. 15, 1867. P.P., 1871, LXX.

Full satisfaction of these demands was impossible without fundamental changes and sweeping reforms in the internal administration of China, but the chances of such changes by any spontaneous action of the government or by diplomatic efforts were then nil.[1] The policy of the other treaty powers was to wait for, rather than to coerce the Yamen into, the introduction of innovations.[2] Consequently Alcock was instructed to defer the formal revision of the Treaty of Tientsin until the majority of the Emperor, in the hope that 'in five years there may exist a greater disposition to extend foreign trade and relations than at present', and to 'obtain, if possible, the consent of the Chinese government to such arrangements as they have already expressed their willingness to adopt in view of an immediate revision'.[3]

Such arrangements had been under consideration by an Anglo-Chinese commission since March 1868. In the supplementary convention signed on October 23, 1869,[4] there was no concession about the right of residence in the interior and the construction of railways and telegraphs, which, however strongly desired by the merchants and the treaty powers, were not treaty rights and therefore were not insisted on by Alcock. By the convention China agreed to open Wenchow (in Chekiang) and Wuhu (in Anhui), to establish bonded warehouses at the ports, and to permit British merchants to rent storage in the interior. The privilege of navigating the inland waters, conceded in principle, was limited in application to sailing vessels. All foreign textiles imported by British merchants were to circulate freely in the ten treaty port provinces without further liability to inland dues or charges on paying simultaneously import duty and transit due to the maritime customs. Such goods could be taken inland, whether by British merchants in person or by Chinese, unaccompanied by any transit certificate.

On their side the British agreed to an increase of import

[1] Alcock's Memorandum, Nov. 8, 1867. P.P., 1871, LXX.
[2] Alcock to Stanley, Nov. 15, 1867. Ibid.
[3] Mallet to Hammond, May 19, 1869. Ibid.
[4] The text of the convention. Mayers, pp. 37–43.

duty on opium to the amount of 2½ per cent *ad valorem*, and of export duty on silk by about a fraction of 1 per cent.[1] China was to be allowed to appoint consuls in the British dominions—'the plainest of all international rights', and a necessity in Hong Kong, a notorious smuggling depot, where 'the Chinese revenue, it is calculated, loses more than a quarter of a million annually in Customs revenue from its proximity to the mainland'.[2]

However advantageous to British trade, the convention met with strong opposition from the British merchants and was finally rejected by their government. The merchants objected to the establishment of a Chinese consul at Hong Kong on the ground that he would be a source of trouble with the Chinese population of that port. They did not believe that China would not further impose likin on foreign textiles after they had paid the tariff and transit duties at the time of importation. They also considered that the counter-concessions obtained from the Chinese government were insufficient to justify their consent either to an increase in the tariff on two important articles of trade, or to the abandonment of the option to use or to decline the privilege of a transit certificate.

The rejection of the convention by the British government had a deep influence on the development of China's foreign relations. It was the first agreement affecting British trade that had not been extorted from the Chinese government by force, and the first in which there was at least a show of reciprocal interchange of concessions. 'It was not wonderful, therefore,' so Wade explained, 'that its rejection without a trial should pique the high officer who had in effect represented the Chinese government throughout the negotiations [the Grand Secretary Wensiang]; or that his pique should show itself in renewed obstructiveness.'[3] Thirty years later Hart recorded his reflections upon this matter. 'The non-ratification of that convention was damaging, for it had been negotiated leisurely and in a sympathetic and friendly spirit, and Chinese officials

[1] Alcock to Clarendon, Oct. 28, 1869. P.P., 1871, LXX. [2] Ibid.
[3] Part III of Report by Sir T. Wade, dated July 14, 1877. P.P., 1882, LXXX.

regarded its rejection as equivalent to saying that their interests must always give way before what the foreigner thought to be his.'[1]

5. *Missionary Troubles*

More troublesome to the Chinese government than commercial questions was the missionary problem. Based upon a clause interpolated in the Chinese text of the French convention of 1860,[2] the catholic missions claimed the right to rent and purchase land and build houses in all parts of China, and the protestant missionaries of other treaty nations in virtue of the most-favoured-nation clause claimed the enjoyment of the same benefit. With a sense of fair play, Clarendon refused to support the pretentious claims of British protestant missions in China.[3] As a matter of fact wherever the missionaries went they enjoyed the protection of extraterritoriality. A good many of them abused their privilege by screening Chinese converts in lawsuits and interfering with public administration. They attacked the time-honoured custom of ancestor worship and introduced novel ideas of religion repulsive to the conservative Chinese. In the eyes of the local authorities, they were a troublesome element, unmanageable by the Chinese law. Everywhere in China the little missionary colony became an *imperium in imperio*. Wade was of the opinion that

'The propagation of a strange faith with pretensions as lofty as those of ours would of itself suffice to excite their hostility, and it will not be the less easily provoked where the obnoxious doctrine is found to bring in its train interminable discussions regarding land sales, charitable bequests, suits between converts, interference on behalf of converts against their relatives or against their authorities, and the like incidents.'[4]

[1] Hart, R., *These from the Land of Sinim*, p. 70.

[2] The author of the spurious clause in Article VI of the Chinese text of the French Convention of 1860 was Baron de Meritens, one of the two interpreters of Baron Gros in that year. De Meritens admitted it in his 'Notes upon Mr. Wade's Memorandum regarding the revision of the Treaty of Tientsin'. Enclosure in Wade to Granville, Nov. 17, 1871. F.O. 17/589.

[3] Clarendon to Alcock, May 19, 1869. P.P., 1870, LXIX.

[4] Wade's Memorandum respecting the revision of the Treaty of Tientsin, Dec. 1868. P.P., 1871, LXX.

Sporadic conflicts occurred resulting in the destruction of church property and the loss of the lives of missionaries and Chinese converts. Such attacks on British protestant missions happened in Tai Wan-fu (April 1868), Yangchow (August 1868), Wuchang (October 1868), and Foochow (January 1869).[1] In the affairs of Yangchow and Foochow, British consuls called on the naval authorities to coerce the provincial governments. This method, however successful, was not approved by the Foreign Office.[2]

These incidents culminated in the Tientsin massacre of June 21, 1870, in which twenty catholic missionaries lost their lives. The mob was roused to a frenzy of fear and hatred by the rumours that French catholic missions kidnapped children and tore out their eyes and hearts for magical remedies. The movement was chiefly directed against the French, but in the attack some English and American churches were plundered and damaged. As an expression of co-operative action, foreign ministers in Peking addressed a collective note to the Yamen on June 24, 1870, calling their attention to the insecurity of the lives and property of foreigners in China.[3]

The Franco-Prussian war broke out in September 1870. France, which could hardly use armed force to obtain its demands upon China, agreed to settle the case on the terms of an indemnity of 250,000 taels, a mission of apology to France, the banishment of the local officials of Tientsin, and the execution of some twenty Chinese rioters. Foreigners in general, and the French in particular, viewed this settlement as far from satisfactory. The judicial proceedings had dragged on for several months, and only a number of Chinese of the lowest class were sentenced to capital punishment. Foreigners did not believe that the trial of the rioters was fairly conducted. On instructions from Lord Granville, Wade informed the Yamen that 'It appears to Her Majesty's Government impossible to accept the

[1] Morse, H. B., *International Relations of the Chinese Empire*, vol. ii, pp. 223–30.

[2] Clarendon to Alcock, Apr. 19, 1869. P.P., 1868–9. LXIV.

[3] For text of the collective note, see Cordier, H., *Histoire des relations de la Chine avec les puissances occidentales*, 1860–1902, vol. i, pp. 362–3.

measure of satisfaction—so tardily and unwillingly tendered by the Chinese government—as sufficient to efface the feeling of indignation to which the massacre had given occasion'.[1]

6. *The Question of Ministerial Privileges*

Foreign ministers had resided in Peking since 1861. They had so far been unable to obtain an audience of the Emperor or of the Regents, though Queen Victoria had received the Burlingame mission in 1868. While the minority of the Emperor and the sex of the Regents were used as excuses, the fundamental trouble lay in the adjustment of the etiquette of the Chinese court to the demands of foreign representatives who refused to perform the kow-tow or to prostrate themselves before the emperor. They communicated on equal terms with the Yamen, but they were not treated with the same regard as was shown them in other countries. They had almost nothing of social intercourse with the high officials of the government, still less any access to the members of the reigning family. Ignorance as well as pride was the obstacle. The Chinese statesmen were not only ignorant of western practice, but their strict conformity with the Confucian prohibition of private intercourse between officers and foreigners[2] owing allegiance to different states led them to regard diplomatic relations with repugnance. Further, foreign ministers on more than one occasion protested that they were refused access not only to the palace but to other places into which unauthorized persons being Chinese were allowed freely to enter.[3]

In 1872 there were two episodes which hurt the feelings of the British minister. On January 28 Wade was assaulted

[1] Wade to Kung, Apr. 4, 1871. F.O. 17/584.

[2] Li Ki, or Book of Rites, Chapter IX, Chiao T'ê Sheng. '爲人臣者無外交,不敢貳君也', James Legge's translation: 'The minister of a prince had no intercourse outside his own state, thereby showing how he did not dare to serve two rulers.' *The Sacred Books of the East*, vol. xxvii, p. 421.

[3] Alcock to Kung, Nov. 17, 1867. P.P., 1871, LXX.

in the street in Peking.[1] He regarded such violence as a result of the neglect of Chinese officials to raise the position of foreigners in the estimate of the ignorant populace.[2] As the sole measure of redress, he demanded a decree that might have some effect upon the temper of the officials.[3] The Yamen finally agreed to present a memorial to the Throne, directing the provincial governments to observe the treaty. It was to be published in the *Gazette*[4] in which the Chinese characters for 'Great Britain' should be given an elevated position on a level with that for the emperor, as a mark of equality.[5] Secondly, instead of inviting foreign ministers to attend the emperor's wedding on October 15, 1872, the Yamen, ignorant of western practice, requested them and their nationals to stay at home on that day. Wade was exceedingly angry at this discourtesy.[6]

On February 24, 1873, the day after the assumption of the government by the Emperor, the ministers of Russia, Germany, the United States, England, and France addressed a collective note to the Yamen asking for an audience. After four months' negotiation, the Yamen consented to arrange it for June 29, 1873, with the concession that foreign ministers were not required to perform the kow-tow, or even to bend the knee. 'The Empire has, for the first time in its history, broken with the tradition; not, it may be, with a good grace, but still has broken with it past recall.'[7] However, the fullness of this recognition of equality was marred, because the audience took place in the 'Pavilion of Violet Light' where the emperors in the past received the envoys of tributary states, and gave feasts to the Mongol princes. But not for long was an adult emperor to reign in China. For on January 12, 1875, Tungchih died and was succeeded by a boy aged 4.

[1] Wade to Kung, Feb. 1, 1872. F.O. 17/626.

[2] Wade to Kung, Feb. 3, 1872. Ibid.

[3] Note of a conversation between Wade and members of the Yamen, Feb. 22, 1872. Ibid.

[4] The *Peking Gazette* or *Ching Pao* reproduced decrees and memorials.

[5] Memorial of the Yamen, Feb. 29, 1872. *IWSM.*, Tungchih Section, vol. lxxxv, pp. 5–6.

[6] Morse, H. B., *International Relations of the Chinese Empire*, vol. ii, p. 266.

[7] Wade to Granville, July 7, 1873. P.P., 1874, LXXVI.

7. *China in 1874*

Reforms and improvements in the administration and national policy of China, long expected to come with the personal governance of the emperor, were to remain faint dreams. Despite the poverty of the exchequer, the government was conducting a grand campaign against the Mohammedans in the north-west, and the emperor was considering the rebuilding of the summer palace. 'Whether we look at it from within or from without, the stupidity and weakness of this government are disheartening. In foreign policy it will make no move forward, and it will go backward unless its fears are continually appealed to.'[1]

The stupidity and weakness of the government were proved in its handling of the Formosan question. This arose out of the expedition sent to Formosa in April 1874 by the Japanese to avenge the death of certain Liuchiu sailors, murdered by Formosan savages. The Yamen protested against this action and both nations prepared for war. But, thanks to the good offices of Wade, war was averted, and the two countries were brought to an agreement by which China paid an indemnity in return for the evacuation of the Japanese troops.[2] This solution came as a great surprise to one Englishman of influence in the Far East, Sir Harry Parkes, then British ambassador in Tokio, who had written: 'I cannot imagine the latter [the Chinese] sinking so low as to give in. If they do, we ought to learn something from such pusillanimity', and later, 'I thought it possible that they might in the end agree to cry quits, on condition that the Japanese retired from Formosa, but I certainly did not expect to find China willing to pay for being invaded.'[3] The knowledge that the Chinese government could so easily be worsted by the Japanese was fresh in the mind of Wade when an unexpected chance was offered him to compel the Chinese government to settle all outstanding issues. That chance was the murder of Margary.

[1] Wade's private letter to Lord Tenterden, Feb. 11, 1874. F.O. 17/672.
[2] Wade to Derby, Nov. 16, 1874. P.P., 1875, LXXXII.
[3] S. Lane-Poole, *Life of Sir Harry Parkes*, vol. ii, p. 194.

CHAPTER II

CONNEXION BETWEEN BURMA AND YUNNAN

1. *Trade Routes*

THE Margary Affair was an incident in the western Yunnan expedition of 1875, an attempt made by the government of India to explore the possibilities of an overland trade route through Upper Burma to western China. North-east of Upper Burma lies the Chinese province of Yunnan, which British merchants usually credited with a wealth of minerals, an enormous population, and an unlimited capacity for purchasing manufactured goods.[1] The province long remained a *terra incognita* to Europeans. It appears that Marco Polo must have visited the western part of it which was known to him as the Zardandan.[2] However, he left no reliable description of the geography of the region, still less of the trade routes. For many centuries a caravan trade was carried on across the Burmo-Chinese frontier. There were two ways from Mandalay to Talifu in use. One was the direct road from Mandalay through Thiennee to Yungchang and Talifu. The other was up the Irrawaddy to Bhamo, from which three ways branch, meeting at Tengyueh (or Momein in Burmese) and so to Talifu; they all have a north-eastern course over the Kachin hills, the northern or Ponline route making for the valley of Sanda, the central or Embassy route[3] either for Nantin or Hotha, and the southern or Sawaddy route for Nantin.[4]

For several centuries the Bhamo way had afforded a passage from China to Burma alike for invading armies and for peaceful trade. From ten to twelve miles to the east of

[1] Memorial of the Dewsbury Chamber of Commerce, June 7, 1867. P.P., 1867–8, LI.

[2] *The Book of Ser Marco Polo, the Venetian, concerning the Kingdoms and Marvels of the East.* Yule-Cordier edition (1903), vol. ii, p. 84.

[3] So called from the fact of its having been used for many years past by the tribute missions of Burma to China.

[4] Anderson, J., *A Report on the Expedition to Western Yunnan via Bhamo*, pp. 153–8.

the town 'a range of hills, varying from 5,000 to 6,000 ft. in height, runs like an unbroken wall north-east and south-west. Low undulating land stretches from the Irrawaddy to their base. The population of the level country about Bhamo is almost entirely Shan, with a small intermixture of Burmese and Chinese'.[1] Colonel Yule pointed out that the town had long been the water terminus of an overland trade with China. 'As early as the world map of Fra Mauro at Venice, terminated in 1459, we find a rubric on the upper Irrawadi (though that name is unknown to him) which runs: Qui le marchavanti se translata da fiume a fiume per andar in Chataio; Here goods are transferred from river to river to go on to Cathay.'[2]

As Burma is on the east coast of the Bay of Bengal, it is but natural that European traders should have early recognized the importance of Bhamo as one of the gateways to China. The old documents of Fort St. George record that the English and Dutch had factories in the beginning of the seventeenth century at Syriam, Prome, and Ava, and at a place on the borders of China which Dalrymple supposes to have been Bhamo. Owing to disorder and devastation during the war of 1658–61 these establishments were short-lived.[3] With the restoration of order and recovery of trade this region again attracted the attention of the authorities of the East India Company. As a consequence of a mission sent by the Governor of Madras in 1696 to the King of Burma, a British agent was established at Syriam.[4] In the course of the eighteenth century the British in India made immediate contact with Burma whose territorial expansion reached Arakan. During his mission to Ava in 1795 to negotiate a commercial treaty, Captain M. Symes found that an extensive trade then existed between the Burman dominions and Yunnan.

After the close of the Napoleonic wars Lord Amherst,

[1] Anderson, J., op. cit., p. 60.

[2] Yule, H., 'Trade Routes to Western China', *The Geographical Magazine*, Apr. 1875, pp. 97–101.

[3] Anderson, J., op. cit., p. 45.

[4] Cordier, H., *Historique Abrégé des Relations de la Grande-Bretagne avec la Birmanie.*

by his remarkable success in the conduct of the First Burmese war of 1824, made more possible a connexion with China from the west. To obtain the opening of Burma and through Burma of Yunnan, political arrangements and geographical explorations in Upper Burma were made in subsequent years. A British Resident was first established at Mandalay in 1830, but repeated attempts to make a workable commercial treaty with Burma were of no avail. Several distinguished explorers visited Upper Burma, but none of them went east beyond Bhamo.[1]

The exclusiveness of Burma and the aggression of British India led to the Second Burmese war of 1852. The result was that the kingdom of Burma was completely cut off from the rest of the world, all her coastal regions having gone to Great Britain, and these were amalgamated in 1862 into the province of British Burma under the administration of a chief commissioner. The man who first held this post was Colonel A. Phayre.

The occupation of Pegu and the subsequent development of British trade at the coastal ports of Rangoon and Moulmein made the British merchants anxious to obtain commercial openings towards the south-west of China. In 1860–2 different chambers of commerce poured in memorials requesting the government to negotiate with China for opening Esmok (Ssu-Mao), and with Burma for promoting British interests in general. In reply to the Leeds Chamber of Commerce, the Foreign Office stated

'that much inconvenience might arise from introducing into any fresh negotiation with China, at the present time, so novel a question as that of access to a city on the Western frontier of the Chinese Empire; and that even in the improbable case of the Chinese Government acquiescing in a proposal to that effect, the opening of Esmok to British trade would be more likely to have a prejudicial effect than otherwise on the relations between the two countries. For it would be impossible to afford adequate protection to British trade at so inland a city, or to exercise due control over British subjects; while redress for any wrong done in that remote quarter could, in all probability, only be obtained by applying pressure at places more accessible, and

[1] Anderson, J., op, cit,, pp. 54–7.

so placing in jeopardy the more important interests of British trade on the sea-board of China.'[1]

The question was, therefore, not taken up with China in and after 1860. But to Mandalay Phayre went in 1862 to negotiate a commercial treaty. Though unable to secure the King's permission to send a joint Anglo-Burman mission to the Yunnan frontier, he succeeded in making arrangements for carrying on British trade with China through Upper Burma, subject to a small transit duty.

The increased attention of British merchants to the problem of direct commerce with Yunnan gave an inevitable impulse to ingenious schemes. The most popular one was the so-called 'Sprye's route'. Since the British annexation of Pegu, Captain Richard Sprye, who had served during the First Burmese war, had been a very enthusiastic advocate of the overland route to China. In 1858 he initiated the idea of constructing a railway from Rangoon north-east to a point on the Cambodia river between Kianghung in Upper Burma and Ssu-Mao in Yunnan—a distance of some five hundred miles. For fifteen years Sprye pleaded for a survey of his route, wrote innumerable letters to every government office in any way concerned,[2] and induced influential chambers of commerce to support him. Finally, in 1866 a survey was ordered by Lord Cranborne, Secretary of State for India, and it was half carried out in 1869. That part of the line lies in a mountainous and sparsely peopled country, and it would have been a waste of money to construct a railway along it unless such a railway were to be carried two hundred miles farther on through the Burmese territory to the frontier of Yunnan. In 1868 with a change of cabinet in England the survey came to a complete stop. The Indian government refused to spend any more of their money on the survey of a line outside British India.

[1] Hammond to the Leeds Chamber of Commerce, Sept. 22, 1860. P.P., 1864, LXIII.

[2] It is interesting to note the comment of the Foreign Office. 'Captain Sprye is a visionary who indulges in the wildest notions and consumes an enormous quantity of foolscap. There is a certain degree of interest attaching to his schemes, but they are impracticable.' A précis of Captain Sprye's correspondence, Nov. 22, 1859. F.O. 17/470.

'That it was an English or Imperial project, not an Indian one. That it was to benefit the United Kingdom, not India',[1] was the objection which the Duke of Argyle, Secretary of State for India, raised in reply to the request of a deputation from the Associated Chambers of Commerce of the United Kingdom in 1873 for the completion of the survey of 'Sprye's route'.

Indeed 'Sprye's route' entailing so much expenditure was much less advantageous than the Bhamo route, generally accepted as practicable. As early as 1863 Dr. C. Williams, the political resident at Mandalay, after a visit to Bhamo, came to the conclusion that the route to Yunnan via Bhamo would be politically and physically the most feasible and commercially the most profitable.[2] Nevertheless, the Burmo-Chinese trade via Bhamo which had in 1855 represented half a million sterling per annum had almost entirely ceased.[3] This problem confronted the minds of the British mercantile community at Rangoon.

2. *Sladen's Expedition*

The causes of the cessation of the once prosperous frontier trade were the new exclusive policy of the Burmese government and the disorder and devastation resulting from the Panthay rebellion in Yunnan. The king of Burma had adopted an extraordinary national policy, making himself the exclusive wholesale trader. Everything which appeared to yield a profit was declared a royal monopoly. Of all the monopolies the Yunnan trade was the most valuable. He kept personal agents at Manwyne and other towns in western Yunnan for the sale of cotton. For some years he restricted the Yunnan trade to the direct or Thiennee route and did his best to make Mandalay instead of Bhamo the centre of that trade, in order to keep the foreigner some-

[1] Sprye's circular letter of Nov. 5, 1873, to the Presidents of the Chambers of Commerce of the United Kingdom. P.P., 1876, LVI.

[2] Memorandum on the question of British Trade with western China via Burmah, by Dr. C. Williams, *Journal of Royal Asiatic Society*, Bengal, 1864, pp. 407–33.

[3] Memorandum by the chief commissioner of British Burma, Major-General A. Fytche. P.P., 1871, LI.

what under control. Doubtless he and the Chinese merchants at Bhamo and Mandalay were jealous of British trade developments in this direction.

The story of the Panthay rebellion is a long one.[1] The conflict started in 1855 between the Mohammedan and non-Mohammedan silver miners of Lin-an hsien, and extended to the whole province. The frontier trade was brought to a standstill. Far from exterminating the Mohammedans, the provincial government met with redoubtable resistance from them. The imperial government engaged with the suppression of the Taipings had not the resources, even if it had the will, to repress the Yunnan rebels. Gradually the provincial government found its authority shrinking. Western Yunnan was under the control of a Mohammedan leader, Tu Wen-siu, known as Sultan Suleiman. He built his government and consolidated his rule from his capital, Talifu, westwards to the frontier. With a temporary restoration of peace, the caravan trade across the frontiers was resumed.

Under these circumstances a British expedition under the leadership of Major Sladen was dispatched to western Yunnan in January 1868. Its objects were to discover the causes of the trade stoppage and to examine the physical conditions of the country. On February 26, 1868, the party left Bhamo eastward by the Ponline route. Before his departure, Sladen had been informed of the likelihood of dangerous opposition on his way to Tengyueh from a certain imperial official named Li Chen-kuo[2] who was

[1] The rebels were always known by themselves and by the Imperialists as Hui-hui or Hui-tze (i.e. Mohammedans), and the word 'Panthay' was a Burmese term. For a good account of the rise and fall of the rebellion, see Rocher, E., *La Province du Yunnan*, vol. ii, pp. 29–192, 'La Rebellion musulmane au Yunnan'.

[2] This Li Chen-kuo later figured prominently in the Margary Affair. He was designated by a number of names in British documents—Li-ssu, Li-hsieh-tai, Li-ssu-ta-ye or Lees-hee-ta-hee, Li-lao-mien, and Li Chen-kuo. (Li is the family name. Li-ssu means Li the fourth, a youthful name; hsieh-tai, the Brigadier; ta-ye or ta-hee, an honorific title; Li-lao-mien, Li the Burman; and Chen-kuo, his real name in official use.) He was a native of Tengyueh, born of a Chinese father and a Burman mother. All the members of his family were killed during the Mohammedan struggle, except his mother who resided in Bhamo. Li had connexions at Mandalay and Bhamo.

reported to be occupying a stronghold on the Mawphoo Hills between Nantin and Manwyne. He therefore wrote to the governor of Tengyueh, requesting him to open the road. The expedition halted at Ponsee for some days, and continued its march only after a strong Mohammedan force had driven Li away.

The expedition arrived at Tengyueh early in June. The governor treated them with cordiality. The position of the Mohammedan government was discussed, and Sladen pointed out the possibility of reconciling the Mohammedans to the Imperialist government through British intervention at Peking.[1] A verbal agreement was made between the governor and Sladen that goods from the Shan States to Talifu would be taxed at a rate not exceeding 4 per cent *ad valorem*. The Mohammedan chief in Talifu was much pleased with the presents sent through the governor by the expedition, but thought it inadvisable for the expedition to go up to his capital at that time. On July 13, 1868, they returned from Tengyueh, this time by the Embassy route.

The Sladen expedition was the first British mission that ever crossed the Burma frontier to Yunnan. The mission was important in two respects. First, the practicability of the Bhamo route had been tested.[2] Sladen reported: 'It is now a significant and important truth that 130 miles of road or railway on the most practicable line between Bhamo and Momein would effectually tap the resources of Yunnan and put us into direct communication with the wealth and resources of south-western China.'[3] Secondly, the causes of the cessation of the Yunnan trade were ascertained, and remedial measures were proposed. The Mohammedan rebellion was the primary factor, although the Burmese exclusive policy had made the situation more difficult. Sladen concluded his report with the remark that the development of the Yunnan trade

'depends upon the extent to which we are inclined to urge and enforce a progressive policy on the notice of the Burmese govern-

[1] Sladen's Diary. Official Narrative of the Expedition to explore the trade routes to China via Bhamo under the guidance of Major E. B. Sladen. P.P., 1871, LI.

[2] Anderson, J., op. cit., pp. 170–1. [3] Sladen's Report. P.P., 1871, LI.

ment. The disturbed state of Yunnan itself may probably prove a more serious difficulty, and makes it premature to calculate upon the fulfilment of an established trade until a definite understanding has been come to between the Panthay and Chinese governments'.[1] 'His [Sladen's] sympathies were powerfully enlisted in the Panthay cause. He believed that the establishment of the independence of the Panthay Sultan as a friendly power would prove most advantageous to the British government.'[2]

3. *Events Leading to a Second Expedition*

On the return of the expedition, General Fytche, the chief commissioner of British Burma, suggested to the Indian government the establishment of a political agent at Bhamo with the object of resuscitating trade, and maintaining communications with the Kachin and the Shan chiefs and the Mohammedan government. In consequence Captain Strover was appointed the first British Resident at Bhamo. He was ultimately succeeded by Captain Cooke. In 1869 arrangements were made with an English steamship company for the dispatch of a steamer weekly to Mandalay, and one monthly to Bhamo. The rapid increase of native trade gave added importance to this frontier mart. To quote a correspondent of *The Times*, 'in four years the steam navigation developed itself into an almost regular fortnightly service, which, during the year ending October 1874, carried cargo to the value of about £200,000 to and from Bhamo'.[3]

The Bhamo route was valuable not only for the ordinary frontier trade between Burma and Yunnan, but for successful commercial competition with America and France. Fytche considered that the route would be very useful in the importation of opium into China.

'It is here the question touches India in a tender point. The derangement of our opium revenue means a most serious crisis in Indian finance, and were American interference to affect our seaborne opium, the routes through this province would become of the

[1] Sladen's Report. P.P., 1871, LI.
[2] Fytche, A., *Burma Past and Present*, vol. ii, p. 113.
[3] Quoted in Anderson's *Mandalay to Momein*, pp. 335–6.

highest Imperial importance. In the case of such a contingency, and for collateral reasons, in themselves sufficiently advantageous, I should consider it highly prudent on Imperial grounds that we should be in a position to substitute a western ingress to China, for the present seaboard approach destined to be disproportionately shared if not entirely absorbed by America.'[1]

In attributing so much importance to the western through route to China, he stood for a positive policy in Upper Burma.

The fear of the United States seemed to be far more remote than the definite apprehensions in India and England of French designs in Indo-China. While Great Britain was expanding in Burmese territory, France won successive conquests in the eastern part of the peninsula. Shortly after the annexation by France of the three provinces of lower Cochin-China in 1861, the Emperor of Annam was compelled to cede all that southern portion of his country, which gave the French complete command over the mouth of the Mekong river. In 1865, by a sort of *coup de main*, the protectorate over Cambodia was snatched by the French from the king of Siam. The creation of the French colonial empire in the east made France interested in the opening of south-west China. Hoping to make Saigon a great entrepôt by drawing down the Mekong the important commerce which was carried by caravans between Laos, Burma, Tibet, and the western provinces of China, an expedition was formed in June 1866. At the time when Sladen's expedition was about to start its journey from Mandalay to Yunnan, the French party led by de Largrée sixteen months after its departure from Saigon reached Ssu-mao in October 1867. It had visited Talifu, but was ill received by the Mohammedan chief because of his suspicion of the objects of the French party and of the presence of a catholic priest in their company.[2] The French explorers found that the

[1] The same words appear both in Fytche's Memorandum of June 30, 1869, P.P., 1871, LI, and in his private letter to Lord Mayo, dated Mar. 10, 1869. Fytche, A., op. cit., vol. ii, pp. 118–22.

[2] Louis de Carné, *Travels in Indo-China and the Chinese Empire*, translated from the French, p. 37.

upper part of the Mekong river was unnavigable for steam vessels, and was therefore useless as a commercial outlet.

After this first French expedition, a second under Depuis explored the Songkoi or the Red River in 1870. The exploration was of momentous consequence, for it is the Songkoi which proved to be the only navigable water route connecting Yunnan with the sea. France was soon led to further expansion, and in 1874 added its protectorate over Tonquin. At this stage of French expansion, Ashley Eden, the chief commissioner of British Burma, reported: 'France has vigorously entered on a career of direct rivalry with the British.' He further predicted that 'should the French succeed in their commercial policy to draw down the trade of Yunnan through the Songkoi valley to Tonquin, a severe blow will be given to the trade which flows between Mandalay and Momein'.[1]

The value of the trade and the fear of America and France as commercial and political rivals in China induced the authorities of British Burma to promote friendly relations with the Mohammedan government in Yunnan. After Sladen had returned, suitable presents were sent to the governor of Tengyueh with acknowledgement of his hospitality.[2] The Mohammedans purchased firearms from the English in Burma, but in quantities insufficient for their needs.[3] To obtain British military assistance, a mission under Prince Hassan,[4] the adopted son of the Mohammedan chief, was sent to England in 1872. Apparently the mission failed in its primary object, though it met with kindly treatment in London. But it had already aroused the attention of Peking. Wade advised the Foreign Office not to negotiate any treaty with the Mohammedan chief at Talifu, for the Chinese would never contemplate the alienation of Yunnan, an integral portion of the Empire.[5] Hassan's mission returned to Rangoon in December 1872, in time to hear

[1] Eden to Northbrook, July 17, 1873. I.O., vol. 770.

[2] Fytche, A., op. cit., vol. ii, p. 114.

[3] Rocher, E., *La Province du Yunnan*, vol. ii, p. 111.

[4] He was a Mohammedan Chinese named Li Tao-heng. Wade to Grenville, Feb. 10, 1874. F.O. 17/672.

[5] Wade to Granville, Aug. 17, 1872. F.O. 17/631.

the news of the collapse of the Mohammedan government.[1]

The friendly intercourse between British Burma and the Mohammedans inevitably produced apprehension on the part of the Chinese government. Since 1868 the Imperialist campaign against the Mohammedans had been carried on with greater vigour. The Imperial government could count upon the supply of French arms and the employment of French engineers, as well as the service of military forces released from the anti-Taiping campaigns. They also found an able servant in the governor of Yunnan, Tsen Yu-ying, who led the Imperial troops in the capture of Talifu on January 19, 1873. Five months later, the government army occupied Tengyueh. The Mohammedan governor with his followers lurked in the neighbouring mountains. These refugees soon became bandits whose frequent attacks on the caravans passing between Bhamo and Tengyueh rendered the frontier region far from quiet.[2]

The cause for which the Mohammedans had fought for eighteen years was lost, and the savage character of the revenge which they suffered at the hands of the Imperialists was horrible. Hassan appealed to Eden to use his influence with the Viceroy of India and the British government for mediation with a view to stopping these massacres.[3] Though the Viceroy was inclined to favour this proposal,[4] the Foreign Office, acting on Wade's advice, considered it inexpedient as an interference in the internal affairs of China.[5]

The British in Burma and India certainly hoped that the Mohammedan government would continue, so that through friendship with it they might enjoy the benefits of the Yunnan trade. Its sudden collapse was a disappointment to a great many people, but British interests were in no way compromised. On the contrary, the turn of events gave them a better opportunity of opening the south-west of

[1] Prince Hassan to the Duke of Argyle, Feb. 13, 1873. F.O. 17/688.
[2] Anderson, J., *Mandalay to Momein*, p. 344.
[3] Hassan to Eden, Mar. 7, 1873. F.O. 17/669.
[4] Argyle to Granville, Mar. 22, 1873. F.O. 17/668.
[5] Granville to Argyle, Mar. 25, 1873. Ibid.

China through normal diplomatic channels. The signs of trade recovery resulting from the restoration of the Imperial government in Yunnan led British officials and merchants to press for a second expedition into Yunnan so as to arrive at a thorough understanding on the possibilities of the trade routes.

CHAPTER III

DIPLOMATIC AND OTHER PREPARATIONS FOR THE WESTERN YUNNAN EXPEDITION

1. *Decision of the Government of India*

WITH the knowledge that the Imperial government had reasserted itself in Yunnan, Lord Northbrook, the Viceroy of India, wrote to Wade, inquiring 'whether there is any prospect of the Chinese government being induced to open out trade' through that province.[1] In reply Wade plainly stated:

'I regret to say that there is none. After many years of discussion there is at this moment in many provinces as great difficulty as ever in securing observance of treaty stipulations in respect of trade in the interior of China under transit pass. The Central Government knows little of political economy, and is slow to interfere with restrictive action which is, in part, ascribable to anti-foreign feeling. The western and south-western frontiers are as jealously closed as ever.'[2]

In spite of Wade's report, Northbrook felt bound to follow the advice of his agents in Burma. Eden, in a dispatch of July 17, 1873, asserted that recent events in the great Indo-Chinese region compelled 'increased attention to the projects which have so long existed to reach the Western Provinces of China through Burma'.[3] He urged the Viceroy to send a joint Anglo-Burman mission to Yunnan for the purpose of reporting on trade and of endeavouring to open out communications by the Bhamo route. The King of Burma, he thought, was favourable to the idea of the trade route via Bhamo.

'No measure would more perfectly assure His Majesty on this point than the appointment of a British officer as agent or consul at the town of Talifu. If it be possible for the Foreign Office to obtain the consent of the Chinese government to some such appointment,

[1] Northbrook to Wade, May 26, 1873. I.O., vol. 769.
[2] Wade to Northbrook, July 24, 1873. P.P., 1876, LVI.
[3] Eden to Northbrook, July 17, 1873. I.O., vol. 770.

the trade of Western China would be secured to Burmah, and through it to British Burmah.'[1]

The minister at Peking should select from among the British officials in China one thoroughly conversant with the Chinese language and character, and with British policy in China, to accompany an Anglo-Burman mission to Yunnan. If such a qualified officer, empowered by the British and Chinese governments, were sent to British Burma, and passed through Mandalay and Bhamo to Talifu, 'the success of his appointment would be almost certain, and the political effect on the Court of Ava would be very great—at a time, too, when it is much required'.[2] This officer might come overland from the Chinese side or by way of Rangoon. Should he come through the western provinces of China, there would be no difficulty in dispatching a strong mission from Burma to meet him on his arrival at Talifu. The best time to start from Rangoon to Talifu would be in November.

Captain Cooke, on whose information his superiors relied for their knowledge of local conditions in Bhamo, reported on July 22, 1873, that some caravans had passed between Bhamo and Tengyueh during the last two seasons, but he also mentioned the terribly impoverished state of Yunnan after eighteen years of war, and stressed the difficult task of the Chinese authorities in immediately restoring order after such a long period of lawlessness, and the dangers to the trade route which resulted from attacks on the caravans by numerous Kachin chiefs. 'These difficulties will be smoothed over in time; trade will doubtless begin to increase next year, and in a couple of years, the route may be as safe as it was before the Panthay Rebellion.'[3] Upon this report, Eden concluded that 'a great development of the traffic by this important route may confidently be looked for',[4] and two months later, he wrote with greater enthusiasm that 'there seems now to be every prospect of a considerable trade opening'.[5] This continual clamour of British officers

[1] Eden to Northbrook, July 17, 1873. I.O., vol. 770.
[2] Ibid.
[3] Cooke to Strover, July 22, 1873. P.P., 1873, LVI.
[4] Eden to Northbrook, Aug. 19, 1873. Ibid.
[5] Same to same, Oct. 25, 1873. Ibid.

in Burma added to the representations of chambers of commerce in England[1] gave the problem of opening up south-west China a degree of interest which no British government could afford to ignore.

Cranborne, now Lord Salisbury, who was again in the India Office early in 1874, requested Derby to instruct the minister in China to co-operate, should he be aware of no objection to such a course, in aiding an Anglo-Burman mission to Talifu, in the establishment of a consul there, and in pressing for the protection of the road between Bhamo and Talifu.[2] The Foreign Office pointed out that England could not claim a right to appoint consuls at any places in China except at the treaty ports, and

'there are grave difficulties in the way of any project for establishing Consulates or British Communities in the interior of China, where British protection could not be extended to them in case of danger which, in the present state of the Chinese Empire, is in some shape constantly threatening foreigners, and which the Government of Pekin, even if well disposed to do so, can often only imperfectly guard against'.[3]

Wade concurred in this view and added that the government of Yunnan would be opposed to any measure which would inevitably bring its receipts within the range of a regular customs inspection.[4] He was, too, of opinion that trade was not likely to be increased, owing to the usual opposition of the Chinese statesmen to intercourse with foreigners. But he thought something might be done to secure the admission of the expedition into Yunnan, and if this point were carried, its immediate end would have been gained.[5] However, the Government of India acted promptly. It informed the India Office on June 13, 1874, that the Viceroy proposed to send a mission in November,[6] consisting of three or perhaps four English officers and, if

[1] Memorials of Chambers of Commerce of Halifax, Huddersfield, &c. P.P., 1876, LVI.
[2] Mallet to Tenterden, Apr. 17, 1874. Ibid.
[3] Tenterden to Mallet, Apr. 28, 1874. Ibid.
[4] Wade to Derby, July 16, 1874. F.O. 17/674.
[5] Wade to Derby, July 15, 1874. Ibid.
[6] Northbrook to Salisbury, telegram, June 13, 1874. P.P., 1876, LVI.

possible, a Burmese agent, to start from Mandalay via Thiennee to Talifu.[1]

2. *Application for Passports*

Accordingly, Wade called upon the Yamen on July 16, 1874. After having presented to Kung a new member of the legation staff, he left the Chinese Secretary, W. F. Mayers, to talk over the passports required for the mission through Burma to Yunnan. Mayers informed the ministers of the Yamen that the Viceroy of India was going to send three or four officers from Mandalay across the frontier of China. Their destination was uncertain. It was possible that they might come on to Peking or to Shanghai, or that they might return the way they came. The Yamen were asked to issue passports for them, which Wade was to send down to the Yunnan frontier by an interpreter. They were also requested to write to the governments of the provinces through which the interpreter would pass between Hankow and Yunnan, asking them to give assistance both to him and the India officers on their way.[2] The first of the ministers to whom Mayers spoke on the subject asked humorously why the travellers could not take the usual road to Shanghai, by which he meant the sea route.[3] Though the Yamen cautioned Mayers that the border people were rebellious and warlike,[4] they very readily acceded to the request. This promptitude was ascribed to their preoccupation with the Formosan question.[5]

Passports for travellers in China were at that time issued in two forms—for 'business', meaning trade, or for 'pleasure', rendered in Chinese 'tour or travel'. It was for the latter form of passport that Wade applied. The real purpose of the mission was not revealed to the Yamen, for Mayers had been told that 'no allusion need be made to the object of the expedition which is, of course, trade. Neither, above

[1] Northbrook to Salisbury, telegram, June 20, 1874. P.P., 1876, LVI.

[2] Wade's memorandum of instructions to Mayers, July 15, 1874. F.O. 17/674.

[3] Wade to Northbrook, Aug. 7, 1874. F.O. 17/675.

[4] Wade to Derby, July 14, 1877. P.P., 1877, LXXXVIII.

[5] Wade to Northbrook, Aug. 7, 1874. F.O. 17/675.

all things, should Talifu, lately the capital of the so-called Sultan of the Panthai, be mentioned'.[1] Mayers's suggestion at the Yamen, that these travellers might possibly come to Peking to visit Wade, was simply a way 'to stave off more particular inquiry as to the object of their coming'.[2]

On July 29, 1874, Wade informed the Yamen that Mr. Margary was appointed as the interpreter and ordered to proceed to Yunnan to await the arrival of the party. After the receipt of the passports and the letters directed to the provincial authorities,[3] he telegraphed to Derby that 'By exploring the Expedition will do much good, but not I think as much as Government of India expect. If Government of India on this account decline to send it, I shall still send on the Interpreter on the 1st September unless Your Lordship telegraph to Consul [at Shanghai] to stop him.' He hoped that the mission might 'dispense with Burmese agent',[4] for his presence in the party might awaken suspicion on the Chinese side of the frontier. In a dispatch to Northbrook,[5] Wade expounded in detail his opinion of the Yunnan frontier trade. Not only was the acting Governor-General Tsen Yu-ying known to be hostile to foreign intercourse, but it was inexpedient to establish 'British Communities or even a British agent . . . in places inaccessible to gunboats'.[6] British manufacturers, he was sure, ought not to expect much growth of trade owing to the weight of likin and other charges as well as the importers' commissions. The only encouragement Wade gave the expedition came in his cheerful conclusion that 'the province is a vast region full of natural wealth, and the exploration of the commercial routes which will be traversed by intelligent men cannot fail to be of great utility'.[7] Nevertheless, the Government of India decided to adhere to their decision to dispatch the

[1] Wade's memorandum of instructions to Mayers, July 15, 1874. F.O. 17/674.

[2] Wade to Northbrook, Aug. 7, 1874. F.O. 17/675.

[3] Translation of official dispatch addressed by the Tsungli Yamen to the Governor of Yunnan, July 31, 1874. P.P., 1876, LVI.

[4] Wade to Derby, telegram, July 30, 1874. F.O. 17/674.

[5] Wade to Northbrook, Aug. 7, 1874. F.O. 17/675.

[6] Ibid.

[7] Ibid.

expedition. The Viceroy considered Wade's arrangement satisfactory,[1] and Derby telegraphed 'Interpreter Margary should start'.[2]

3. *Instructions to Margary and Browne*

In Augustus Raymond Margary, Wade had found a fit man for the job. About thirty years old, hard-working, and with a happy temperament, Margary had been in China for seven years. He had begun as a student interpreter in the legation, and had later acted as consul in Formosa, and at Chefoo.[3] From Chefoo he was transferred to Shanghai in April 1874. He was indeed thoroughly conversant with the Chinese language and familiar with the habits and customs of the country. The news of his selection for the mission to Yunnan came to him on August 9, 1874.[4] A few days later Margary received official instructions from Wade, together with other papers including the passport for himself, and four letters from the Yamen to the various governors-general, requesting them to direct their subordinates to treat the British officers with civility and give them every possible assistance.[5]

Wade's instructions[6] to Margary were written with great care.[7] It was explained to him that the object of the Indian mission was to examine the trading capacities of Yunnan, and its original destination was Talifu. But neither trade nor Talifu were to be mentioned to the Chinese officials. Margary should avoid travelling with catholic missionaries or even availing himself of their hospitality, for the French expedition of 1868 had been much embarrassed by the appearance on the scene of a French missionary. He should be careful not to attract attention by anything like surveying operations, or game-shooting in populous neighbourhoods.

[1] Northbrook to Salisbury, telegram, Aug. 19, 1874. P.P., 1876, LVI.

[2] Derby to Wade, telegram, Aug. 21, 1874. F.O. 17/671.

[3] Biographical Preface by Sir Rutherford Alcock. *Journey of Augustus R. Margary*, pp. viii–xix.

[4] Ibid., p. 97.

[5] Wade's instructions to Medhurst, Aug. 7, 1874. F.O. 17/675.

[6] Memorandum of instructions for Margary, Aug. 7, 1874. Ibid.

[7] Northbrook's instructions to Eden, Oct. 14, 1874. P.P., 1876, LVI.

The letters of the Yamen to the provincial governments which were open should be shown to any official in the jurisdiction concerned. After delivering the Yamen's letter to the acting Governor-General of Yunnan, he should obtain from him a circular instruction in the same sense addressed to the subordinate authorities of that province. As he was expected to be at Yungchang or Tengyueh not later than November 30, he should go to Hankow at once, and begin his journey thence soon after September 1st. Accordingly he left Shanghai in complete secrecy on the evening of August 22, 1874.[1]

While Margary sailed up the Yangtze, the Indian expedition was just beginning its preparations. Northbrook decided to dispense with the Burmese agent, and the expedition was to be a purely British mission.[2] Colonel Horace Browne, the late deputy commissioner of Thayetmy, was appointed to lead the mission. Dr. John Anderson, who had recently been in Sladen's party, acted as medical officer and naturalist, and Mr. Ney Elias, well known for his voyage up the Yellow river in 1872–3, was the topographer. Fifteen Sikhs of the 28th Regiment of Punjab native infantry, armed with Sniders, were placed under the command of Mr. fford. They were to protect the party from marauders at least as far as the Chinese frontier or, in Eden's opinion, as far as Tengyueh.[3]

'The expedition', in the words of Northbrook's instructions,[4] 'is sent purely for purposes of exploration and report. Colonel Browne is not invested with any diplomatic powers, and is not authorized to enter into any negotiations with the local Chinese officers, with a view to secure either political or commercial privileges. The principal object is to explore trade routes, to ascertain the obstacles that exist in the way of opening up the old routes, and how those routes could be improved; and to report upon the best means of transport, the burdens to which trade is subject, the measures which it may be practicable to adopt for the protection of traders, and the agency

[1] *Journey of Augustus R. Margary*, p. 101.

[2] Northbrook to Wade, Oct. 14, 1874. I.O., vol. 773.

[3] Chief Commissioner, Rangoon, to Foreign Department, Calcutta, Oct. 31, 1874. I.O., vol. 774.

[4] Northbrook to Eden, Oct. 14, 1874. P.P., 1876, LVI.

through which it would appear most advisable that trade should be carried on. It will also be the duty of the members of the expedition to obtain as much information as possible regarding the condition, resources, history, geography, and trade of the territories through which they may pass, and any matters of general or scientific interest which they may have the opportunity and means of observing.'

Apart from this general object of the mission, which was not very different from that of the last expedition, Northbrook directed Browne's party to give attention to the subject of opium, its consumption in China, and its effects on the population of the country, and to make on this subject a separate and special report.[1]

4. *Selection of the Route*

On the selection of the Mandalay–Thiennee route, Browne, who only arrived at Calcutta from England in November 1874, had not been consulted, and if he had been he would have preferred the 'Sprye's route', which, to him, in point of distance, exploration, and imperial interests, was a better one.[2] The Viceroy's decision was good, for as yet the Thiennee route had not been traversed by any Europeans[3] and the study of it would be of great value, had the mission been permitted to use it. The King of Burma had given permission for the expedition to take this route,[4] but suddenly on October 4, 1874, Captain Strover, the British Resident at Mandalay, was informed that the King contemplated withdrawing his previous consent. The reasons given were that the road was rough and infested by the wild tribesmen of Kachins and Lawas, and the country about Thiennee was disturbed by the rebels.[5] The Burmese government recommended the Bhamo route, and by way of proving its value, the Burmese Foreign minister stated that a Burmese embassy was to travel very soon by

[1] Northbrook to Eden, Nov. 27, 1874. I.O., vol. 774.

[2] Extracts from the diary of Colonel Horace Browne. *Imperial and Asiatic Quarterly Review*, vol. xxi, Jan.–Apr., 1906.

[3] Yule, H., 'Trade Routes to Western China', *The Geographical Magazine*, vol. ii, Apr. 1875, pp. 97–8.

[4] Strover to Eden, Oct. 5, 1874. P.P., 1876, LVI.

[5] Burmese Foreign minister to Strover, Oct. 4, 1874. P.P., 1876, LVI.

that way to Peking. To Strover's knowledge, the rebel chief was known to be friendly to the British, and the King possibly was apprehensive lest the passing of a British mission through the Shan States should increase British political influence in that region.[1] Since the Burmese government hinted that they could not guarantee the safety of the mission along the Thiennee route, the Government of India decided that the mission should give up its original plan and take the Bhamo route.[2]

With the restoration of the Imperial authority in Yunnan, the Burmese government had sought to resume its friendly intercourse with China. In 1873 a Burmese official went to Yunnan-fu to obtain information about the tribute and similar matters. The governor Tsen instructed the provincial financial commissioner to deliver the previous Imperial proclamations to the prefect of Yung-chang by whom a Chinese officer was appointed to convey them to the King of Burma. The Chinese officer returned with letters from the King to the Yunnan authorities, expressing his desire to send a tributary mission to Peking.[3] On January 7, 1875, a Burmese embassy actually left Bhamo, whence it proceeded eastwards by the time-honoured Embassy route.[4]

The news of the Burmese embassy to Peking caused the Indian government to hesitate to dispatch its expedition. Northbrook asked Eden whether it had 'better be put off for a year than run risk of complication'.[5] However, with Eden's firm assurance that no complications could arise,[6] the Western Yunnan Expedition under Browne started on its way.

From Calcutta, Browne and Anderson proceeded to Rangoon, and thence sailed up the Irrawaddy. On December 23, 1874, they arrived at Mandalay where the King gave

[1] Strover to Eden, Oct. 5, 1874. P.P., 1876, LVI.

[2] Northbrook to Salisbury, Nov. 6, 1874. Ibid.

[3] Translation of a memorial by Tsen Yu-ying, Governor of Yunnan, respecting tribute from Burma, from the *Peking Gazette* of Dec. 12, 1874. F.O. 17/677.

[4] Mayers's conversation with interpreter of the Burmese mission at Peking, Oct. 8, 1875. F.O. 17/702.

[5] Northbrook to Eden, telegram, Oct. 19, 1874. I.O., vol. 773.

[6] Eden to Northbrook telegram, Oct. 22, 1874. Ibid.

them a cordial and apparently sincere reception. Owing to the difficulty of navigation in the dry season, the journey of the two hundred and fifty miles from Mandalay to Bhamo took twelve days. When they reached Bhamo on January 15, 1875, they were received by Cooke, the Bhamo 'woon',[1] and other Burmese officials. Here they met Elias who had been commissioned the previous November to arrange for the transport of the mission through the Kachin districts. On January 17 they were agreeably surprised by the arrival of Margary.

[1] Won or woon, Burmese word for 'governor'.

CHAPTER IV

THE STORY OF THE WESTERN YUNNAN EXPEDITION

1. *Margary's Journey to Bhamo*

MARGARY took a little more than four months on the journey from Hankow to Bhamo. There were two routes to Yunnan; one via Szechuan and the other through Hunan. Acting on the advice of the Viceroy of Hu-Kwang, Margary decided to go through Hunan. Leaving Hankow on September 4, 1874, he journeyed south-west in a Chinese boat. Everywhere he met with civility. Local officials offered him protection and escort. Only at Chen Yuan-fu, where the boat journey ended, did he experience any ill feeling. The mob tried to prevent the removal of his luggage from the boat, but after an appeal to the magistrate for protection, he at last got free from annoyance. When on the morrow the mob discovered that he had quietly left, they wreaked their vengeance on the boatmen by burning their boat. 'This outrage would not have occurred a few days earlier, before the late prefect left, on promotion to the rank of Tao-tai. His successor had only been in office two days and was as yet unknown to the citizens of Chen Yuan-fu.'[1]

In his land journey Margary passed through Kueichow which had of late years been sadly devastated by the wild tribes. At the capital of this province he was most civilly treated by the governor, who promised to redress the wrong done to the boatmen by the mob. After twelve days' travel over precipitous passes through eastern Yunnan, Margary reached Yunnan-fu. Tsen Yu-ying, the acting Governor-General, who was then locum tenens of the absent viceroy, Liu Yu-chao, directed the magistrate to house the party in official quarters. As Tsen was said to be very busy, Margary showed no desire to interview him, but through the magistrate he asked for an escort and a letter to all the officials

[1] *Journey of Augustus R. Margary*, p. 181.

en route, explaining his position and object. Tsen deputed two officers to escort Margary the whole way, and instructions were dispatched to every place to prepare his coming. Margary observed: 'I am travelling in clover comparatively; quite a royal progress, thanks to the hospitality of the viceroy, and the very high and proper sense of his obligations towards a British official which he entertains.'[1]

Yunnan presented similar scenes of wild desolation to those he had witnessed in Kueichow. There was little trade to speak of. At Talifu, Margary was treated by the populace with much courtesy. The Tartar general promised him to have a house ready for the expedition on his return trip. At Tengyueh General Chiang received him very well. Here a message came from Cooke, saying that Browne would not start till the middle of January, leaving Margary to decide whether to await the expedition at Tengyueh or to come on.[2] Having resolved to go farther, Margary sent his Chinese messenger to Bhamo for instructions where to meet the party, as from Tengyueh onwards there were seven stages through a savage territory.

From Tengyueh to Burma the country was inhabited by Payi[3] and Shans, except the border region which was occupied by the Kachin savages. Divided into little principalities, they were governed by native chiefs under Chinese supervision.[4] Margary arrived at Manwyne on January 11, 1875. The district had a population of five thousand, consisting of Shans and Chinese. Li Chen-kuo, the Nantin commandant, who had a military command over all this country, was now at Manwyne negotiating with the Kachin chiefs and the Shan head-men for a tariff on trade.[5] He received Margary with unexpected respect, even going to the length of prostrating himself. On January 12 the Chinese messenger returned with forty Burmese guards who were sent to conduct Margary over the Kachin hills. In spite of the desire of the Burmese guards for two days'

[1] *Journey of Augustus R. Margary*, p. 263.
[2] Margary to Wade, Jan. 18, 1875. P.P. 1876, LXXXII.
[3] A mixture of Chinese and Shans.
[4] *Journey of Augustus R. Margary*, p. 299.
[5] Ibid., p. 301.

rest, Margary was anxious to start at once. He endeavoured in vain to induce Li to give him a guard so as to allow him to hurry on and leave his luggage and servants to the care of the Burmese. He felt there were intrigues going on in Manwyne, but he trusted that the expressed commands of the governor-general would be enough to clear away all obstacles.[1] Crossing the Kachin hills where one servant was menaced by a wild Kachin robber, Margary and the Burmese guards at last safely reached Bhamo.

2. *The Expedition Started*

The arrival of Margary created a great sensation among the Chinese and Burmese in Bhamo. While fêtes in honour of the newcomers were going on, final preparations were being made for the expedition. Of the three routes from Bhamo to Tengyueh, the Ponline or northern route had been thoroughly studied by Sladen's party in 1868, and there was no necessity to traverse it again. The Bhamo 'woon' strongly recommended the central or Embassy route, where he exercised more influence over the tribes. Either because this route had also been travelled by Sladen's party on their return trip, or because of suspicions of the Mattin chief's[2] evil intentions towards the expedition, the central route was not followed. The expedition therefore started on the southern or Sawaddy route.

The southern route, the longest of the three, was known to present less physical difficulties, and had not been thoroughly surveyed before. The road passed through the country of the Lenna Kachins to Kwotloon in the Shan State of Muangmow, and thence by way of Sefan went northward to Tengyueh. Shan letters were written to the Muangmow chief. Margary also sent Chinese letters to Li Chen-kuo at Nantin and to the governor of Tengyueh, announcing the arrival of the mission.[3] A month previously, Elias had made arrangements with the Lenna Kachins to

[1] Ibid., p. 304.
[2] The Mattin chief was the chief of the Kachins of the Embassy route.
[3] Browne's diary of expedition to western China. I.O., vol. 775.

bring down bullocks for the mission's transport. The bullock drivers objected to the size of the packages which had been arranged for mules, and the considerable rearrangement necessitated several days' work. Browne, fford, and Margary first rode to Sawaddy where on January 27 they were joined by Anderson and Elias from Bhamo. The Kachins were very refractory, and made excessive demands for money. The suspicious bearing of one of the Kachin chiefs together with the existence of ill-feeling between the Kachins and the Sikhs made Browne anxious for the safety of the expedition through the hills. He decided to give up the attempt to use the southern route in favour of the Ponline or northern route.

With the exception of Elias, who was to explore the southern route and to meet them at Tengyueh, the party returned on February 1 to Bhamo. 'The Woon was rather nonplussed at the adoption of the Ponline route, and anxious as to the dangers of attack to which the mission might be exposed before reaching Manwyne.'[1] On February 6 the expedition took up its quarters at Tsitkaw, a village on the right bank of the Tapeng. Browne bargained with the Kachins of this route for the transport of the mission across their districts. As pledges for the fulfilment of the contract made, the sons of the Ponline, Tsarai, and Ponsee chiefs were held as hostages at Tsitkaw. Besides the members of the expedition, their attendants including the Sikh guards, the mulemen, and the Kachin chiefs, there was a contingent of about one hundred and fifty Burmese soldiers commanded by a Burmese royal clerk. The Burmese government had received a report that the British party would very probably meet with difficulties in entering China and had therefore instructed the Bhamo 'woon' to furnish this corps.[2] The Burmese soldiers were given red turbans by way of uniform. This motley group of all hues and tongues, armed with various kinds of weapons, must have appeared more like a small military band than one of the usual trade caravans which passed through this district.

[1] Anderson, J., op. cit., p. 393.

[2] Foreign minister of Burma to Strover, Feb. 7, 1875. P.P., 1876, LVI.

The party did not get under way till the afternoon of February 16. It encamped for the night at Tsiket, a little hamlet, whence the steep ascent began. The next day it only accomplished fourteen miles to the fourth guard-house of Burma. Here the first report of trouble reached the mission. Unknown Kachins had passed and spread a report that the mission would meet with difficulties on the road beyond Tsarai.[1] On February 18, Browne was informed by the Burmese royal clerk that certain Chinese and Shan robbers, whose rapacity had been excited by hearing of the party's valuable caravan, intended to attack it on the debatable ground between Tsarai and Manwyne.[2] Browne exhorted him to march, but the Burmese royal clerk would not face the risk. Finally they agreed that the party should move on to the fifth guard-house, and that thence, Margary, having been over the ground before, should reconnoitre the situation. Accordingly, a march of three miles took the party to the fifth and last guard-house on the right bank of the Nampoung river, the boundary between Burma and China.

3. *The Attack on the Expedition*

On the morning of February 19, Margary with five Chinese attendants, two Kachins, two Burmans, and Browne's Chinese[3] interpreter started off with a few mules. After he had gone, a Kachin, who had left Manwyne the day before, arrived with the hearsay information that a Chinese official had collected some men to oppose the mission and that the Tsarai chief was in league with him.[4]

The next day a short pencilled note came from Margary which he had written at Tsarai the day before, reporting

[1] Extracts from the diary of Colonel H. A. Browne. *Imperial and Asiatic Quarterly*, vol. xxii, no. 43.

[2] Browne to Eden, Mar. 12, 1875. P.P., 1876, LVI.

[3] His name was Li Han-shing, known by his Burmese name Moung Yo. He represented himself as a distant relative of Li Chen-kuo. Browne met him at Prome. As he had been for many years in Burma, and could read, write, and speak Burmese fluently, Browne employed him as his interpreter. Ibid.

[4] Browne's diary of expedition to western China. I.O., vol. 775.

that the road was safe, and the people very civil.[1] He was therefore pushing on to Manwyne. The expedition continued its march, and encamped for the night on the Maroo Hill which was five thousand feet high, and six miles from Tsarai and twelve from Manwyne. Browne thought to join Margary at Manwyne in one day's march. On February 21, the Europeans of the party attended by the Sikh guards set off first, leaving the luggage to be brought on in charge of the Burmese contingent. Though the Tsarai chief received Browne cordially, his manner was very strange. The refusal of two Tsarai men to return to the camp, coupled with the news of the escape of the Tsarai chief's hostage son from Tsitkaw, led Browne to abandon his first intention to go straight on to Manwyne. He returned to the camp, and planned to bring up the baggage the next day.

Early in the morning of February 22, armed men were observed defiling towards the rear of the camp. There was no doubt of their evil intent. No sooner had Browne finished his preparations for defence than news arrived of the murder of Margary and his servants the previous evening at Manwyne. The messenger, chief of the Wonkaw clan, known to be friendly to the English,[2] stated that four thousand men were assembled at Tengyueh ready to annihilate the party. The body of about five hundred now in front of the expedition was a mere advance guard.[3] Soon the assailants were firing on all sides except from the left where there was a steep pathless descent. They had poor guns and some were armed only with tridents and spears. Their advance from masked positions in the jungle on two sides of the camp was prevented by a steady fire from the Sikhs. When the fire slackened, some of the assailants shouted that they were commanded by Shouk-goon, nephew of the Great Li, and called on the Burmans to retire and leave the foreigners to their fate.[4] In the afternoon, Browne

[1] Browne to Eden, Mar. 12, 1875. P.P., 1876, LVI.

[2] There were two principal clans of the Kachins—the Lakwoons and the Atsees. The chiefs of the Lakwoons including those of Ponline, Ponsee, and Tsarai were known as hostile to the English. The Wonkaw and Wawkhyoon chiefs of the Atsees group were friendly to the English. Browne to Eden, Mar. 12 1875. P.P., 1876, LVI.

[3] Browne to Eden, Mar. 12, 1875. Ibid.

[4] Ibid.

thought of burning the baggage and beating a retreat. The Wonkaw chief informed him that the son of the Tsarai chief had offered him Rs. 500 to desert to his side. Browne made a vastly higher bid of Rs. 10,000 on the condition that he should burn the jungle and carry the baggage back to Tsitkaw. The chief accepted this offer with alacrity. The hill-sides were soon in a blaze, and the assailants fled. Throughout the fighting the Burmese soldiers were extremely loyal to the mission. In the middle of the night the expedition returned to the fifth guard-house.

Who were the assailants? According to Anderson, the attacking party consisted largely of the Kachins and with them were associated a number of Chinese rowdies or perhaps soldiers.[1] Browne reported that he had made the same observation.[2] The Burmese information which Browne collected on the spot offered a ready explanation for the outrage. On February 23 the Burmese royal clerk brought two letters in Burmese which he had just received from the King's cotton agents at Manwyne: the first stated that on February 21 the Chinese had killed Margary and his five Chinese servants; the second, carried by three Chinese officials, contained a warning forwarded by the 'woon' of Momein[3] to the Burmese royal clerk advising him to separate the Burmese from the English on February 23. For on that night the Chinese forces between three and four thousand strong were to make an attack on the mission,[4] Browne immediately drafted a note in emphatic terms which he requested Cooke to send down express to Mandalay, thence to be telegraphed to Rangoon. It read as follows:

'Expedition attacked 22nd Feb. at Maroo Hill, six miles west of Tsarai and Poontsee. Fighting lasted from 8 a.m. to 4 p.m. Chinamen came on pluckily at first, but Sikhs' rifles astonished and drove them back. Fired at long range rest of the day. Casualties, only

[1] Anderson, J., *Mandalay to Momein*, p. 434.

[2] Browne to Eden, Mar. 12, 1875. P.P., 1876, LVI.

[3] 'It is doubtful what the correct designation of the official who is styled by the Burmans the "won" should be. When Margary passed through Momymeng [Momein], the most important personage there appears to have been a military official whom he styled "General Chiang".' Ibid.

[4] Translation of the two letters. Ibid.

three on our side, slightly wounded. Loss to China not yet known: seven are believed to have been killed. The attacking party was the advance guard of an army of 3,000 men sent by the orders of the Governor of Momemyng [Momein] to annihilate our party. Of this there is no doubt. The party was commanded by a nephew of Li-tsee's. Deeply grieved to report that Margary and his attendants, five Chinamen, have been killed at Manwaing [Manwyne], and their heads stuck on the walls of Manwaing.'[1]

In this telegraphic message of February 23 which ultimately reached London and Peking through Calcutta, there is no word of the Kachins or Burmese. Browne returned to Bhamo on February 26. He obtained further statements from a Burmese scout who had been sent with Margary to Manwyne, and from a Burmese belonging to the King's cotton agency there.[2] They corroborated the substance of the two Burmese letters mentioned above. Browne endeavoured to get further intelligence from Manwyne, but in vain, for the road was entirely closed, and no Kachin or Burmese would venture to go there.

While Browne's party was attacked near Tsarai, Elias was making a detour in the southern route. Cooke and Elias had got as far as Muangmow on February 14. There Li Chen-kuo, who had taken up his station with about fifty Chinese soldiers, refused to allow them to go farther, on the ground that the people of that town were at enmity with those of Sefan. Cooke, considering that his presence might make it more difficult for Elias to get through to Tengyueh, turned back to Bhamo. On his way he was told at Kwotloon that Li was acting in this obstructive manner in order to please the Burmans.[3] After Cooke had left, Elias had several interviews with Li, who, in view of the difficulty of the road from Muangmow to Tengyueh, advised Elias to go straight to Yungchang by way of Sefan. At the Burmese town of Namkham, however, he was no more successful than at Muangmow. He wrote to Browne for instructions. The Kachins who brought Elias's message to Bhamo were

[1] Strover's diary. I.O., vol. 775.
[2] Browne to Eden, Mar. 12, 1875. P.P., 1876, LVI.
[3] Cooke's diary. I.O., vol. 775.

immediately sent back with letters to recall him. Elias returned with the impression that the obstruction he experienced was 'a deep-laid scheme of the Burmese in concert with Li'.[1]

The vision that Margary had conjured up in a letter to his parents—'Then you can picture the meeting, China and India grasping hands, and awakening those primeval echoes with a British hurrah over the fait accompli'[2]—had tragically failed to be realized by the Western Yunnan Expedition of 1875.

[1] Elias to Browne, Feb. 24, 1875. P.P., 1876, LVI.

[2] Letter to parents, Aug. 15, 1874. *Journey of Augustus R. Margary*, p. 101.

CHAPTER V

THE QUESTION OF RESPONSIBILITY

THE Yunnan outrage consisted of two incidents: the murder of Margary and the attack on Browne's party. These unfortunate affairs took place in a border region, where 'the people are subject to China, but are governed by their native hereditary chiefs'.[1] What was the cause of his death and of the attack on Browne's party? Was Margary murdered and Browne attacked by local robbers, or by soldiers directed by Chinese officials? Here lies a distinction between a spontaneous incident of local disorder and a premeditated plot under official incentive. If it were a plot, were the frontier officials acting on their own impulse, or under secret instructions from Yunnan-fu or Peking, or under the instigation of Burma? There are four possible explanations. The outrage might be attributed to a strong band of local robbers, to the local Chinese officials instigated by the King of Burma, to the local Chinese officials acting on their own initiative and actuated by an anti-foreign spirit, or to a deliberate plot of the Yunnan provincial authorities or of the central government of Peking. Let us examine all the available evidence.

1. *Act of Savages*

Let us consider first the possibility that the Yunnan affair was the immediate act of savages. Following the news of the repulse of Browne's mission, Eden thought the attack was possibly a local outbreak among ill-disciplined soldiery assisted by robber chiefs of the surrounding hills.[2] Anderson recalled his previous experience that 'our camp at Ponsee was menaced with attack, in April 1868, by the lawless Kachins of this very district, and, although on the other side of the mountain, our position on this occasion was

[1] Margary to F. E. R., Jan. 13, 1875. *Journey of Augustus R. Margary*, p. 304.

[2] Eden to Northbrook, Mar. 6, 1875. P.P., 1876, LVI.

close to that place'.[1] He also noticed in the present attack that 'the assailants could hardly be reckoned other than local robbers, who thought that the Burmese would not resist, and that our own guards were few, while the prospect of such a rich booty was enough to make them encounter the risks of a fight'.[2]

Tsen Yu-ying, the acting Governor-General of Yunnan, maintained the same view. Tsen, whose conduct in dealing with this case was anything but satisfactory, failed to send a full report to Peking until four months after the incidents had happened.[3] Even then he made no mention of the attack on Browne's party. According to his investigation, the Tengyueh notables, fearing that foreign soldiers, under the guise of a trade mission, meant to occupy the city, requested Li Chen-kuo, the Nantin commandant, to unite the Shan chiefs in a common defence against foreign enemies. Li was said to have attended the assembly of the heads of the trainbands at Tengyueh on January 13, 1875.[4] He heard on February 27 that some foreigners had been plundered by savages in the wild hills. Not having been informed by Margary of his return, Li was unable to escort him. From Shan natives, it was learned that Margary was murdered by savages near the Hu-sung river on February 22.

Further memorials of Tsen reported the capture of the criminal savages and their confession of the murder of Margary by twenty-three confederates.[5] Li Han-chang, the Governor-General of Hu-Kwang, and Hsieh Hwan, formerly the Superintendent of Trade for the South, were made joint commissioners of inquiry by the Peking government. A fortnight after their arrival at Yunnan-fu (November 13, 1875), the High Commissioners together with the

[1] Anderson, J., *Mandalay to Momein*, p. 434.

[2] Ibid.

[3] Tsen's Memorial, June 23, 1875. *Collection of Tsen's Memorials*, vol. xii, pp. 18–22.

[4] This is an obvious mis-statement, for Margary had on Jan. 13, 1875, an interview with Li Chen-kuo at Manwyne. *Journey of Augustus R. Margary*, p. 303.

[5] Two of Tsen's memorials, received at Peking, Sept. 15 and Oct. 22, 1875, respectively. *WCSL.*, vol. iii, pp. 20–1; Ser. I, vol. iv, p. 4.

acting Governor-General Tsen presented a report giving the same story. The High Commissioners, in a second report, explained the murder as a revenge by the savages for the fatal shooting by Margary of one of their comrades. They denounced Li Chen-kuo for secretly instigating the lawless savages to obstruct the progress of the foreigners and to prevent them entering the country. Li had not been on the spot when Margary was murdered, and no Chinese soldiers were involved in the affair, though there had been a movement of trainbands in Tengyueh. The final version of the case was embodied in their last report,[1] after a judicial examination held at Yunnan-fu in the presence of British officers. Margary was done to death by the savages on his refusal to pay blackmail and after having shot one of them dead with his revolver. The number of savages was stated to be more than one hundred. Each time the story was becoming more complete, and now at length the attack on Browne's party was admitted. According to the confession of the savage who murdered Margary, the band attacking Browne was composed of hill robbers, Chinese outlaws, and Mohammedan rebels—altogether nearly two thousand. Li Chen-kuo had been invited by the Tengyueh notables to take concerted measures of defence, but he had acted as an independent leader, and had made his own preparations for obstructing the advance of Browne's party.

The theory that the outrage was done by savages appeared plausible. But Browne considered 'the whole of the circumstances attending the attack precluded the existence of any reasonable ground for entertaining the supposition'.[2] Further, the conflicting evidence and falsehoods of the Chinese versions of the case would discount this view. The confederates in the murder of Margary were at first reported to be twenty-three savages, and later the number increased to more than one hundred. During the final trial held at Yunnan-fu on March 20, 1876, none of the Tengyueh

[1] The High Commissioners' first report of Nov. 28, 1875. P.P., China, no. 4 (1876), no. 11. Their second report published in the *Gazette* of Jan. 24, 1876. Ibid., no. 27. A précis of the final report, dated about Mar. 31, 1876, was enclosed in Wade's dispatch to Derby, July 22, 1876. F.O. 17/724.

[2] Browne to Eden, Mar. 13, 1875. I.O., vol. 775.

notables who wrote the letters to Li Chen-kuo, nor any of the band of two thousand who attacked Browne's party, was produced in court. Of the fifteen savages captured alive, one was reported to have escaped while being conveyed from Tengyueh to Yunnan-fu, and three more died in prison or on the road. The remaining eleven could neither speak nor understand Chinese.[1] Indeed, according to Captain Cooke's interpreter, the hillmen produced in court were not Kachins at all from the district between Bhamo and Manwyne, but men from the north, who had come down to sell amber, and had been treacherously taken prisoners.[2] These prisoners were reported to have revoked their confessions soon after the resignation of acting Governor-General Tsen in April 1876.[3]

2. *Act of Frontier Chinese Officials*

If the outrage was not an act of savages, was it a plot of frontier Chinese officials? The High Commissioners of inquiry threw all the blame on Li Chen-kuo as the prime mover in obstructing the progress of Browne's party. The evidence which the Yamen gave to Wade to prove Li's culpability consisted of three letters between the Tengyueh notables and Li, and a statement by these notables.[4] In the first of the two letters to Li, the notables mentioned the objectionable character of foreign intercourse, as inevitably involving the establishment of churches and consulates. Margary should be sent out of the country in safety, but when he returned, he should be surrounded in a hostile manner and thus compelled to seek official intervention.

[1] Report of trial by Davenport and Baber. P.P., China, no. 3 (1877), no. 3.

[2] Grosvenor to Wade, June 7, 1876. Ibid., no. 5.

[3] Letter to Ting, the Governor-General of Shantung, Oct. 13, 1876. Ser. II of Complete Collection of Li Hung-chang's Papers, vol. xvi, p. 23.

[4] Copy of the 'three letters' and the 'statement' was sent to Wade by the Yamen on May 8 and 29, 1876. Translations were enclosed in Wade's dispatches to Derby under the date of July 22, 1876. F.O. 17/724. The Tengyueh notables' letters to Li were dated Jan. 2 and 10, 1875, respectively. Li's reply was under the date of Feb. 7, 1875. The notables' statement was dated Jan. 18, 1876. Chinese copy of the 'three letters' may be found in *WCSL.*, Ser. I, vol. v, pp. 26–8.

Li was asked to unite the Shan principalities in guarding the district against foreigners. The second letter invited Li to attend a general assembly of the heads of trainbands. Though he had not come, he replied that he had at Manwyne ordered several tribal chiefs to bar the way so that the foreigners could not possibly escape. The statement of the Tengyueh notables asserted that the trainbands were embodied under the instructions of local authorities. Fearing a renewed disturbance of the Mohammedans, the movement of troops in Tengyueh was entirely for internal defence, and was not actuated by any desire to attack Browne's party.

There is no way to test the authenticity of these documents. On the face of them Li Chen-kuo was guilty of planning against Browne's mission.

3. *The Burmese Government*

With the Burmese evidence before him, Browne considered that, though the assailants were the vanguard of the troops from Tengyueh, the responsibility for the murder of Margary and the attack upon the mission rested primarily on the Burmese government, and only secondarily upon the Chinese officials on the frontier of Yunnan. Though without full and complete proofs he pointed out the existence of strong prima facie grounds for fixing the whole blame on the government of Burma.[1] First, the change in the conduct of the Chinese officials after the entry of the Burmese embassy into Tengyueh led Browne to infer that the embassy might have misrepresented the English mission as adherents of the Panthays. Secondly, the fact that the King of Burma was possessed of correct information brought him under suspicion of complicity. On February 16, 1875, Strover wrote to Browne:

'It has been given out in the Palace that a large body of Chinese are ready to oppose your entrance into China.[2]

'Where did the King get this very authentic intelligence from? There can be very little doubt that he got it from his own Embassy at

[1] Browne to Eden, Mar. 13, 1875. I.O., vol. 775.
[2] Ibid.

Momyeng; and though he, and, no doubt, his representative at Bhamo, were fully aware of what was going to happen, no hint of it was allowed to reach our ears until we were well within the reach of the Chinese. Not only was no caution given to us, but there is reason to believe that greatest satisfaction was felt in the Palace at the prospect of our immediate destruction.'[1]

Thirdly, the Burmese royal clerk's cautious attitude on the way and his subsequent remark about the Chinese of Bhamo and Tsitkaw plotting against the mission showed that he also was aware of the attack. This knowledge could not have reached down to the Burmese guards, for otherwise they would not have shown such loyalty during the attack. Fourthly, the Kachins ascribed the attack to Burmese influence. The few Kachins who could speak Burmese asked Browne confidentially after the fight what would the English now do to the Burmans. The Mattin chief whom Father Lecomte visited on February 18, 1875, informed him that the British expedition would never be allowed to reach China; the Chinese would prevent it, but the blame would lie with the Burmans.[2] Fifthly, Cooke's and Elias's information along the southern route pointed in the same direction.

Browne's opinion was shared 'throughout both Upper and British Burma, and is apparently entertained by all classes'.[3] However, the Indian government would not agree with him.

'The facts that the King of Burma displayed a willingness to aid the expedition to the best of his power, and that the rumours of a threatened attack on the party were made known officially to the Resident at Mandalay on the 7th February 1875, and apparently in time to have reached Colonel Browne before the attack took place, point to an opposite conclusion.'[4]

India had then a grave dispute with Burma over the question of Western Karennee.[5] It is perhaps significant that upon their triumphant success in June 1875 in obtaining

[1] Ibid.
[2] Ibid.
[3] Eden to Northbrook, Mar. 27, 1875. Ibid.
[4] Northbrook to Salisbury, May 6, 1875. Ibid.
[5] *Cambridge History of India*, vol. vi, p. 434.

from the King of Burma the recognition of the independence of Western Karennee, the Indian government summarily exculpated the Burmese government from the Yunnan case, on the ground that no evidence whatever had been found to prove its complicity.[1] The silence on the part of the Chinese government regarding the complicity of Burma tended to strengthen the judgement of the Indian government. Only on two occasions throughout the subsequent negotiations did Li Hung-chang suggest to Mayers that the Burmese might be implicated and on both occasions he was being hard pressed by Wade's demand to summon Tsen to Peking for trial.[2]

Nevertheless, the connexion of Li Chen-kuo with the King of Burma was so close that if Li had ever plotted against the British, he would in all probability have taken counsel with the King. After he had been indicted as the chief criminal by the British government, Tsen had sent him with an imperial proclamation to Burma.[3] He was treated as a distinguished guest of the King, awarded a decoration, and given a sum of money. Strover observed: 'The King is, it may be said, on intimate terms with this chief, and has large commercial dealings with him. . . .

[1] *The Times*, Aug. 17, 1875.

[2] At Tientsin on June 22, 1876, Li said to Mayers: 'The idea of Yunnan affair did not originate in China. It came from a small power. If Tsen were forced to Peking, he would speak out. I can tell you he has held his tongue until now, and he has gone away with his bellyful of unjust treatment.'—Wade to Derby, Aug. 3, 1876. F.O. 17/726. Again at Chefoo on Aug. 21, 1876, Li told Mayers: 'I will tell you the whole of that story; I have it from my brother [the Chief Commissioner of Inquiry, Li Han-chang] in a private letter. He could not mention in a report to the Throne a statement so compromising to one of our tributary states. When my brother called upon Tsen to tell him all he knew about the affair, Tsen acknowledged that Li Chen-kuo had been moved by the Burmese government to destroy the whole expedition. My brother insisted upon having Li brought to Yunnan-fu, and on his arrival there in a private interview with Tsen, he threw himself on his knees before the Governor, and acknowledged that he had been promised a reward of 6,000 taels by the Burmese government for securing the annihilation of the entire expedition. As he failed in achieving this object, only a part of the amount has been paid him.'—Wade to Derby, Sept. 13, 1876. F.O. 17/726.

[3] It was customary for the Imperial government to dispatch a proclamation to the tributary states at the beginning of a new reign. For Burma and Annam the viceroys of Yunnan and Kwantung appointed the bearers.

There is no doubt that Lee see-tahi is as much or more a Burmese official than Chinese, and that he may be said to work hand-and-glove with the Burmese government.'[1]

4. *The Chinese Government*

Whereas Browne accused the Burmese government as the principal in the crime, Wade fixed the responsibility upon the central government of China.

'Of the real culpability in the Yunnan affair, with Mr. Strover's telegram before me, there can be no doubt. Organized as the Intelligence Department are in India, I am satisfied, though but few details have as yet reached me, that the Momein authorities are responsible, as it is alleged, for the movement of the force that attacked Colonel Browne; that the Yunnan Government is responsible for the orders given by the Momein authorities; and that the Court of Peking is responsible for the instructions that the Yunnan Government may have issued. In support of the correctness of this impression I shall recall to mind the more salient of those instances of violence and treachery of which foreigners have been the victims during the last fifteen years.'[2]

As a result of Browne's visit to China in June 1875, Wade got first-hand information from the mission, and although he agreed with Browne in the complicity of the Burmese,[3] in deference to Northbrook's opinion[4] he made no mention of such complicity in his discussion with the Chinese. He gave the Yamen a full account of the incidents as related by Browne and ended by making a severe indictment of the culpability both of the central government of Peking and of the provincial government of Yunnan.[5] He asserted that only on the assumption either that Peking had given

[1] Strover's diary, May 9 to 22, 1875. F.O. 17/745.

[2] Wade to Derby, Apr. 15, 1875. F.O. 17/697.

[3] 'My own conviction is strong that the Burmese and Chinese conspired against us.'—Wade to Northbrook, June 25, 1875. F.O. 17/746. 'I doubt not for a moment of the complicity, as accessory or principal, of Burma.'—Wade to Derby, July 9, 1875. Ibid.

[4] Northbrook advised Wade that he should in his communications with the Chinese government abstain from expressing any such conviction on the ground that no satisfactory proofs had been adduced in support of Browne's view.—Northbrook to Wade, Sept. 12, 1875. Ibid.

[5] Wade to Kung, Aug. 20, 1875. P.P., China, no. 1 (1876), no. 35.

insufficient instructions or that Peking and Yunnan had definite hostile intentions could the deliberate plot of the Tengyueh officials against the British mission be explained.

No doubt a government should be held responsible for its faiilure to protect foreign lives and property in its territory, but full proofs of the actual complicity of the Chinese Empire in the present affair were wanting.

'Were it not for the fact that the Chinese authorities unhesitatingly admit that Mr. Margary was murdered, we have as yet nothing but letters and depositions of certain Burmese to appeal to as evidence of the atrocity, and canvassed as these questions are canvassed in England, I have felt naturally the embarrassment of urging upon the Chinese as incontestable a story which, at the Old Bailey, would possibly be held to be but imperfectly supported.'[1]

The results of the judicial investigation conducted by the High Commissioners of Inquiry at Yunnan-fu were disappointing and inconclusive. Wade regarded their version of the case as incredible. On May 31, 1876, he demanded that the Yamen should summon Tsen and his subordinates, for he had just received 'letters from India, and among these one of authority, directly charging Wu, the subprefect of Momein, with the immediate responsibility of the attack on Colonel Browne'.[2] He was sure in his own mind that 'no subordinate of the Yunnan Government would have ventured under the circumstances upon action of the kind unless he were armed with the direct instructions or assured of the support of the superior authorities'.[3] The Yamen maintained that the High Commissioners had thoroughly investigated the case, and that it was impossible to summon Tsen to trial in the absence of proofs of his culpability. On the other hand, Wade refused to submit the proofs he possessed until Tsen was put on trial at Peking. He would not let the Chinese government prejudge the case.[4]

What documentary evidence Wade had received on that

[1] Wade to Derby, Dec. 15, 1875. F.O. 17/746.
[2] Wade to Derby, July 22, 1876. F.O. 17/724.
[3] Ibid.
[4] Memorandum of Mayers's interview with Li Hung-chang, Aug. 21, 1876. F.O. 17/726.

day may be learned from the manuscript of his memorandum. There is found this sentence: 'He [Wade] handed to His Highness [Prince Kung] the note he had written this afternoon, on arrival of a dispatch from India enclosing the letter from Li Chen-kuo to his mother in Burmah.'[1] The clause 'from Li Chen-kuo to his mother in Burmah' was cancelled and the two words 'of importance' in Wade's own handwriting were substituted. Li was then in prison at Yunnan-fu. Assuming that Li Chen-kuo's letter was the evidence Wade then received, no copy or translation of it is extant in the archives.

At Chefoo, in September 1876, when pressed by Li Hung-chang, the Chinese plenipotentiary, as to the evidence in his possession upon which he insisted on the trial of Tsen, Wade showed him two papers. The first was the record of the judicial examination held at Yunnan-fu, in which the deposition of Wu, the sub-prefect of Tengyueh, opened with almost the same words with which the Tengyueh notables began their first letter to Li Chen-kuo. Li Hung-chang said to Wade: 'This proves nothing. The notables do not declare that they received instructions from the sub-prefect.'[2] The second was a document in which two of the Tengyueh notables were mentioned by name, as having been the leaders of the movement organized by local authorities against Browne's expedition. Li expressed some doubt as to the existence of these men, whereupon he was shown the correspondence forwarded officially by Kung, giving the signatures of the Tengyueh notables, among which figured the two individuals mentioned in the document (Yang Kiung-kwa and Hu Tsi-yao). After perusing Kung's dispatch and its enclosure, Li laid it down with a gesture of mortification.[3] The document in question was among the reports forwarded by Grosvenor who was ultimately dispatched by Wade to make an investigation on the spot. It was a petition of May 1876 by Li Chen-kuo's

[1] Memorandum of interview (May 31, 1876) at the legation with Prince Kung and ministers of the Yamen, enclosure no. 8, in Wade's dispatch to Derby, July 22, 1876. F.O. 17/724.

[2] Wade to Derby, Sept. 13, 1876. F.O. 17/726.

[3] Ibid.

mother, aged 78, a resident at Bhamo, who, pleading her son's innocence, accused the notables and the sub-prefect.[1] The reliability of the testimony either of the son or of the mother under the circumstances was doubtful. Of the evidence, Wade spoke in his final report to Derby: 'I could not in fact bring forward my evidence until the parties named were in Peking, and it by no means followed that I could then make sure of conviction.'[2]

There was not only a judicial but also a diplomatic reason behind Wade's demand for the trial of Tsen.

'The Central Government shrinks from acquiescence for various reasons. If, as I suspect, the Governor had done no more than was prescribed or implied in his instructions, the Central Government would be greatly embarrassed by his appearance at Peking under arrest. But were it otherwise, if he be really chargeable with no more than the ordinary Chinese offences of neglect of duty, and misrepresentation for the purpose of concealment, he has to his credit the repute of recovering a province from a rebellion, and the affront put on a public servant so distinguished by citation to Peking would be deeply resented by his class, a large proportion of whom beyond doubt think lightly of the murder of a foreign official of no great rank. It is to this that the Government seeks to reduce the question with England, "the Murder of Interpreter Margary", perpetrated, as they allege, by persons not Chinese. The very greatest difficulty therefore lies in the way of this demand. But it has this advantage that while it is simple justice to require the examination of a high authority before Chinese law responsible for the acts and omissions of his subordinates, and who can be shown to have deceived his Government by his representations, the Government may be brought to purchase withdrawal of the demand at a high price.'[3]

The findings of Grosvenor's mission produced no positive evidence. Along the route to Yunnan a number of Catholic missionaries told Grosvenor what they had heard of Tsen's evil intentions towards Margary.[4] At Manwyne Grosvenor learned from the priest of the temple in which the mission had stayed that Margary had been murdered at the ford of

[1] Enclosure in Grosvenor's letter to Wade, May 25, 1876. F.O. 17/747.

[2] Wade to Derby, July 14, 1877. P.P., 1877, LXXXVIII.

[3] Memorandum enclosed in Wade's dispatch to Derby of Aug. 7, 1876. F.O. 17/726.

[4] Diary of Grosvenor's Mission to Yunnan. F.O. 17/747.

the Hu-sung river by the Kakhyens and Chinese soldiers from Tengyueh.[1] Owing to a landslip on the hills, Grosvenor was not able to visit the scene of the attack on Browne's party, nor had he been able to get any direct evidence on the subject.

In conclusion, though the absence of positive evidence makes it impossible to fix the definite responsibility, it can be said that the deplorable incidents might have arisen out of the misunderstanding, on the part of the frontier Chinese officials and people, of the peaceful objects of the mission, which had been consistently described in Tsen's memorials and the Tengyueh notables' letters and depositions as a large body of British soldiers. The fact that Browne brought an armed Indian escort across the frontier into China without the authorization of the Chinese government should not be overlooked. Such military display might have appeared to the natives as a sort of invasion. In their hatred of intercourse with the foreigners and fear of the return of the Mohammedan rule, the local officials and gentry of Tengyueh might well have acted with the co-operation of Li Chen-kuo, the Nantin commandant, against the British mission. This explanation seems to be the most probable. Possibly the Burmese government, jealous of British participation in the Yunnan trade and fearful of subsequent political encroachments, was an accomplice. Possibly Tsen, the acting Governor-General, known to his contemporaries as hostile to foreign intercourse, might have given instructions to his subordinates to stop the progress of the mission. Whoever committed the crime, the unfortunate event took place on Chinese soil. The Japanese had in 1874 held China responsible for the killing of shipwrecked sailors of the Liuchiu islands by the wild tribes of Formosa. Wade had an even greater right in international law to demand from Peking redress for an outrage done to the British officials when travelling with passports under the protection of the Emperor.

[1] Grosvenor to Wade, May 25, 1876. F.O. 17/726.

CHAPTER VI

DIPLOMATIC NEGOTIATION, 1875–6

1. *Ultimata, March 1875*

THE Margary affair took the world by surprise. The news of the ill-fated expedition reached London on March 3, 1875,[1] only two days after the report of his safe arrival at Bhamo.[2] On receipt of the news, Derby sent Wade a telegraphic message that 'these acts are understood to have been committed by the orders of the Chinese governor of Momein', and ordered him to 'lose no time in calling upon the Chinese government to institute a strict investigation into the facts thus reported, and to inform me of your opinion as to the steps which it would be advisable to take in the matter, bearing in mind the objects which the Indian government had in view in sending the Mission under Colonel Browne to Yunnan'.[3] Nearly a fortnight later in reply to a question asked in the Commons,[4] Disraeli maintained the reserved attitude of the government.[5]

On March 11, a week before Derby's instructions reached Peking, Wade received a telegram from Northbrook reporting the deplorable event. Immediately he put before the Yamen a statement of the facts warranted, as he conceived, by the telegram.[6] Judging from previous cases that he was unlikely to obtain legal satisfaction, and suspecting treachery on the part of the Yamen, he thought at first of recommending the immediate advance of an armed force upon Tengyueh.[7] But after considering possible political complications with Burma and the physical difficulty of

[1] Northbrook to Salisbury, telegram, Mar. 2, 1875. P.P., 1876, LVI.

[2] *The Times*, Mar. 1, 1875.

[3] Derby to Wade, telegram, Mar. 4, 1875. P.P., China, no. 1 (1876), no. 1.

[4] The incident had been questioned in the Commons on Mar. 4, 1875. Hansard, Third Series, vol. ccxxii, col. 1186.

[5] Disraeli's reply to Mr. Wait on Mar. 16, 1875. Ibid., cols. 1878–9. Disraeli spoke of Wade as 'Her Majesty's most able minister at Pekin'.

[6] Wade to Kung, Mar. 12, 1875. P.P., China, no. 1 (1876), no. 3.

[7] Wade to Derby, Mar. 12, 1875. F.O. 17/742.

traversing the borderlands into Yunnan in the summer, he decided to adopt the more pacific measures of demanding due reparation. For the moment he reserved all comment on the incident until he was in receipt of the Yamen's reply.

The Yamen, equally surprised as was Wade at the news of the unexpected outrage, were more afraid of its consequences. In reply to Wade, they stated that they had ordered by express the Yunnan authorities to institute a local inquiry.[1] Wade considered the reply as unsatisfactory, as no answer was likely to be received under some six months.[2] The Yamen assured him that they had not the slightest inclination to trifle with him.[3] Placing little reliance on their words, Wade stressed the seriousness of the present case that 'will not fail in England to recall the recollection of sundry acts of violence and treachery which have either interrupted or endangered relations between China and foreign powers on various occasions before and after the Treaty of 1858'.[4]

On March 19, the ministers of the Yamen called on Wade and informed him that it was Kung's intention to address a memorial to the Throne. Wade asked that its draft should first be shown to him, and that both the memorial and the decree should be published in the *Gazette*. He referred to similar grievances in the past such as the murder of the abbé Néel in Kweichhow in 1862, the ill treatment of Mr. Cooper in Yunnan, and the Tientsin massacre. He considered the Margary affair another example of a vicious system. He demanded that the inquiry into this case should be conducted jointly with British officials. He intended himself to send one or perhaps two consular officers to the spot, to take part in the inquiry, leaving the ultimate punishment of the guilty to be decided by Chinese law, and it would be for the Viceroy of India to decide whether he would send an Indian officer to take part

[1] Kung to Wade, Mar. 14, 1875. P.P., China, no. 1 (1876), no. 7.
[2] Wade to Kung, Mar. 15, 1875. Ibid.
[3] Kung to Wade, Mar. 17, 1875. Ibid.
[4] Wade to Kung, Mar. 18, 1875. Ibid.

in the proceedings. In addition he wanted an indemnity for the outrage. He reminded them that he had expressed at the Yamen the previous February his anxiety to see the Treaty provisions regarding ministerial privileges and transit dues fulfilled. He said:

'European Governments would assuredly not consent to shew the same forbearance toward the Chinese Government during the now impending long minority as had been the case for so many years during the minority of the late Emperor; and that he must positively understand what course His Imperial Highness proposed to pursue with reference to the more effectual execution of Articles IV and XXVIII of the Treaty.'[1]

As a veiled threat, Wade told the ministers of the Yamen that he had written to ask Vice-Admiral A. P. Ryder, Commander-in-Chief of the China Station, to come northward. This was 'not indeed for hostile purposes but to be within reach for consultation, and to remove the Legation in the event of the present demand for redress of grievances remaining unfulfilled'.[2] The news of the Margary affair was not yet known to any one outside the Legation. He urged the Yamen to comply promptly with his demands. He was 'prepared at present to decide upon his responsibility upon the reparation to be accepted; but delay might bring positive instructions of a different nature from the British Government'.[3]

The following day he outlined his demands in a written statement to the Yamen, requiring an answer within forty-eight hours. They were as follows.[4]

'1. The Chinese Government will send a special commission to Momein to inquire into the facts and causes of the attack on the expedition from Burma. No investigation or action taken upon

[1] Minutes of Interviews. Ministers of the Yamen at the Legation, Mar. 19, 1875. F.O. 17/743. Articles IV and XXVIII of the Treaty of Tientsin relate to ministerial privileges and transit dues respectively. Mayers, pp. 12, 15–16.

[2] Wade to Ryder, Mar. 16, 1875. Enclosure in Wade to Derby, Apr. 14, 1875. F.O. 17/743.

[3] Minutes of Interviews. Ministers of the Yamen at the Legation, Mar. 19, 1875. Ibid.

[4] Wade to the Yamen, Mar. 20, 1875. P.P., China, no. 1 (1876), no. 7.

it will be satisfactory unless a British officer is present to assist in the inquiry. I shall be prepared to send one or two officers. The Indian Government will be invited to send an officer if it sees fit.

2. The Indian Government will, if it sees fit, send a second mission into Yunnan to carry out the objects contemplated by that which has been repulsed.
3. The sum of 150,000 taels will be placed in my hands to be applied as the Secretary of State for Foreign Affairs and Secretary of State for India shall decide.
4. The Prince of Kung will at once arrange with me what steps are to be taken to give effect to Article IV of the Treaty of 1858.
5. The Prince of Kung will also arrange with me how effect is to be given to the articles of the Treaties by which the freedom of British trade from all imposts over and above the tariff and half tariff is secured.
6. The Prince of Kung will at once cause all claims[1] arising out of the action of the officials to be satisfied.'

The presence of a British officer at the inquiry was deemed necessary to secure justice in this particular case, and to set a precedent for future cases in which British subjects might be involved. The demand for permission for a fresh mission from India into Yunnan was a gesture of political importance, to show the Chinese that the British were not to be baffled in any legitimate enterprise once undertaken.[2] The amount of indemnity was to be so apportioned that 30,000 taels was given to the family of Margary, and another 30,000 was used to satisfy the claims of British subjects. The remainder would be subject to the decision of the Foreign Secretary and India Secretary regarding the reimbursement of the whole expense occasioned by Browne's expedition and the expense of a second mission.[3]

[1] The two most salient cases were a seizure of camphor in Formosa in 1869, out of which had arisen a claim of some ten thousand taels, and a direct interference with the transit duty privilege in Kiangsi in 1872 as regards the clearance of tea coming from the interior to Kiukiang. Wade to Granville, Oct. 6, 1873. F.O. 17/656.

[2] Wade to Northbrook, July 2, 1875. F.O. 17/746.

[3] Memorandum of Mayers's and Fraser's Interview with the ministers of the Yamen on Mar. 20, 1875. F.O. 17/743.

This was sufficient reparation for the Margary affair itself. Why did Wade introduce considerations of trade and ministerial privileges into his demands? He explained that considering the little prospect of a pacific satisfaction and the greater importance of the prevention of future incidents than a mere redress of past acts, he was taking advantage of this opportunity to press the Chinese government to remove two chief grievances—the questions of ministerial privileges and likin. There was indeed no connexion between likin and the Margary affair. But presuming that the Yunnan outrage was the act of Chinese officials, Wade argued that the question of ministerial privileges was relevant. Every act of

'violence of which foreigners have been the victims, is traceable to the one cause, namely, the hostility of the official or the lettered class, who have not learned, or will not understand, that the government of the foreigner is the equal of his own. . . . No abatement of this hostility is to be looked for, so long as the Central Government makes no effort to prove to the Empire that it recognizes the equality of other governments. The evidence of this recognition is the treatment of foreign Representatives, not as strangers, but as guests of the Emperor with whom intercourse is honourable. When once this appreciation of what is due to foreign ministers as the Representatives of their Sovereigns has been recognized in Peking, improvement in the relations between Chinese and foreigners elsewhere will rapidly follow.'[1]

On March 22 the Yamen categorically refused these demands.[2] They declined to submit the draft of a memorial to the perusal of any foreign representative. They could not agree with the presence of a British officer at a judicial inquiry in the interior: the Treaty of Tientsin granted that right in respect only of the open ports. With reference to the subject of the Indian expedition, they were opposed to the opening of Yunnan to foreign trade, and recalled that Mayers had stated last year that the purpose of Browne's

[1] Memorandum of Instructions for Fraser and Mayers, Mar. 20, 1875. F.O. 17/743.

[2] Memorandum from the Yamen to Wade, Mar. 22, 1875. P.P., China, no. 1 (1876), no. 7.

party was travel only. As to an indemnity, they wished to ascertain the value of the damage before making any award. The present circumstances—the minority of the Emperor and the sex of the Regents—precluded any arrangements being made respecting ministerial privileges. The question of inland taxation and satisfaction of claims of British merchants on that and allied topics were so alien in nature to the Margary affair that the Yamen preferred to consider them separately.

At this moment news of the murder of Margary became known in foreign circles in Peking.[1] Wade convened his colleagues of the diplomatic corps and informed them that he could no longer take part in the discussion of the question of Chinese emigration to Cuba.[2] To support Wade's position as doyen of the diplomatic body, and his demand for satisfactory reparation on such a matter of common interest as the protection of foreigners in China, the ministers of the United States, Germany, France, and Russia decided also to withdraw from the Cuban question, and collectively informed the Yamen of their decision.[3] They dissented, however, from Wade's complicating the case for redress with the irrelevant issues of trade and ministerial privileges.[4]

In view of the stubborn attitude of the Yamen and of the critical tone of his colleagues, Wade decided to exclude all reference to ministerial privileges and inland taxation in his second memorandum,[5] and confined himself to three demands: joint investigation, a fresh Indian mission, and an indemnity. He insisted that no one should be put on trial for complicity in the Margary murder before the arrival of a British officer sent to assist at the investigation, that passports for two officers to proceed to Yunnan should be immediately furnished, valid either for the overland route through China, or by way of Burma, and that permission should be granted for a new mission to enter Yunnan from Burma. A sum of 150,000 taels was to be placed in his

[1] Wade to Derby, Oct. 28, 1875. F.O. 17/702.
[2] Wade to Kung, Mar. 23, 1875. F.O. 17/743.
[3] Avery to Fish, Mar. 31, 1875. USFR., 1875, vol. 1, no. 151.
[4] Avery to Fish, Apr. 1, 1875. USFR., no. 152.
[5] Wade's memorandum, Mar. 24, 1875. P.P., China no. 1 (1876), no. 7.

hands at the disposal of the British government. In reply, the Yamen assented to a fresh Indian mission. They maintained their former attitude on the question of an indemnity. As to joint investigation, they maintained that they had ordered the Yunnan authorities to institute an effective inquiry, and again declined to admit the presence of a British officer at its proceedings.[1]

The Yamen's reply obviously could not satisfy Wade, who regarded joint investigation as 'the grand essential' to a settlement of the case. At once he wrote to Kung, enclosing three passports, which he required the Yamen to seal and return to him before the evening of March 29th.[2] In addition he asked for a written assurance that no trial or punishment should be held except in the presence of a British officer.[3] The course of his action was made clear to the Chinese government.[4] If within the time limit the passports and the written assurance were sent to him, and the amount of indemnity placed in his hands, he would telegraph his government that no further demands in reparation of the Margary affair were to be made beyond the punishment of those found guilty. If the Yamen, though still declining to give the indemnity, supplied him with the required papers, he would continue in relations with them, but he should at once proceed to Shanghai to request instructions as to further measures of reparation. If by the time appointed he did not receive the required papers, then whether indemnity were promised or not, he would break off diplomatic relations.

In order to allow time for a reconsideration of the wording of the passports in deference to Kung's wish,[5] the time limit was extended to March 30. On that day four passports, two for the British officers to assist at the inquiry and two for a fresh Indian mission to Yunnan, were sent in due form to Wade. Kung stated that owing to the decree ordering effective inquiry and trial of the case, the Yunnan authori-

[1] Kung to Wade, Mar. 25, 1875. P.P., China, no. 1 (1876), no. 7.
[2] Wade to Kung, Mar. 26, 1875. Ibid.
[3] Ibid. Mar. 27, 1875. Ibid.
[4] Ibid. Mar. 28, 1875. Ibid.
[5] Ibid.

ties might have already begun the investigation, but he gave an assurance that the British officers should be present at the final decision of the case.[1] In accordance with Wade's request, the Yamen would instruct Li Hung-chang, the Governor-General of Chili and Superintendent of Trade for the Northern Ports, to select a Chinese officer to accompany the British members of the inquiry mission to Yunnan.[2] Kung proposed an *ex gratia* award of 30,000 taels to the family of Margary.[3] Wade declined the offer and decided not to resume discussion on this subject until he received further instructions.[4]

After receipt of the passports and the written assurance, Wade informed the Yamen that he was leaving for Shanghai on April 3.[5] The British officers to be sent to Yunnan would be ready to leave Shanghai possibly on April 25, and certainly not later than May 1.[6] On the evening of April 2, he purposely called at the Yamen to take leave at an hour when none of the ministers was there.[7] He left Peking in order to be in easier touch with his government and also to be out of the way of the Yamen until he could frame an indictment against the Chinese government after hearing the testimony of Browne who had been asked to come to Shanghai.[8]

2. *Wade's Departure for Shanghai, April 1875*

In 1875 the process of detaching China's tributary states by its neighbours was just developing. With the French advance in Tonquin, Russia's occupation of Kuldja in the north-west, and Japan's embroilment with Korea, the Margary affair caused much anxiety in the minds of the Chinese statesmen. While British merchants in China demanded strong and firm action,[9] alarm was created by

[1] Kung to Wade, Mar. 30, 1875. Ibid.
[2] The Yamen to Wade, Mar. 29, 1875. Ibid.
[3] Kung to Wade, Mar. 29, 1875. Ibid.
[4] Wade to Kung, Mar. 31, 1875. Ibid.
[5] Ibid.
[6] Wade to Kung, Apr. 1, 1875. Ibid.
[7] Wade to Derby, June 26, 1875. F.O. 17/699.
[8] Wade to Northbrook, Apr. 11, 1875. I.O., vol. 775.
[9] Articles in the *Hong Kong Times* and the *Foochow Herald*. Ibid.

Wade's departure together with his secretaries and their families,[1] and the report of the reinforcement of the Indian garrison in Toungoo on the Burmese frontier. The movement of Indian troops was, in fact, a precautionary measure against Burma in the dispute over the Karennee State.[2] But as its real intention was not known in China, it was understood to be a military demonstration or a threat of probable invasion of Yunnan. Hart informed the Yamen that the British government had sent five thousand soldiers through Rangoon to the Yunnan frontier.[3] Mr. W. N. Pethick, the United States vice-consul at Tientsin, told Li Hung-chang that members of the British Parliament had suggested that the Viceroy of India should occupy Yunnan by force and that he had heard that Wade had on his departure from Peking come to a secret understanding with the Russian minister. It was surmised that Russia would advance from Ili while British troops were entering Yunnan.[4] The Yamen was afraid of a repetition of the recent Formosan affair.[5]

There was a sort of panic in Peking. The minister of the United States observed:

'Trade in the Chinese city was impeded for a time, merchants being afraid to venture on outside transactions, and their apprehensions have since extended to the lower provinces. . . . The leading foreign representatives here have received telegraphic instructions not to leave their posts as is usual for most of them to do, on the approach of warm weather. M. von Brandt, the German minister, who had gone as far as Tientsin, on his way to visit the ports for consular inspection, returned here at once, and the French Chargé d'Affaires postponed his intended journey to Shanghai.'[6]

After Wade had left Peking, Kung wrote to him two explanatory notes. He stated that the recent permission given to British officers to be present at a trial must not be

[1] Avery to Fish, May 12, 1875. USFR., vol. i, no. 156.
[2] *The Times*, Apr. 22, 1875.
[3] Memorial of Kung, May 2, 1875. *WCSL.*, Ser. I, vol. i, pp. 13–16.
[4] Li Hung-chang to the Yamen, Apr. 20, 1875. *LCTY.*, vol. iii, p. 5.
[5] Memorial of Kung, May 2, 1875. *WCSL.*, Ser. I, vol. i, p. 16.
[6] Avery to Fish, May 12, 1875, USFR., vol. i, no. 156.

treated as a precedent.[1] Protesting against the peremptoriness of the British Minister, he requested that the British Foreign Office should address a reply to him direct, so that 'business may be transmitted hereafter in a dispassionate spirit'.[2] Wade admitted that in the late discussion he had been 'more than ordinarily impatient'.[3] But he emphasized that the removal of the two grievances concerning ministerial privileges and inland taxation would serve to indicate a desire on the part of the Chinese government not only to make prompt amends for the Margary affair, but, far more importantly, to renounce her traditional exclusive policy. With regard to joint investigation, he rejoined that even though it was not a treaty right 'the justice of such a claim is too potent to allow of its being disputed'.[4]

Wade's successive ultimata in March amounted to an unfriendly action towards the Chinese and were unauthorized by his government. He justified himself on the ground that time would not permit him to consult the Foreign Office, 'as from three to four weeks might elapse before I could receive an answer to any question I might put by telegraph'.[5] Peking was then not connected with the outside world by telegraph or railway, and seven or eight days were needed for a voyage from Tientsin to Shanghai, then the terminus of the telegraph. On Wade's telegram of March 24 reporting the three demands, Lord Tenterden, Under-Secretary of State for Foreign Affairs, wrote the following comment: Wade 'ought to have waited for instructions before asking for fresh passports or a pecuniary indemnity. On the other hand, he may have considered it essential to act at once and have been in difficulty about telegraphing.'[6] A telegram from the Foreign Office was sent to Wade, approving of the first and second demands, but asking him to supply more information and to wait for

[1] Kung to Wade, Apr. 14, 1875. First letter. P.P., China, no. 1 (1876), no. 7.

[2] Second letter of the same date. Ibid.

[3] Wade to Kung, Apr. 28, 1875. Ibid., no. 14.

[4] Ibid.

[5] Wade to Derby, Apr. 17, 1875. F.O. 17/697.

[6] Wade to Derby, telegram, Mar. 24, 1875. F.O. 17/742.

further instructions on the question of an indemnity.[1] From Shanghai, Wade explained to his government: 'The moment is one at which a decided tone may save us from great difficulties in the exercise of our right of travel. Say or do what we may, there is not the very slightest chance of an assumption of the initiative in hostilities by the Chinese.'[2]

Kung's request for a reply from Derby was designed to moderate the pressure exerted by Wade upon the Yamen, but it produced a contrary effect. Tenterden considered it 'very discourteous' and Derby commented, 'I agree—the Prince of Kung wrote very offensively, and Mr. Wade should be supported very strongly.'[3] Derby gave entire approval of Wade's conduct. He added that the presence of British officers at an inquiry was essential, and if the inquiry was carried on in a satisfactory manner, the question of indemnity should not be raised until the result of the inquiry was known.[4]

Though he had already obtained the passports, and had been informed of the appointment of a Chinese officer to accompany the British mission,[5] Wade put off their departure. The country they were to traverse was little known, and very unhealthy in the summer. Moreover, delay might enable him to obtain more information of value to the British officers. Had the information brought by Browne more directly implicated the government of Yunnan or the authorities of Tengyueh, Wade would have demanded the immediate summons of these local officials to Peking before sending his men to such a remote province.[6]

On June 9 he met Browne. From his journals and papers, Wade was able to reconstruct the story of the Margary affair.[7] He realized the insufficiency of the evidence.

[1] Derby to Wade, telegram, Apr. 6, 1875. F.O. 17/743.
[2] Wade to Derby, May 1, 1875. F.O. 17/698.
[3] Comments on Kung's notes of Apr. 14, 1875. Ibid.
[4] Derby to Wade, telegram, Jan. 23, 1875. F.O. 17/744.
[5] Kung to Wade, Apr. 6, 1875. P.P., China, no. 1 (1876), no. 10.
[6] Wade to Derby, July 9, 1875. F.O. 17/699.
[7] Wade's memorandum to Kung, July 16, 1875. P.P., China, no. 1 (1876), no. 27.

Apart from Browne's personal observations, 'nothing connects the Chinese with the attack of the 22nd February or the murder of Mr. Margary, otherwise than on Burmese evidence'.[1] There was no evidence from the Chinese side, and therefore further investigation was necessary.

There appeared in the *Gazette* of June 19 a decree directing Li Han-chang, the Governor-General of Hu-Kwang, to proceed to Yunnan. Though on what mission it did not state, Wade assumed that it had reference to the Yunnan case. He immediately sent Grosvenor to wait upon the Governor-General. Grosvenor returned to Shanghai with a most unsatisfactory impression of his visit. The Governor-General showed himself completely ignorant of the scope of the Margary negotiation. He maintained that his instruction was to investigate the murder of Margary only, and had nothing to do with the attack on Browne's party. He seemed to consider the passports which Grosvenor showed him of no importance, because, issued by the British minister, they had only an indistinct seal of the Yamen.[2] Already Wade had mistrusted the Yamen's statement of June 2 that up to the end of May the only information that had come from the Yunnan authorities was news of the dispatch of two officials to the scene of the affray to make necessary inquiries.[3] Grosvenor's interview only increased his suspicion that both the central and provincial governments were trifling with him. Wade decided to send Browne back to Calcutta to report to Northbrook, and Mayers to Peking to ask for an explanation of Li Han-chang's conduct.[4] Towards the end of July he came north with Grosvenor to demand guarantees of a radical change in China's exclusive policy.

3. *Li–Wade Conversation, August 1875*

Li Hung-chang was more progressive than his colleagues. From his previous contact with foreigners during

[1] Wade to Derby, July 9, 1875. F.O. 17/699.
[2] Grosvenor to Wade, July 9, 1875. P.P., China, no. 1 (1876), no. 27.
[3] Ministers of the Yamen to Fraser, June 2, 1875. Ibid., no. 24.
[4] Wade to Derby, telegram, July 15, 1875. F.O. 17/699.

the Taiping Rebellion he understood them better than did other Chinese statesmen. He had been Governor-General of Chili since 1870, and as the Superintendent of the Three Northern Ports he had frequently been consulted by the Yamen on foreign affairs. Aware of the inert resistance of the Yamen to his demands, Wade attempted to induce Li to use his influence over them. The Yamen on their part wishing to avoid a direct conflict with Wade were also equally willing to make Li a go-between. So the scene of negotiation moved to Tientsin.

The Governor-General in a preliminary interview with Mayers on July 31 explained that Li Han-chang (who was his brother) had no experience of foreign relations, and therefore might have meant to include under the term 'Margary affair' the attack on Browne's party. There was no doubt that the Yamen had included both explicitly in their instructions.[1] Mayers also touched upon the subject of the reception of Li Chen-kuo by the King of Burma, and stressed the anxiety of the British government about the Yunnan case.

On his arrival at Tientsin Wade received two dispatches from Kung, reporting that Browne's assailants were savages tempted by the prospect of plunder.[2] On August 3 he paid a visit to Li Hung-chang, and expressed his disbelief in Kung's explanation, basing his view on Browne's testimony of the complicity of the Chinese authorities. He was going to Peking to stay for one month. If the Yamen could not settle the Margary affair with him, and give him guarantees of a change in the anti-foreign policy of China, he was to break off relations. 'In his opinion the true means toward obtaining an amelioration of the state of affairs would be a change in the personnel of the Tsungli Yamen, the three members of which [Wensiang, Pao-Yung, and Shen Kwei-fen] betray so obstinate a reactionary tendency.'[3]

The proposals which Wade regarded as guaranteeing the

[1] Memorandum of Mayers's interview with Li at Tientsin, July 31, 1875. F.O. 17/700.

[2] Wade to Derby, Aug. 26, 1875. Ibid.

[3] Memorandum of interviews at Tientsin, Aug. 3, 1875. Ibid.

change of China's foreign policy were these. Firstly, the improvement of the position of foreign representatives in Peking. If there was serious objection to an audience of the Emperor or the Regents, there should be no difficulty of social intercourse with the high officials. Secondly, improvement of trade facilities. The Chinese government should make a serious effort to give effect to the articles of the Treaty of Tientsin affecting trade both at the ports and inland. Thirdly, the Yamen should give a written assurance that such an escort should be provided as would guarantee Grosvenor's safety as far as Manwyne, and if he desired to return by Rangoon, as far as the point on the frontier nearest Bhamo. Fourthly, a similar assurance should be given regarding the escort of a fresh Indian mission to Yunnan. Fifthly, the publication in the *Gazette* of a memorial by the Yamen and a decree in reply censuring Tsen, the acting Governor-General of Yunnan, for his failure to make a prompt investigation of the Margary affair. Sixthly, the appointment of an envoy to England to express regret at the outrage, who should discuss with the Viceroy in passing through India the regulation of the Yunnan frontier trade. Seventhly, the publication in the *Gazette* of the decree directing the envoy to proceed to England.[1]

The dispatch of an envoy to England was in harmony with the government's recent policy, but Li objected to a discussion of trade questions at Calcutta, fearing that the envoy might be induced to negotiate under duress.[2] With reference to censuring Tsen, Li urged the propriety of waiting the results of his brother's investigation. To this Wade argued that Tsen was already guilty of negligence in failing to give protection to foreigners, and in delaying to report the case.[3]

A decree censuring Tsen was the thing that Wade most desired. Li therefore advised the Yamen to concede this and one or two other proposals in order to save Wade's

[1] Wade's memorandum to Li, Aug. 11, 1875. P.P., China, no. 1 (1876), no. 34.

[2] Li to the Yamen, Aug. 11, 1875. *LCTY.*, vol. iii, p. 36.

[3] Memorandum of interviews at Tientsin, Aug. 10, 1875. F.O. 17/700. The Chinese account in *LCTY.*, vol. iii, pp. 36–9 is much more vivid.

'face'.[1] The ministers of the Yamen had an interview with Mayers who brought to their notice various matters of which Wade complained, including the unsatisfactory conduct of Li Han-chang. The Yamen appeared 'very conciliatory', though 'affecting ignorance of facts and ready only with promises'.[2] On August 20 the Yamen told Mayers that there was no difficulty in giving escorts for Grosvenor and for a future Indian mission to Yunnan, but they thought it improper to censure Tsen before the result of the High Commissioner's inquiry was known. The decree could not be published in the *Gazette* as no state papers relating to pending cases were ever issued. The appointment of an envoy to England and the publication of such a decree was conceded in principle, but would not be made immediately. On matters of ministerial privileges and inland taxation, they wished for a discussion with Wade of the difficulties which had arisen, on his return to Peking.[3] Mayers, dissatisfied with their concessions, threatened that force might be used to give effect to the treaty stipulations.[4]

Wade suspected that the Chinese government wanted to have him in Peking and Grosvenor in Yunnan merely as security against a rupture for another six months.[5] He reported to Derby that 'The Indian government ought to be ready to move troops into Yunnan this autumn. . . . The Chinese government seems merely to wish to gain time till next spring. I doubt that we shall obtain redress without force or intimidation.'[6] In an interview with Li on August 23, Wade complained that the Yamen was trifling with him, and told him that he had asked his government to make a military demonstration. That the British government took the matter seriously was apparent from the reference to it in the Queen's Speech. To this he called Li's attention.[7]

[1] Li to the Yamen, Aug. 13, 1875. *LCTY.*, vol. iii, pp. 40–2.

[2] Wade to Derby, telegram, Aug. 26, 1875. F.O. 17/700.

[3] Memorandum of Mayers's interview with the ministers of the Yamen, Aug. 20, 1875. Ibid.

[4] Ibid.

[5] Wade to Derby, telegram, Aug. 26, 1875. Ibid.

[6] Ibid., Aug. 19, 1875. Ibid.

[7] Queen's Speech of Aug. 13, 1875. *The Times*, Aug. 14, 1875.

He intimated that he should soon go to Peking, and the Yamen would then have to give in to all his proposals or face a rupture of relations.[1]

The Yamen was somewhat frightened. On August 28 they informed Mayers that they had received a decree which, though it could not be published, was tantamount to a censure of Tsen.[2] A decree was issued on the same day, ordering the High Commissioner to hasten to Yunnan and ascertain the responsibility for the outrage.[3] At the same time it was announced that Kuo Sung-tao, a scholar-statesman well known for his progressive views, and Hsu Chien-shen, an expectant tao-tai, were appointed envoys to England.[4] The foreign pressure of the moment forced the Yamen to carry out a policy which had been in contemplation since the previous June.[5] They hoped that these measures would satisfy Wade. Li was successful in persuading Wade, who had called upon him to take leave on August 29, to stay on in Tientsin for some days.[6]

The Li–Wade conversations then took on a more official character. Li was anxious that Wade should settle the Margary affair with him, and leave the subjects of ministerial position, inland taxation, and regulation of the Yunnan frontier trade for future discussion. Wade, however, regarded his seven proposals as a whole. Any adjustment of the Margary affair, in his opinion, must include a readjustment of foreign relations on the basis already indicated to the Yamen in the previous March, and referred to more recently.[7] He demanded that the decrees for the dispatch of an envoy to England and of censure upon Tsen should be published in the *Gazette* to show the Chinese

[1] Memorandum of interview with Wade, Aug. 23, 1875. *LCTY.*, vol. iii, pp. 47–9.

[2] Memorandum of Mayers's visit to the Yamen, Aug. 28, 1875. F.O. 17/701.

[3] Wade to Derby, Sept. 9, 1875. Ibid.

[4] Kung to Wade, Aug. 29, 1875. P.P., China, no. 1 (1876), no. 45.

[5] Memorial of the Yamen, June 17, 1875. Enclosure, in the dispatch of Avery to Fish, July 16, 1875. USFR., 1875, vol. i, no. 170.

[6] Memorandum of interview with Li and Ting, Aug. 29, 1875. F.O. 17/744.

[7] Wade to Kung, Aug. 30, 1875. P.P., China, no. 1 (1876), no. 43.

people that the government meant to alter the spirit of its conduct of foreign affairs.[1]

On August 30 Wade went to Chefoo to consult with Admiral Ryder on the course to be pursued. Failing the complete acceptance of his proposals, there were three courses he might take. He considered withdrawing the legation from Peking towards the end of September, and going himself to Shanghai, so as to avoid being detained subsequently in the north by the weather. In such case the consul in charge at Newchwang and Tientsin with the gunboats at Tientsin and the British communities would also go south before those ports were closed by ice. Or he might at any time cease political relations with the Chinese government and withdraw to Hong Kong, in which case supervision of the consuls and all communications with the Chinese government would be transferred to Ryder. The third alternative was open hostilities between China and the British forces. Indeed, the naval commanders were ordered to be ready for such an eventuality.[2]

Meanwhile, Grosvenor was telling Li that if an envoy were sent to England, he should be the bearer of a letter of apology. Li agreed to a letter acknowledging the wrong of the Yunnan officials, but not to one which admitted any error on the part of the Chinese government. Ting interposed with the remark that an apology would amount to an admission of the privity of the central government to the crime, whereas it was in fact the act of an ignorant populace.[3]

On his return to Tientsin on September 3, Wade resolved to go to Peking at once. He complained of the Yamen's refusal to publish in the *Gazette* the two decrees on the dispatch of envoys to England and on the censure of Tsen, and of their omitting to put the Chinese characters for 'Great Britain' in an elevated position in other decrees. Now he amplified two of his early proposals: as for trade, the demand was raised for the opening of every port on the

[1] Memorandum of visit to Li, Aug. 30, 1875. F.O. 17/744.

[2] Ryder to Wade, Sept. 5, 1875. F.O. 17/720.

[3] Memorandum of Grosvenor's interview with Li, Sept. 1, 1875. F.O. 17/701.

sea coast and up the rivers of China, and in the Margary affair, the immediate summons to Peking of Tsen and his subordinates.[1]

Li replied that he had urged the publication of these decrees, and was sure that it would be soon carried out. He could not agree to elevate the position of the Chinese characters for 'Great Britain' in the decrees, for such elevation in decrees (though not in memorials) was traditionally given only to the words, 'Heaven' and 'Imperial Ancestors' besides the reigning rulers. As regards the two new proposals he contended that, having framed his reports to Peking in strict accordance with Wade's early ones, he could not transmit any fresh proposals.[2]

At a later conference Wade consented to drop the two new points, but insisted on the matter of giving an elevated position to the Chinese characters for 'Great Britain' in the decrees as a mark of the recognition of equality. Furthermore, he declared that he could not permit the intervention of a third nation in the Margary affair.[3] Of the seven proposals he thought he had gained four. He went up to Peking to demand the rest—ministerial privileges, regulation of inland taxation, and the opening of the Yunnan frontier trade.

4. *Demands regarding Ministerial Intercourse, Inland Taxation, and the Yunnan Frontier Trade, September 1875*

To his disappointment Wade found, on his arrival at Peking, that the decree of censure on Tsen had not been published, ostensibly because of the pending inquiry, but more probably owing to the reluctance of the Yamen to hurt Tsen's feelings. The decree on envoys to England was published in the *Gazette* of September 7, but without giving the elevated position to the Chinese characters for 'Great Britain'. This sort of typographical respect in state papers must appear in itself a trivial matter to western peoples,

[1] Wade to Derby, Sept. 9, 1875. Ibid.

[2] Memorandum of interview with Wade, Sept. 6, 1875. *LCTY.*, vol. iv, pp. 14–16.

[3] Memorandum of interview with Wade, Sept. 7, 1875. *LCTY.*, vol. iv, pp. 17–20.

but Wade considered that in China the formal preceded the essential. Remonstrance was made against the reluctance to accord the British government this form of equality. To make amends for this insult, he demanded that either the decree on envoys should be withdrawn or modified, or another decree in proper form reissued and published, and that the decree of censure on Tsen should also be published. The Yamen, on the ground of tradition, refused to comply with these suggestions and emphasized the point that the recommendations of the Grand Secretary (Li) would not inevitably and as a matter of course be conceded.[1] They raised objections to the opening of additional ports and stationing of British agents or consuls in Yunnan, and thought that friendly intercourse between heads of departments and foreign ministers in the capital must be a matter of natural growth. Wade thereupon informed the Yamen that as he was convinced of their lack of sincerity in settling the Margary affair, he intended to withdraw the legation and British communities in the northern ports.[2] The Yamen, he asserted, were playing 'fast and loose' with him.[3] He was determined not to send Grosvenor, without necessary guarantees, to Yunnan.

On September 22 Wade placed before the Yamen some concrete measures designed to ensure an improvement in the ministerial intercourse, rectification of likin, and regularization of the Yunnan frontier trade. As an *amende* for the breach of etiquette in the decree published on September 7, another decree should be issued instructing the Yamen, in view of the impending establishment of diplomatic missions abroad, to consider with the high departments of State how best to assimilate the usages of China in regard to ministers with those of foreign States. This decree should be published in the *Gazette* and officially communicated to all foreign representatives. To postpone the necessity of an audience of the new Emperor, it could

[1] Memorandum of interviews with the Yamen on Sept. 11, 13, 14, and 16. F.O. 17/745.

[2] Wade to Kung, Sept. 17, 1875. Ibid.

[3] Wade to Tenterden, Sept. 16, 1875. F.O. 363, vol. iv.

be stated in such a decree that owing to the minority of the Emperor the Yamen would trust to the considerateness of foreign representatives not to press for audience until a more convenient time. 'If the Yamen will do what I require in respect of this Decree and Despatch, no one will be informed of the negotiation by which they have been obtained but my own government; nor will my despatch explaining this be published.'[1] Wade had not consulted his colleagues on this matter of common interest, and hoped to show them that it was due to the Yamen's own initiative.

As to likin, Wade condemned its imposition upon imports at the ports as a contravention of the Treaty of Tientsin. His government was considering a measure of retaliation by stopping payments of tariff duties at any port where likin was imposed on British goods. This drastic step would be inevitable, unless the Chinese government found some alternative for the relief of British trade. He proposed that the Yamen should send to all the legations three dispatches: one asserting the right of foreign imports to clearance of transit dues by certificate, no matter what the nationality of the carrier, another giving notice of China's intention to open the coasts, lakes, and rivers as soon as Customs establishments could be placed there, and a third declaring the abolition of likin in the foreign settlements. As a *quid pro quo* and in order to assist the Chinese government to collect the large amount of revenue lost through smuggling, he was prepared to make a special agreement whereby a uniform rate of likin in addition to the import duty on opium could be collected through the Customs Inspectorate.[2]

Lastly, with reference to the Yunnan frontier trade, the Yamen should give him a dispatch directing the government of Yunnan to consider the regulation of the frontier trade with the head of a new Indian mission or with Grosvenor. Wade asked the Yamen to communicate all these dispatches

[1] Wade's memorandum for Mayers's visit to the Yamen on Sept. 22. F.O. 17/701.

[2] Wade to Derby, Oct. 10, 1875. Ibid.

to him by September 24. A separate agreement on opium could be signed on the same day.[1]

The Yamen endeavoured to make a bargain by trade concessions in return for postponing the discussion on the ministerial intercourse.[2] On September 23 Wade was again impressed by the reactionary tone of the ministers of the Yamen, as exemplified especially in an open note from Wensiang emphasizing the impossibility of making alterations in the Chinese system of etiquette.[3] Wade stated that he would send Grosvenor to England, for until the Yamen had fully complied with his proposals, there was no adequate guarantee that the British mission could usefully and safely set out for Yunnan. Pending further instructions from his government, he meant to confine himself to enforcing the treaty, if necessary, with the help of the naval commander-in-chief.[4]

The rupture of relations seemed imminent. But soon Wade reopened the negotiation on a new basis. Mayers found that not all the ministers of the Yamen supported Wensiang.[4] Imagining that there might be a division in the camp, Wade broke fresh ground, but this time he required the Yamen to make a satisfactory answer by the evening of September 28, on the three subjects: ministerial position, inland taxation, and the Yunnan frontier trade.[5]

In response to this ultimatum, the Yamen asked for an instruction to the departments to consider the question of ministerial intercourse. The memorial and decree appeared in the *Gazette* of September 28 and 29 separately. On the 29th, having received no word from the Yamen on the two other points, Wade extended the time-limit for one more day, and plainly stated that if, after that date, negotiations were resumed, he would make fresh demands.[6] The Yamen protested against this manner of compulsion and observed

[1] Memorandum for Mayers's visit to the Yamen on Sept. 22, 1875. F.O. 17/701. [2] Ibid.

[3] Open note from Wensiang to Wade received in the conference at the Yamen on Sept. 23, 1875. F.O. 17/745.

[4] Wade to Derby, Oct. 21, 1875. Ibid.

[5] Wade to Kung, Sept. 28, 1875. P.P., China, no. 1 (1876), no. 57.

[6] Wade to Derby, Oct. 21, 1875. Ibid., no. 58.

that they had directed Hart to consider carefully the question of trade.

Hart had on September 22 received an instruction to devise commercial arrangements feasible for China and acceptable to all the treaty powers. He suggested that it would be better for China under present circumstances to arrange for the continued levy of likin and concede additional points of contact. The ministers raised no difficulties to the opening of Kiungchow, Wenchow, and Wuhu. Wensiang, who impressed Hart as a thorough reactionary, preferred the abolition of likin to the opening of more ports because, the more ports were opened, the more trouble, he thought, was likely to arise. The Grand Secretary also objected to the general opening of China unless England permitted Chinese consuls and merchants in her ports to enjoy the same extraterritorial status as the Englishmen in China. The regularization of the Yunnan frontier trade could be arranged after the Margary affair was settled.[1] With reference to the exemption of imports from likin in the foreign settlements, Wensiang proposed the reimposition of the interdict upon foreign trade in bean-cake at Chefoo and Newchwang. Wade declined this bargain, for the abolition of that interdict had been secured as a reward for the protection of the Taku forts by the British and French troops from the rebels in 1862.[2]

When Hart pressed him to continue the negotiation, Wade insisted that the failure of the Yamen to comply with his demands before September 30 entitled him to put forward a fresh demand—a decree recalling the attention of the provincial governments to the treaty provisions affecting the right of travel under passport. Besides, he required two dispatches, one expressing the Yamen's bona fide intention to instruct Hart to frame a report on trade, and the other engaging the Chinese government to authorize consideration of the Yunnan frontier trade.[3]

[1] Hart's memoranda of conversations with the Yamen, Sept. 22 to Oct. 9, 1875. F.O. 17/702.

[2] Wade to Kung, Oct. 2, 1875. P.P., China, no. 1 (1876), no. 59.

[3] Wade to Derby, Oct. 26, 1875. Ibid.

On October 4 Hart had a conference with Wensiang and Li Hung-chang who had come to Peking to superintend the funeral procession of the late emperor. They agreed to send Wade the two dispatches, but nothing was decided definitely about the decree on passports. Despite Wade's fresh ultimatum, the Yamen remained obstinate. Li volunteered to call upon Wade, assuring him that a memorial on passports would soon be presented by the Yamen, and succeeded in persuading him to defer his departure for a day or two.[1] After a warm discussion in the grand council on the following day, Li pressed the ministers to come to a decision. Four days later the memorial and the decree on passports were published in the *Gazette*.[2]

Wade felt satisfied that he had at last gained the necessary guarantees which would enable him to direct Grosvenor's mission to Yunnan; these were six in number: a mission to England with an imperial letter of apology, a promise of an escort for a fresh Indian mission, a decree on intercourse with foreign ministers, a dispatch instructing Hart to frame a report on trade, a promise of a regulation of the Yunnan frontier trade, and finally a decree on passports. In accordance with the wish of the Viceroy of India, the promise of an escort for a fresh Indian mission to Yunnan and of the regulation of the Yunnan frontier trade was not to be carried out until the inquiry was over. Presuming that with a Chinese mission in England and Grosvenor in Yunnan, 'pressure, naval or material, would be much restricted',[3] Wade secured the Yamen's consent to defer the dispatch of envoys to England till the settlement of the Margary affair.[4] At last Wade had worn down the Yamen. In consideration of this diplomatic success and of his previous services, he was appointed a Knight Commander of the Bath.[5]

While he won a victory over the Yamen, Wade earned

[1] Memorandum of interview with Li at the Legation, 4 p.m. Oct. 4, 1875. F.O. 17/746.

[2] P.P., China, no. 1 (1876), no. 60.

[3] Wade to Derby, July 14, 1877. P.P., China, no. 3 (1877), no. 39.

[4] Wade to Derby, Oct. 27, 1875. P.P., China, no. 1 (1876), no. 61.

[5] Derby to Wade, Nov. 25, 1875. Ibid., no. 47.

the resentment of his colleagues by his independent action. They could not help feeling slighted when questions of common interest, such as ministerial privileges and foreign trade, were dictated by the British minister alone. Immediately after the appearance of the decree on ministerial intercourse in the *Gazette*, the ministers of Russia, the United States, Germany, and France made a collective démarche to the Yamen. M. de Butzow, the Russian minister, warned the Chinese government that they refused to submit then and for the future to have their interests disposed of without their being consulted or informed.[1] The Yamen was somewhat disturbed by this collective démarche, followed, as it was, by individual notes from the American, German, and Russian ministers.[2] To ensure against misrepresentation in his colleagues' official reports, Wade explained to them that he had no idea of attempting the introduction of any reform single-handed, and he defended the Chinese government against such an unjustified action as the issue of their collective warning.[3] On the eve of his departure from Peking, in a stormy conversation with them, he let them know that he had no obligation to consult any one in his conduct of a purely English affair.[4] There was another reason why he kept them outside the negotiation: he understood they were opposed to the introduction into the Margary affair of questions of ministerial intercourse and inland taxation.

There had been rumours in Shanghai that Wade had signed a convention to the advantage of British trade. To disabuse the foreign community of this impression, he directed consul Medhurst publicly to deny that any trade convention had been signed. What he had obtained was a formal engagement on the part of the Chinese government to make a comprehensive inquiry into the question of the taxation of foreign trade, and were it found impossible to

[1] Report of de Roquette to de Rochechouart. Cordier, H., *Histoire des relations de la Chine avec les puissances occidentales*, vol. ii, p. 56.

[2] Wade to Derby, Oct. 28, 1875. F.O. 17/702.

[3] Wade's letter to his colleagues, Oct. 9, 1875. Ibid.

[4] Wade to Derby, Oct. 28, 1875. Ibid.

rectify the grievances, modification of treaties might be necessary. He admitted that the general consent of all the treaty powers was essential to the efficacy of such a convention.[1]

The British government was preoccupied with a more absorbing issue in the Near East. Wade's negotiation in Peking made them anxious. He had in August sent telegrams, requesting the dispatch of Indian troops to Yunnan,[2] and proposing the withdrawal of the British legation from Peking before October 1.[3] To strengthen Wade's position in every possible way, Disraeli took an unprecedented diplomatic step. He induced the Japanese Minister in England to urge his government to offer their mediation in the event of serious difficulty arising between China and England, and to declare that if China would not accept that mediation and act upon it, 'Japan will join England against her and place a Japanese contingent under the orders of any British forces employed by us against the Celestial Empire'.[4] On September 19 Wade reported that 'The Yamen would not promise any of the guarantees I had asked for. So I wrote yesterday that I would at once withdraw the Legation.'[5] Upon receipt of this telegram, the Prime Minister was 'inclined to strong and prompt measures; would send troops from India and use the Flying Squadron that is at hand'.[6]

However, the Foreign Office took up a cautious attitude. Derby authorized Wade merely to insist upon a thorough and satisfactory inquiry into the Margary affair in the presence of British officers.[7] Handicapped by the difficulty of communication, the Foreign Office was unable to follow Wade's proceedings in China. It was not till the return of

[1] Wade to Medhurst, Oct. 17, 1875. P.P., China, no. 1 (1876), no. 62.

[2] Wade to Derby, Aug. 19, 1875. F.O. 17/700. Derby made this comment on it: 'This is serious if Mr. Wade really means it.'

[3] Wade to Derby, Aug. 26, 1875. Ibid.

[4] Disraeli's letter to Lady Bradford, Sept. 27, 1875. *Letters of Disraeli to Lady Bradford and Lady Chesterfield*, ed. by the Marquis of Zetland, vol. i, p. 287.

[5] Wade to Derby, telegram, Sept. 19, 1875. F.O. 17/701.

[6] Disraeli to Lady Bradford, Sept. 28, 1875. *Letters of Disraeli to Lady Bradford and Lady Chesterfield*, vol. i, p. 287.

[7] Derby to Wade, telegram, Sept. 29, 1875. F.O. 17/744.

Mr. Edward (Secretary of the British Legation) to London that it was in possession of the details of the September negotiation. In January 1876 Derby approved Wade's conduct, trusting that the investigation in Yunnan would be earnestly prosecuted and that the Chinese government would fulfil satisfactorily its other engagements.[1]

5. *The Eight Propositions of June 2, 1876*

Early in December 1875 Wade went to Peking in order to see the concrete results of his September victory. Very soon he doubted whether he had won any substantial victory. For there appeared in the *Gazette* of December 9 a decree ascribing the murder of Margary by savages to his failure to apply for an escort. Wade's suspicions of the sincerity of the Imperial government were deepened by the knowledge that this decree was in answer to a memorial signed by Li Han-chang, Hsieh Hwan, and Tsen Yu-ying. Doubtless the association of Tsen (whom Wade regarded as primarily responsible for the disaster) and of Hsieh (who had been notorious since 1858 for his anti-foreign attitude) was the cause both of the rapidity with which the Commission had completed their report and of the unsatisfactory nature of its findings.[2] Wade, whose mind was completely dominated by the failure of the Yamen to give justice in past cases of acts of violence, now considered it impossible to obtain satisfaction without a demonstration of force. He asked for a reinforcement of the fleet in China waters[3] which would reassure the British community and protect them from the possible consequences of their own fears. A show of preparation was the best security against war. The news of a force collecting in Bengal or Madras with orders to hold itself in readiness for service abroad would be invaluable. 'My cue, I repeat, is not to threaten. It is rather, if I may say so, to "sulk".'[4]

The publication in the *Gazette* of January 24, 1876, of a second memorial from the High Commissioners repeating

[1] Derby to Wade, Jan. 1, 1876. P.P., China, no. 1 (1876), no. 7.
[2] Wade to Kung, Dec. 12, 1875. Ibid., no. 4 (1876), no. 11.
[3] Wade to Derby, telegram, Dec. 15, 1875. F.O. 17/702.
[4] Ibid., F.O. 17/746.

the same story in a more polished fashion, increased Wade's distrust of the Chinese government. The mention of his name in the memorial 'in precisely the same manner as the most ordinary person without any semblance of respect due to a foreign representative' was considered by him as a 'manifest discourtesy'.[1] To strengthen his hands materially in dealing with the Yamen, he repeated his request for a naval reinforcement in the China Seas.[2] Consequently the Admiralty by a telegram to Bombay ordered Rear-Admiral Lambert to proceed to China with four frigates.[3]

However unreliable might be the reports of the High Commissioners, the Yamen had done something to show their fidelity to their engagements. Of the guarantees which Wade had obtained in September, improvement in ministerial intercourse and conditions of trading were the two things to which he attached most importance. At the time of the Chinese new year, there was an exchange of visits between departmental heads and foreign ministers. On February 6 and 7 for the first time twenty-six high officials called on Wade at the Legation, but only two came in for a talk, the others merely leaving cards.[4] This visit—though only as far as the threshold—could be regarded as the beginning of diplomatic intercourse. And late in January 1876 Hart sent in a comprehensive report[5] to the Yamen. It embraced the commercial, judicial, and administrative aspects of China's international relations, each with four alternative sets of proposals. For the abolition of the transit system he suggested that the eight staple items of trade should be freed from all taxation after a simultaneous payment of tariff and transit dues at a treaty port. All other goods were to be free from payment of import duties at the treaty ports, but should be dealt with in every port of China, no matter in whose hands they might be, in accordance with

[1] Wade's instruction for Mayers's interview with the Yamen, Jan. 30, 1876. P.P., China, no. 4 (1876), no. 30.

[2] Wade to Derby, telegram, Jan. 26, 1876. F.O. 17/719.

[3] Secretary to the Admiralty to Lister, Feb. 4, 1876. P.P., China, no. 4 (1876), no. 6.

[4] Wade to Derby, Feb. 9, 1876. F.O. 17/720.

[5] Hart's memorandum, Jan. 23, 1876. P.P., China, no. 3 (1877), no. 2.

local regulations. More ports were to be opened, and in return the opium duty was to be increased. In a supplementary dispatch[1] he calculated that this arrangement would enable the Chinese government to abolish the likin without difficulty. Great changes were contemplated in the existing judicial and administrative system. He advocated the establishment of a common procedure in mixed suits. The extraterritorial stipulations 'have done more than anything else to set the government against any extension of intercourse'. Instead of keeping extraterritoriality as a unilateral privilege to the foreigners in China, he proposed on the principle of reciprocity to extend it to the Chinese abroad. The report was a work of careful thought and evinced a real appreciation of the situation.

Neither Hart nor the Yamen told Wade of the general terms of this trade report.[2] His repeated application to be informed of its contents only elicited from the Yamen an evasive answer that its length was such that it required long study or that the provincial governments would have to be consulted.[3] The commercial arrangement which Hart recommended was criticized by Li Hung-chang as impracticable.[4] Not until May 24 did the Yamen under pressure direct Hart to send a copy of the report to Wade. The fact that the Yamen had not immediately informed Wade of the report and that no action had been taken upon it must have increased his distrust of their sincerity in trade matters.

Already suspicious of the attitude of the Yamen, Wade felt more dissatisfied with the results of the Yunnan investigation. On his arrival at Yunnan-fu early in March 1876, Grosvenor received the results of Li Han-chang's investigation, in which the savages and some renegade Chinese appeared as the murderers of Margary, and Li Chen-kuo as the original opponent of Browne's party.[5] Then the

[1] Hart to the Yamen, Feb. 8, 1876. Ibid.
[2] Wade to Derby, May 6, 1876. F.O. 17/750.
[3] Wade to Derby, July 22 1876. P.P., China, no. 3 (1877), no. 2.
[4] Li to the Yamen, Apr. 25, 1876. *LCTY.*, vol. v, p. 1.
[5] Summary of Taotais Ting and Chiang, Mar. 14, 1876. P.P., China, no. 3 (1877), no. 3.

farcical trial of the prisoners took place in the presence of Davenport and Baber.[1] Grosvenor drew up a comparative statement of the English and Chinese versions of the case, and explained to the High Commissioners the discrepancies existing between the two versions of the circumstances connected with the Margary affair.[2] He concluded his final report to Wade by stating that there was a 'total absence of anything like truth or even plausibility' in the Chinese version.[3]

After the receipt, on April 21, of Grosvenor's report Wade requested the Yamen to withhold from publication any representations that might have been received from the High Commissioners. He feared that the Chinese government, by the immediate publication of a decree from which it could not recede, might attempt to induce him to acquiesce in the decisions of the High Commissioners and so be enabled to proclaim the case settled.[4] He was unable to accept as proved the guilt of the savages or of Li Chen-kuo, nor could he believe in the faithfulness of the Chinese authorities concerned in the inquiry. He protested against any one being punished at that stage, for in his opinion, as the anti-foreign policy of the Chinese statesmen was the cause of the present unsatisfactory state of things, the central government must be held wholly responsible for the Margary affair. No mere reparation would satisfy the British government. It must include a change in the foreign policy of China. He asked the Yamen categorically what action, if any, was about to be taken respecting ministerial intercourse, Hart's report on trade, and the Margary affair.[5]

The Yamen supported the findings of the commissioners and offered no other reparation than the punishment of the guilty. Ministerial intercourse should be left to spontaneous

[1] *Supra*, p. 57.

[2] Grosvenor to Wade, Mar. 23, 1876. P.P., China, no. 3 (1877).

[3] Grosvenor to Wade, June 7, 1876. P.P., China, no. 5.

[4] Memorandum of interview with ministers of the Yamen, May 1, 1876, F.O. 17/722.

[5] Correspondence and minutes of interviews from 22nd to 31st of May, 1876. F.O. 17/724.

and gradual development, and Hart's report was said to be of such immense length that no immediate step could be taken. Since the Yamen refused to offer any other form of reparation, Wade proceeded to exact it by threats. The old game was thereupon repeated—threat of rupture of relations, partial success in the bargains, and departure for Shanghai. This time he dropped the question of ministerial intercourse from the discussion by referring it to his government. But he insisted that the central government was directly responsible for the Yunnan outrage. As regards trade, he told the Yamen that he would consider the employment of retaliatory measures to prevent the levy of illegal taxation at the ports.[1]

On May 31 Kung and other ministers of the Yamen called at the Legation. Wade demanded the production of Tsen and his subordinates for trial at Peking, on the ground that he had that morning received from India dispatches giving proofs of the complicity of the sub-prefect of Teng-yueh in the outrage.[2] Kung immediately declared it impossible, for the proceedings had already been closed in Yunnan, and Tsen had been relieved, on account of the death of his step-mother, of his governorship by a decree of April 21. The Yamen, however, now offered to make concessions in the direction of opening the ports and adjustment of trade difficulties.

As the Yamen was adamant on the question of the further examination of the case at Peking, Wade substituted on June 2 eight propositions, with a caveat that if any of the persons incriminated in the Yunnan investigation were executed, he should at once break off the negotiation. The eight propositions were as follows:

1. The Yamen should present a memorial to the Throne recalling the circumstances of the attack upon Browne, and the appointment of the High Commissioners to investigate the case. It was to state that the British minister declined to accept the punishment of the persons found guilty by the Commissioners on the ground that, however good in Chinese law, the evidence

[1] Ibid.
[2] Vide Chapter V, p. 62.

adduced against them would have been insufficient to ensure a conviction in England. But preferring security for the future to reparation for the past, he was prepared to content himself with the acknowledgement by decree of the memorial in the terms stated, the draft of which should be seen by him.

2. For the next two years, British, accompanied by Chinese officers, were to be sent from time to time to see that proclamations embodying the above memorial and decree were posted in every town of the Empire.
3. British officers could attend any investigation affecting British persons or property in the interior of China.
4. A decree was to be issued directing the Yunnan government to select an officer to collaborate with British officers on the conditions of the frontier trade of Yunnan, and to prepare a scheme of trade regulations.
5. The British minister should, for five years to come, station one or more consular officers at some inland centre of Yunnan to observe the conditions of trade, as well as at Chungking in Szechuan.
6. The Yamen was to write a circular to the foreign representatives, admitting the right of foreign imports, duly covered by certificates, to be free from transit dues irrespective of the nationality of the carrier, and promising foreign shipping access to every port, whether on the sea-coast, lakes, or rivers, at which it would be worth while to establish a Maritime Customs Collectorate. This would in practice open Takushan, Yo-chow, I-chang, Ngan-ching, Wu-hu, Nanchang, Wenchow, Kapchi, Shui-tung, and Pakhoi. In return for these concessions, the British minister engaged on his part to make rules to prevent the illegal evasion of likin by Chinese carrying native produce, and to recommend his government to consider readjustment of the import duty on opium, and facilities for the collection of likin on opium in the port areas. Foreign governments were to be consulted on this question, but were sure to raise no objections as the opium trade was wholly in British hands.

   Further, he hoped by international agreement to allow the Chinese government to increase the duties in certain cases, provided that China agreed to exempt imports from likin in the port area on payment of tariff duty, and of certificated imports from all charges *in transitu*.
7. After the above six points had been settled, a mission was to proceed to England bearing a letter from the Emperor of China

to the Queen, expressing regret for what had occurred. The draft of this letter was to be first shown to the British minister.

8. The amount of indemnity was to be left to the decision of the British government, but it was to be of an amount necessary to cover payments to the families of Margary and his Chinese servants, the losses sustained by Browne's expedition, and the expense occasioned from first to last to the government of India as well as the cost of the naval reinforcement.[1]

If these eight propositions were acceded to, he would telegraph home that, with the exception of the indemnity, the Margary affair was settled. If they were rejected, he would persist in his demand for Tsen's trial at Peking, and if this were refused, he would withdraw the Legation, and recommend his government, as in 1860, to levy an indemnity payable during a term of years during which a portion of Chinese territory would be occupied as a material guarantee.

In a later conference (June 6) at the Yamen, Wade modified the sixth proposition and agreed to invite his colleagues to consider the adoption of one of the two schemes for the improvement of commercial relations, one of which entailed the opening by the Chinese government of all the coasts, rivers, and lakes to foreign shipping, and the exemption of all imports, opium excepted, from likin or other taxation. Whichever scheme was agreed to, the Chinese government would have to open certain new ports. Pressed by the Yamen, Wade named 200,000 taels as a maximum figure for the indemnity, which might be reduced by the British government, but which was exclusive of any demand they might make for naval expenses.[2]

The Yamen accepted without reserve the second, third, fourth, and fifth propositions. They agreed to present a memorial in the sense Wade required, but would not engage to submit the draft for his approval; that an envoy should be sent to England, but without, however, any letter of regret; and that compensation should be made but only to the families of Margary and his attendants and to those who

[1] Wade's memorandum for Mayers's visit to the Yamen on June 2, 1876. F.O. 17/724.

[2] Wade to Derby, July 24, 1876. Ibid.

had incurred losses in Browne's expedition. With reference to the sixth proposition, the Yamen would recommend the admission, free of other taxation, of goods on which transit duty had been paid, irrespective of the nationality of the carrier; other commercial questions concerning likin and transit duties were to be postponed for future discussion. Finally, I-chang was the only new port to be opened. Wade considered the reply unsatisfactory, and sent in his note demanding the trial of Tsen and his subordinates at Peking.[1]

On June 8 the Yamen gave in to the extent of expressing its willingness to transmit the draft of the memorial to Wade before its presentation to the Throne, and of directing Hart to continue the discussion of commercial questions.[2] Wade, however, who had informed his colleagues that the case had been referred to his government and that he was leaving for Shanghai on June 13, refused to negotiate further unless either a decree summoning Tsen to Peking was immediately issued or the Yamen accepted the eight propositions *en bloc*.[3] The Yamen considered it impossible to comply with either proviso.

To prevent a rupture of relations, Hart proposed a bargain with Wade. He asked Wade on June 11 whether he would consent to a plan which would leave the port likin as it was till the Emperor's majority and the restoration of tranquillity and trade, in return for the opening of more ports and other advantages. Hart suggested the opening of Wenchow, Pakhoi, and Wuhu in addition to I-chang. 'My own opinion is', Hart said, 'that it would be better to accept this settlement than to "break"—considering, on the one hand, the transit system has worked better than it is generally given credit for, and, on the other hand, that a rupture would cause all sorts of trouble everywhere and may be something that the Foreign Office will not wish for.'[4] Wade declined to accept the suggestion, and informed the Yamen

[1] Wade to Derby, July 25, 1876. F.O. 17/725.

[2] Wade to Derby, July 26, 1876. Ibid.

[3] Hart's memorandum giving an account of the negotiations in which he was engaged between the 8th and 15th of June, 1876. Ibid.

[4] Ibid.

that he must proceed to Shanghai to place the case before his government.

Once more under pressure the Yamen, which had strongly objected to the opening of more ports, offered on June 12 to open, in addition to I-chang, Wenchow and Pakhoi, but not Wuhu. With such an offer, and as all the points he had demanded were virtually acceded to except the likin question, Hart urged Wade to close the Margary affair and to drop that commercial question as he had dropped 'ministerial intercourse', leaving it for his government to take it up alone or with other states at some other time.[1] After some consideration Wade agreed to do so, provided that the Yamen should accept his counter-proposal. He required from them a note, stating that it was in contemplation to open I-chang and other ports, but in order to remove the grievances of traders, the Yamen would first invite the representatives of the Treaty Powers to consider with them the whole question of the liability to likin of imports and exports, whether at the ports or elsewhere.[2] The Yamen agreed to this course. On June 13 Hart brought the draft of its dispatch to the Powers to Wade for his perusal. Accordingly, Wade consented to put off his departure for twenty-four hours. He hinted to Hart that if the Regents of China gave him an audience, or issued an edict sending officers to the British Legation to express regret for the outrage, he would be enabled to declare the Yunnan case closed. The Yamen, however, pronounced both measures impossible.

There were indeed strong grounds for believing that the Margary affair was about to be settled by Hart's mediation. Unexpectedly the negotiation broke down for a third time. The immediate cause was the wording of the dispatches, and the conversation as to the amount of the indemnity. It had been arranged that Mayers should go to the Yamen in the afternoon of June 14 to inspect the draft memorial on the Yunnan case and the trade dispatch to the foreign representatives. Hart first saw these papers at the Yamen

[1] Ibid.

[2] Wade to Derby, June 26, 1876. Ibid.

in the forenoon. He gave his opinion that the draft memorial was 'a very good one'. The trade dispatch 'appeared too brief, but as its single sentence seemed to cover more ground than Sir Thomas Wade's Memorandum of the 12th (June), I thought it better not to suggest any change'.[1] He advised the ministers of the Yamen to make any verbal alterations Mayers thought fit.

Mayers considered the draft memorial 'not very satisfactory',[2] for in spirit and language it appeared to him widely different from the representation which Wade had suggested. Therefore certain additions were introduced before he took it away to submit to Wade. As to the trade dispatch, he regarded it as being 'as unsatisfactory a form of words as I have ever laid eyes upon'. It also seemed to him inadequate, as it made no specific reference to the question of likin. According to Mayers's report, while he was discussing with the ministers of the Yamen an amendment of the dispatch, minister Shen raised the question of indemnity and stated that the Yamen by no means consented to Wade's proposed 200,000 taels. The Yamen could agree to nothing more than a compensation to Margary's family and for the losses sustained by Browne's party. Mayers pointed out that by their acceptance of the terms of the eighth proposition, the Yamen had agreed to refer the question to the decision of the British government. If the British government should fix the amount at fifty, five hundred, or five millions, China was bound to pay that amount. Shen replied that he had no intention of abiding by a decision of the British government. Thereupon Mayers

[1] Hart's memorandum giving an account of the negotiations in which he was engaged between the 8th and 15th of June 1876. F.O. 17/725.

[2] Mayers to Hart, June 14, evening. Ibid. Other accounts of Mayers's interview at the Yamen in the afternoon of June 14, 1876, are found in the following sources. (A) Wade to Kung, July 4, 1876. F.O. 17/726. (B) Memorandum of Mayers's interview with Li Hung-chang at Tientsin, June 22, 1876. Ibid. (C) Memorandum of interview with Mayers, June 22, 1876. *LCTY.*, vol. v, pp. 20–1. It corroborates Mayers's own memorandum, and gives Mayers's interpretation, by way of illustration, of the clause 'reference to the decision of the British government' in the eighth proposition. (D) Memorial of Prince Kung, June 18, 1876. *WCSL.*, Ser. I, vol. vi, p. 11.

warned the Yamen that Wade would think they were trifling with him unless they gave him a different message to bring back or sent a note after him to confirm their full compliance with his propositions. In the evening the Yamen sent a note to Wade. As he saw in it no explicit promise to place an order for 200,000 taels in his hands, and with the unfavourable report of Mayers's interview at the Yamen in the afternoon, Wade concluded that the Yamen was not acting in good faith.[1] He wrote back to take leave, and renewed his demand for Tsen's trial.[2] In the morning of June 15 Wade abruptly left Peking.

It is necessary to point out that Hart and Mayers held divergent opinions about the wording of the draft memorial and the trade dispatch. The curious thing seems to be that the draft of the trade dispatch to which Wade had on June 13 raised no objection proved to be totally unacceptable to Mayers. No copy of the Chinese texts of the papers in question is available. And there is no English translation of them in the British archives. It is fortunate that in his letter to Wade on June 21,[3] Hart gave the wording in the trade dispatch to which Mayers objected, and the amendment he required to be made in the document. Hart did not write out the Chinese characters, but put them in romanized form. The original paper spoke of 'ko k'ou t'ung shang shih yi'[4] which means 'matters concerning trade at every port', which could therefore include likin as one of the questions referred to the treaty powers; the correction suggested by Mayers, 'ko sheng ti fang chin k'ou ch'u k'ou huo wu ch'ou cheng shui li yi ch'ieh shih yi'[5] literally means 'all matters of taxes and likin on imports and exports in every province'. According to Hart, the amended version (which Mayers perhaps suggested

[1] Wade to Derby, July 27, 1876. F.O. 17/725.

[2] Hart's memorandum giving an account of the negotiations in which he was engaged between the 8th and 15th of June, 1876. Ibid.

[3] Ibid.

[4] In Chinese, 各口通商事宜

[5] In Chinese, 各省地方進口出口貨物抽徵稅釐一切事宜

merely for the sake of explicitly including likin) through the substitution of 'province' for 'port' seemed to the Yamen to extend the purport of the original draft so as to embrace the entire system of Chinese taxation.[1] Hart did not consider Shen's caveat in regard to the indemnity clause of special importance, for in their official note the Yamen had already accepted the wording of the eighth proposition.[2]

'In both connexions (the indemnity clause and the trade despatch)', Hart wrote to Wade, 'it appears to me there was room for misunderstandings and there was just as much room for clearing away the misunderstandings, and had you remained in Peking, another day's talk would have put things straight again.' He continued, 'I honestly believe that misconception and not breach of faith was at the bottom of it.'[3]

[1] Hart to Wade, June 14, 1876. F.O. 17/725.
[2] Ibid.
[3] Hart to Wade, June 21, 1876. Ibid.

CHAPTER VII

CHEFOO

1. *Peace Efforts*

THE moment was critical. The issue of peace or war hung in the balance. With two fleets already in the China seas, with the bitter experience of a negotiation protracted for more than a year, and with his personal conviction of the faithlessness of the Yamen, it was conceivable that Wade would go to Shanghai to recommend to his government strong action against China. In their fear of the consequences of a rupture the Yamen sought Hart's advice. He suggested that the Yamen should

'start an Ambassador to England to-night [June 15, 1876]—telegraph his appointment and departure—and thus enable the British Government to decide on its future proceedings with the Chinese explanations as fully brought out as the English charges; that men who read despatches will be guided not only by what they say but also by the way of saying it, and if China has no representative on the spot, the indignant tone of Sir Thomas Wade's despatches will give a point to their contents that may work trouble for China at a much earlier date and of a more serious kind than ministers [of the Yamen] imagine'.[1]

This proposal to prevent an overstatement of the case by Wade's peremptoriness was not taken up by the Yamen, either because they had promised Wade to delay the dispatch of envoys till the Margary affair was over, or because they hoped that Governor-General Li might resume the negotiation at Tientsin and secure an early settlement.

A decree of June 16 was sent to Li directing him to confer with Wade on the Margary affair. On June 19 Li did his best to induce Wade to begin again the discussion of the eight propositions. Wade declared them *non avenus*, and pointed out that the decree conferred on Li no greater power than he had received last August.[2] For the present

[1] Hart's memorandum giving an account of the negotiations in which he was engaged between June 8 and 15, 1876. F.O. 17/725.

[2] Wade to Derby, Aug. 3, 1876. F.O. 17/726.

Wade required only the trial of Tsen and his subordinates either before him or before British officers appointed by him. For the future he meant to add fresh proposals to the existing eight which he would discuss only if a special envoy were sent with full powers to meet him at Shanghai.[1] In the evening of June 20 Li, who had made use of the friendly offices of a newly arrived Spanish minister, informed Wade that he had full power to consent to all the eight propositions. But Wade refused to discuss them.[2]

While the negotiation in China came to a deadlock the Balkan crisis was developing. In May the Berlin Memorandum, by which the three eastern empires proposed to stop the civil war in Turkey, was rejected by the British government. Then occurred the Bulgarian revolt, the deposition of the Sultan, and the declaration of war on Turkey by Montenegro and Serbia. The navies of the European powers were assembled near Constantinople. Uncertain of the European situation, England was anxious to get an early settlement of the Yunnan case. Wade had requested the Foreign Office to 'hold very decided language to the public', and in his opinion 'rumours of reinforcements would do good' to his discussion.[3] In reply Derby stated that 'you should be careful not to pledge Her Majesty's Government in any way until they have received and considered Mr. Grosvenor's Report, when you will be instructed how to act'.[4] He repeated the previous message, after receipt of the report of Wade's departure from Peking, and further emphasized that 'I can only add that until Her Majesty's Government are in possession of the Report, and of your Despatches, they can not give you any instructions, but they consider that it is very desirable that the Yunnan Question should be settled with as little delay as possible'.[5]

[1] Interview with Wade, June 19, 1876. *LCTY.*, vol. v, pp. 10–11: Wade to Li, June 19, evening, 1876; enclosure in Li's memorial of June 21, 1876, Ser. I of *The Complete Collection of Li Hung-chang's Papers*, vol. xxvii, pp. 25–7.

[2] Wade to Derby, Aug. 3, 1876. F.O. 17/726.

[3] Wade to Derby, telegram, June 1, 1876. F.O. 17/721.

[4] Derby to Wade, telegram, June 14, 1876. F.O. 228/564.

[5] Derby to Wade, July 8, 1876. Ibid.

On his way to Shanghai Mayers called upon Li at Tientsin on June 22. By Wade's instructions he told Li that the only chance of a renewal of negotiations on the basis of the eight propositions would be the spontaneous addition of some valuable concession, notably in the direction of diplomatic privileges.[1] Li considered an Audience impossible, but that a deputation of high officials might wait upon the foreign representatives to explain the Emperor's inability to receive them. Shortly after Mayers had arrived at Chefoo, a letter from Li arrived proposing this course as a means of meeting Wade's wish. However, Wade declined to accept it on the ground that the eight propositions were withdrawn and he was waiting for instructions from Derby.

After the failure of this overture the Yamen sent Hart to Shanghai with further commercial proposals. Hart had suggested at the Yamen on July 2 and 5 seven propositions: the first five dealt with likin; the sixth with the inauguration of a modern postal system; and the seventh with the establishment of a mint.[2] In discussing these points with Li, Hart stated that he was not sure of being able to persuade Wade to begin the negotiation again, and the best step, he considered, was to send at once the mission to England to explain the Chinese case. He volunteered to go with them.[3]

Hart reached Shanghai at a fitting moment, as Wade had just received Derby's instructions to settle the Yunnan question without delay. Li's proposal of sending a deputation of high officials to convey to the legation a decree of apology for the Emperor's inability to receive foreign ministers was now acceptable to Wade, provided it was of a sufficiently large number of dignitaries. With reference to the opening of fresh markets Hart suggested the addition of Wuhu to I-chang, Wenchow, and Pakhoi, the ports already agreed upon. Wade promised Hart that he would treat with a Chinese envoy entrusted with full powers. Hart thereupon informed Li that, as Wade was about to go

[1] Wade to Derby, Aug. 3, 1876. F.O. 17/726.

[2] No text of the seven proposals is found, but the general ideas of them can be gathered from Hart's interview with Li at Tientsin on July 10, 1876. *LCTY.*, vol. v, pp. 31–6.

[3] Ibid.

to Chefoo, it would be best for the Chinese government to appoint the Governor-General himself as a plenipotentiary to meet the British minister there early in August. Hart adverted to the changed situation in Europe caused by the Balkan crisis. England would take advantage of the Yunnan question to show the other states that her power was adequate to defend her interests not only in the West but also in the Far East.[1] Hart, indeed, regarded the proposed conference at Chefoo as the last opportunity of avoiding a rupture of relations with England.[2] He thought the immediate dispatch of envoys to England would not ensure success because of Wade's disapproval of it.

Learning that Wade had telegraphed home for a naval reinforcement, the Yamen ordered preparations for defence to be made.[3] In view, however, of the financial and military situation of China, Li was in favour of settling the Yunnan affair by diplomacy.[4] Consequently the Yamen took Hart's advice, and by a decree of July 28 Li was appointed a High Minister Plenipotentiary for the purpose of conferring at Chefoo upon all matters with Wade. Afraid of a rising of the famine-stricken refugees in the country during his absence the Tientsin people protested against Li's going. They were anxious for his personal safety, and reminded him of the fate of the Imperial Commissioner Yeh, whom the British had seized in Canton and sent to Calcutta in 1858. The Tientsin notables in vain pressed Wade to transfer the conference to Tientsin.[5]

Li determined to go, but before his departure he asked for instructions on the three points (ministerial privileges, indemnity, and the trial of Tsen) which Wade would probably raise at Chefoo. He calculated that Wade would require the trial of Tsen, and the more obstinate the attitude

[1] Hart to Macpherson, July 16, 1876. Chinese translation, *LCTY.*, vol. v, pp. 37–8.

[2] Hart to Macpherson, July 17, 1876. Ibid., pp. 39–40.

[3] The Yamen's memorial and the decree in reply, July 4, 1876. *WCSL.*, Ser. I, vol. vi, pp. 16–18.

[4] Li's memorial and the decree in reply, July 28, 1876. Ibid., pp. 22–3.

[5] Mayers's memorandum of visit of H. E. Hsu and the Prefect of Tientsin, Ma, to Chefoo, Aug. 9, 1876. PP., China, no. 3 (1877), no. 11.

of the Yamen on this question, the greater the demands the British minister would make. Therefore Li advised the Yamen to summon Tsen to Peking for trial.[1] This the Yamen forbade him in any way to agree to. A re-examination of the subordinate officials might be granted, but the trial of a governor in the presence of a foreign minister would seriously affect the honour of the Chinese government.[2] He was instructed to make the eight propositions the basis of his conversations, and was authorized to concede certain ministerial privileges without going far beyond the limit of tradition, and to raise an indemnity at a figure somewhat above the 200,000 taels formerly arranged.

2. *Conference*

Chefoo was a summer sea-resort in Shantung. In August it was the scene of a distinguished gathering. Besides Sir Thomas Wade, there were the ministers of six states—M. de Butzow (Russia), M. von Brandt (Germany), Mr. George F. Seward (the United States), M. de España (Spain), le Vicomte Brenier de Montmorand (France), and le Chevalier de Schaefer (Austria-Hungary)—who were there as much for pleasure as for business. Warships of England, Germany, France, and the United States were assembled in the harbour. Although at Wade's desire the Flying Squadron lay in Ta-lien Wan (Dairen) Bay, within a few hours steam of Chefoo,[3] the arrival on August 26 of the *Vigilant* with the Admirals Ryder and Lambert on board created an impression that Wade's diplomacy was to be backed by force.[4]

On August 18, four days after Wade, Li came to Chefoo knowing that if the negotiation did not proceed satisfactorily the American minister would offer his mediation.[5] His position was further strengthened by the unsolicited

[1] Li's memorial and the decree in reply, Aug. 12, 1876. *WCSL.*, Ser. I, vol. vi, pp. 25–9.

[2] The Yamen's memorial and the decree in reply, Aug. 14, 1876. Ibid., pp. 30–3.

[3] Wade to Derby, Aug. 14, 1876. F.O. 17/726.

[4] The Chefoo Conference, by a local correspondent. *North China Herald*, vol. xvii, no. 487, Sept. 9, 1876.

[5] Li to the Yamen, Aug. 4, 1876. *LCTY.*, vol. v, pp. 43–5.

assurance of good offices given by the ministers of the United States, Germany, Russia, and Austria-Hungary at Chefoo.[1] Wade, on the other hand, fearing that he might be inconvenienced by the presence of the diplomatic corps, made it clear to Li that he would allow no one to interfere with his business.[2]

On the first day of the conference the same process was repeated. Wade insisted upon the summons of Tsen to Peking for trial. He produced the documentary evidence, which Li refused to accept, as a *prima facie* proof of Tsen's culpability.[3] Since this demand had been made in four successive dispatches, and the Yamen had returned no answer, Wade now required either the trial of Tsen and his subordinates or a statement giving a satisfactory reason for declining to do so. When pressed to suggest an alternative in lieu of the trial of Tsen, Mayers proposed an Audience which Li considered inadmissible.[4]

As Li had no power to consent to Mayers's proposed alternative the prospect of agreement was slight. Hart, hearing that the British government would not take any step until the return of Grosvenor with his report, again advised Li to send an envoy at once to England and to transfer the negotiation to London.[5] Li decided that he would return to Tientsin and advocate this course if there was no progress in further conferences.[6]

In reply to Li's question of what he would regard as a proper settlement of the Yunnan affair, Wade outlined some general principles. If Li had proposals which were in full accord with his ideas, Wade would on his own responsibility declare the case closed without waiting for instructions. Any other proposals he would refer to his government. As Li offered nothing, Wade threatened to

[1] Li to the Yamen, Aug. 22, 1876. *LCTY.*, vol. vi, pp. 1–2.

[2] Wade's memorandum of an interview with Li, Aug. 21, 1876. F.O. 17/726.

[3] Chapter V, p. 63.

[4] Wade's memorandum of an interview with Li, Aug. 21, 1876. F.O. 17/726. Memorandum of interview between Li and Mayers in the evening of Aug. 21, 1876. Ibid.

[5] Li to the Yamen, Aug. 22, 1876. *LCTY.*, vol. vi, pp. 1–2.

[6] Ibid.

leave immediately for Shanghai and return to England to report to Derby in person.[1]

While the negotiation was proceeding, the American and German ministers privately informed Li that their offer of mediation had been flatly refused by Wade. If the Chinese government, seeing no hope of a settlement at Chefoo, should dispatch an envoy to England, they would request their governments to give China their diplomatic support. They did not think that the British government would resort to force.[2] It is clear that the sympathy of the foreign ministers was with Li: there was no collective pressure of the diplomatic corps upon the Chinese government. Wade fought alone.

During the discussions Li had inspected the German frigate *Vineta* (on August 26), and two days later the British ironclad *Audacious*, and had received all the attention due to his rank as an Imperial Commissioner. In return for this cordial reception, and in order to propitiate foreign feeling, Li invited the seven ministers and the two admirals to dinner on August 30, the birthday of the senior empress-regent. The affair was a success, and all the guests were delighted with the entertainment. After the banquet was over, Wade remained behind and told Li that the refusal to summon Tsen would affect the prestige of England and precluded any adequate guarantee for the future. He advised Li to make a decision himself without being influenced by the other ministers. To Li's question whether the trial of Tsen was a *sine qua non* Wade replied that he would willingly consider any alternative Li might propose.[3]

The following day Li urged Wade himself to name a basis of settlement. Wade's first suggestion was a change of men in the grand council and the Yamen. This Li categorically pronounced to be impossible. Finally Wade consented to state the terms which he would, if fully accepted by Li, recommend his government to accept as a complete

[1] Memorandum of interview with Wade, Aug. 29, 1876. *LCTY.*, vol. vi, pp. 7–11.

[2] Li to the Yamen, Aug. 31, 1876. Ibid., pp. 6–7.

[3] Memorandum of interview with Wade, Aug. 30, 1876. Ibid., pp. 11–12.

settlement. He made it clear that Kung and the Yamen must ratify whatever arrangements might be come to between Li and himself.[1]

On September 4 Wade, accompanied by Mayers, visited Li and verbally informed him of the tenor of the three sections of the proposed agreement. Li intimated that an agreement could be concluded on this basis. The first two sections were agreed upon without difficulty. The third section occasioned an acute discussion. Modifications and mutual concessions were made regarding the definition of 'port area', opium duties, and the opening of new ports. On September 11 the draft of the agreement was finally accepted by both sides. On the following day the Yamen's approval of the agreement arrived, but with the expression of a desire to change the wording in the 'Separate Article' concerning Tibet. A precautionary clause 'with due regard to the circumstances' was added to the proviso respecting the action to be taken in safeguarding foreign lives by the Chinese resident in Tibet. This was due to the anxiety, as Wade observed, that the Chinese government should not be held unreservedly responsible for evils which might befall foreign travellers in those far-off regions.[2]

The formal conclusion of the agreement took place at Chefoo on September 13, 1876. To the relief of both countries a fourth Anglo-Chinese war was averted. Wade had in mind, should the negotiation break down, a very strong demonstration, and 'once committed to such a demonstration, Her Majesty's Government could hardly retire until all that it might have determined to exact were conceded'. A British force would have occupied Chinkiang and the island known as the Silver Island in its immediate vicinity, and, 'the small peninsula west of Ta-Lien Wan as a combined naval and military station'.[3] Had England

[1] Memorandum of interview between Li and Wade, Aug. 31, 1876. F.O. 17/726.

[2] Memoranda of interviews with Li at Chefoo, Sept. 2 to Sept. 13, 1876. F.O. 17/728. According to Li's memorial of Sept. 17, 1876, the idea of adding a clause to the 'Separate Article' came from him. Ser. I of *The Complete Collection of Li Hung-chang's Papers*, vol. xxvii, p. 47.

[3] Wade to Derby, Aug. 7, 1876. F.O. 17/726.

occupied Port Arthur in 1876 and held it, what a vast difference it would have made in the subsequent history of the world!

3. *Agreement*

The Chefoo Agreement[1] was divided into three parts, each dealing with a separate topic, namely the settlement of the Yunnan case, official intercourse, and trade. The provisions of Section I were essentially the same as the first, second, fourth, fifth, seventh, and eighth of the eight propositions of June 1876. The memorial was to be presented to the Throne by the Yamen or by Li, on which a proclamation was to be issued in the sense of a memorandum prepared by Wade. It was reaffirmed that the Viceroy of India might send a fresh mission, with the passports obtained last year, from India into Yunnan at any time he saw fit. Wade took upon himself to fix the indemnity at 200,000 taels.[2]

Section II dealt with official intercourse, a subject which Wade had agreed with the Yamen in May to refer to his government. Now the Yamen was required to

'address a circular to the Legations, inviting Foreign Representatives to consider with them a code of etiquette, to the end that foreign officials in China, whether at the ports or elsewhere, should be treated with the same regard as is shown them when serving abroad in other countries, and as would be shown to Chinese Agents so serving abroad'.

Changes in the extraterritorial provisions of the treaties were included in this section. The Yamen were to invite foreign ministers at once to consider with them the measures needed for the more effective administration of justice by an improvement of the mixed court at Shanghai.

[1] Mayers, pp. 44–8.

[2] Wade's draft agreement referred the amount of indemnity to the decision of his government. (Draft Agreement, Ser. I of *The Complete Collection of Li Hung-chang's Papers*, vol. xxvii, pp. 46–50.) He consented to fix it at 200,000 taels after Li had promised that he would send officers to Shanghai to find an amicable settlement of the question of the Woosung railway. This railway had been constructed by British merchants without the knowledge of the local authorities, and ever since the Shanghai Tao-tai had opposed the liquidation of the problems occasioned by it. (Li's memorial, Sept. 17, 1876. Ibid., vol. xxvii, pp. 41–2.)

With reference to the regulations of mixed cases the agreement contained two new principles. First,

'Whenever a crime is committed affecting the person or property of a British subject, whether in the interior or at the open ports, the British Minister shall be free to send officers to the spot to be present at the investigation.'

The 'Grosvenor Mission' was thus made a precedent for the future. The new provision extended the scope of extra-territoriality to include foreign participation in the judicial investigation of mixed cases in the interior. Secondly, the agreement declared that

'So long as the laws of the two countries differ from each other, there can be but one principle to guide judicial proceedings in mixed cases in China, namely, that the case is tried by the official of the defendant's nationality; the official of the plaintiff's nationality merely attending to watch the proceedings in the interests of justice. If the officer so attending be dissatisfied with the proceedings, it will be in his power to protest against them in detail. The law administered will be the law of the nationality of the officer trying the case.'

From this principle that the law administered in mixed cases is that of the defendant's nationality arose one of the chief defects of consular jurisdiction in China. An English jurist made this observation:

'There is no harmony between the decisions of Consular Courts of different Powers. A case involving a Chinese and a foreign defendant may be tried and adjudged one way in one Consular Court, a similar case involving another Chinese and the subject of another Treaty Power may be decided another way in the Consular Court of that Power—and so on.'[1]

From the clause 'so long as the laws of the two countries differ from each other' it might be inferred that if the Chinese government brought the laws of China into line with western standards, the treaty nations would permit it to exercise jurisdiction over all aliens in its territory.

Section III on trade embraced port area, new ports, opium duties, and transit certificates, matters which had been the centre of attention in the Chefoo conference.

[1] Keeton, G.W. 'The Established System and Limits of Extraterritoriality in China', *The Law Quarterly Review*, vol. xliii, 1927, p. 239.

According to Wade[1] it was Hart who strongly advocated the proposition of defining the port area as a circle of which the circumference should be a given number of miles, say thirty, from the customs-house. Within the area foreign imports, tariff paid, were to be exempt from likin. Li objected to such a definition and Wade did not warmly support it. It was impracticable to fix, in accordance with the declaration of 1843, the limits of a port area at the barriers at which the liability to transit duties at that time began. For no one could specify what barrier had existed in 1843. In consideration of the importance of likin to the Chinese exchequer and of the incapacity of the consular authorities to watch the import trade over a very wide area, Wade proposed to make the foreign concessions at the different ports the likin-exemption areas.

Four new ports, namely I-chang in Hupei, Wuhu in Anhui, Wenchow in Chekiang, and Pakhoi in Kwangtung, were to be opened to trade and to become consular stations. In addition six ports on the Yangtze river, namely Tatung and Nganching in Anhui, Hukou in Kiangsi, Wusueh, Luchikou, and Shashih in Hukuang, were to be opened as places of call for steamers. As these were not open ports where foreign merchants had a treaty right to land or ship goods, steamers were only allowed to touch there for the purpose of landing or shipping passengers or goods, but in all instances by means of native boats only, and subject to the regulations in force affecting native trade. Wade now obtained for the merchants what Bruce had failed to get in 1862.

Wade's original list of ports included Yowchow in Hunnan, Ta-ku-shan in Manchuria, and Shuitung on the west coast of Kwangtung. He abandoned the last two because, as Li objected, they were neither river ports nor of any commercial importance[2] and, in the opinion of Hart, at neither of them would a customs agency prove remunerative.[3]

[1] Part III of Report by Sir T. Wade, dated July 14, 1877. P.P., 1882, LXXX.

[2] Memoranda of interviews with Li at Chefoo, Sept. 2 to Sept. 13, 1876. F.O. 17/728.

[3] Part III of Report by Sir T. Wade, July 14, 1877. P.P., 1882, LXXX.

The withdrawal of Yowchow was the result of a bargain. On September 11, two days before the document was signed, Wade signified his willingness to meet Li's wish to wind up the Yunnan affair, provided that Li would consent to the immediate opening of the new ports and places of call, instead of leaving it as a contingency dependent upon the consent of other states on the subjects of likin and opium.[1] Li on his part requested Wade to strike off Yowchow from the list of places of call. Finally Li agreed that the opening of new ports was to be effected within six months after the receipt of the imperial decree approving his memorial, while Wade was to declare on his own responsibility the settlement of the Yunnan case and the withdrawal of Yowchow from the list of new ports.

In exchange for China's concessions of a likin-exemption area and the opening of new ports, Wade agreed to move his government to sanction a new arrangement with regard to opium. Foreign opium on entering a treaty port should be deposited in bond until, when sold, the custom-house would levy the tariff duty on the consignee and the likin on the purchaser. The bonding of opium would render impossible the evasion of the tariff through smuggling. This measure would best secure the Chinese revenue. As regards the opium duties Li at first proposed a uniform rate of 90 taels per chest of opium at all treaty ports, but later agreed to reduce this in the case of the northern ports to a maximum of 50 taels. Li stated that the Chinese government would not be sorry to see the increased likin act prohibitively against the importation of foreign opium.[2] On the other hand Wade, fearing the effect of heavy opium duties on the general trade at some of the ports, suggested that the amount of likin on opium to be collected by the maritime customs should be decided by the different provincial governments according to the circumstances of each.

The agreement confirmed the right, which had been sometimes disputed, of the freedom of foreign imports

[1] Memoranda of interviews with Li at Chefoo, Sept. 2 to Sept. 13, 1876. F.O. 17/728.

[2] Part III of Report by Sir T. Wade, July 14, 1877. P.P., 1882, LXXX.

under transit duty certificate from further taxation *en route* to their ultimate destination, irrespective of the nationality of the carrier. Native produce carried from an inland centre to a port of shipment could be certified by the British subjects interested and, on prior payment of the transit due, exempted from all charges demanded upon it *en route*. Of equal importance to foreign trade were two other provisions in the agreement: one prescribed a term of three years within which a drawback might be claimed upon duty-paid imports, and the other stipulated the appointment of a commission to deal with the complaint by Hong Kong of the interference of the Canton customs revenue cruisers with the junk trade of that colony.

The separate article of the agreement provided that if a British mission of exploration travelled the following year to Tibet by way of Peking, or Szechuan, the Yamen, 'having due regard to the circumstances', would issue the necessary passports and address letters to the high provincial authorities and to the Chinese resident in Tibet. If it came by way of India the Yamen would also issue passports and write to the resident in Tibet, who 'with due regard to the circumstances' should send officers to take care of the mission.

Two matters which Hart had proposed to the Yamen in July—the establishment of a postal system and of a mint—were not taken up at Chefoo. They were omitted, as Wade explained, on the ground that they did not fit into any of the three sections of the Agreement.[1]

4. *Delay in Ratification*

Wade had informed his government that he had no intention whatever of concluding any agreement without reference home.[2] Nevertheless, the results of the negotiation at Chefoo decided him to declare on his own responsibility the Yunnan case closed, if the Chinese government would fulfil certain conditions. As to other issues affecting likin and opium he agreed 'to move his government' to adopt some new arrangements. In reply to his telegraphic

[1] Ibid.

[2] Wade to Derby, telegram, Aug. 14, 1876. F.O. 17/726.

message reporting the conclusion of the negotiation, Derby stated that the agreement 'appears, from an Imperial point of view, highly satisfactory, but it is necessary to consult the Indian Government before coming to a decision'.[1] He asked Wade to return home at once to explain the details.

Shortly after his return to Peking Wade received from the Yamen all the necessary papers which he had required at Chefoo. Thereupon he declared the Yunnan affair closed.[2] The proclamations on the settlement of the case were soon posted in all parts of the empire. Owing to the urgent request of the German minister, who had obtained the approval of his colleagues, the Yamen agreed to fix the date of February 13, 1877 (first day of the Chinese new year), for the exemption of imports from likin in the foreign settlement of Shanghai.[3] The four new ports were open to foreign trade in April 1877,[4] and by August of the same year foreign steamers could resort to five of the six landing-places upon the Yangtze river.[5]

Whereas he had requested a delay in the dispatch of the envoys till the settlement of the case, Wade now pressed the mission to start immediately, for long delay would deprive the Imperial letter of apology of all value.[6] In place of Hsu Chien-shen, who had been made the first Chinese envoy to Japan, Liu Hsi-hung, senior secretary of the board of punishment, was appointed the assistant minister in the mission to England.[7] The Chinese ministers Kuo Sung-tao and Liu Hsi-hung left Shanghai in December 1876, and had an Audience of Queen Victoria on February 7, 1877. Thereafter they established the Chinese resident mission in England.

The agreement was ratified by the Chinese Emperor on September 17, 1876. But it took nine years to get the

[1] Derby to Wade, telegram, Oct. 19, 1876. F.O. 728/564.
[2] Wade to Derby, Oct. 2, 1876. F.O. 17/727.
[3] Kung to Fraser, Dec. 12, 1876. F.O. 17/728.
[4] Fraser to Derby, Mar. 8, 1877. F.O. 17/754.
[5] Fraser to Derby, Aug. 11, 1877. F.O. 17/775.
[6] Fraser's memorandum of interview at the Yamen, Oct. 24, 1876. F.O. 17/728.
[7] Kung to Wade, Oct. 2, 1876. F.O. 17/727.

British government to ratify it. When signing the agreement Wade did not assume that its formal ratification by his sovereign was necessary. The Convention of 1860, he pointed out, 'was never formally ratified by the Queen, but effect was none the less given immediately to its provisions'.[1] This long delay in ratification of the Chefoo agreement was partly due to the dissent of the other treaty nations to certain provisions of the agreement, but chiefly due to the opposition of the government of India and British merchants connected with the China trade.

The matter of the likin-exemption area and a few other things were dependent upon the assent of all the treaty powers. Upon the receipt of three circulars[2] of the Yamen inviting their joint consideration of a code of etiquette by which official intercourse was to be regulated, of rules for better administration of justice in mixed cases, and of a definition of the area within which imports were to be exempted from likin, the ministers of Russia, the United States, France, Spain, and Germany agreed that each should make an identical reply, declining to discuss these issues upon the basis of the Chefoo Agreement. They stated that they might confer with the Yamen first on those questions which required a settlement before proceeding to find the way of settling them.[3]

As a matter of joint action they put down their criticisms of the agreement in a protocol signed at Peking on November 25, 1876.[4] To them the relations between foreign representatives and the ministers of the Yamen were on the whole satisfactory. The drawing up of a code of etiquette would not be the best means of promoting the object. Improvement in diplomatic intercourse had to be the work of time. Since they had for years protested against the levy of likin upon imports between the port of entry and the transit-duty barriers as an infraction of treaty, they objected to the limitation of the likin-exemption area to the foreign

[1] Wade to Kung, Nov. 10, 1879. P.P., 1880, LXXVIII.

[2] Two under the date of Sept. 26, and one of Sept. 28, 1876. Enclosure in Seward to Fish, Oct. 3, 1876. USFR., 1877–8, no. 57.

[3] Seward to the Yamen, Oct. 2, 1876. Ibid.

[4] F.O. 17/775.

settlements of the port, and to the formal recognition of the right of the Chinese government to levy likin on foreign imports. To them, as to the British merchants,[1] the Chefoo agreement forbidding likin within foreign settlements of the port was to sanction it without them. In spite of their objection to the arrangement the ministers of the five treaty nations demanded at Peking, on the basis of their treaties with China, the removal of likin collectorates from the foreign settlements of Shanghai, while at the very same moment they were hoping that the stipulations of the agreement on likin would not be approved by the British government.[2]

To the government of India and British merchants in China the most unsatisfactory feature in the agreement was the payment, together with the import duty, of likin on opium of an indeterminate amount variable according to the needs of the provincial authorities. The Indian government was interested in the sale of opium in two ways —both as the proprietor of opium raised in Bengal, and as the owner of a transit-tax paid on opium raised in native states and shipped at Bombay. The net revenue from both sources amounted in 1871–2 to nearly eight millions sterling.[3] It was natural that upon the receipt from London of the telegraphic purport of the opium clause they should request Wade on October 2, 1876, to supply fuller information about the new arrangement of likin on opium. He replied that he had

'not agreed to the imposition of any tax in addition to what is now levied; only to a different mode of proceeding in regard to opium.... The Chinese now levy what likin they please on opium.... The rate differs according to requirement in different provinces; it may rise anywhere; but I say opium will be hardly, if at all, more heavily taxed than now, because it is the one article on which I believe the Chinese will not put more than it can bear.... I propose to bond opium till sold, when tariff duty will be levied on consignee, and likin

[1] Shanghai General Chamber of Commerce to their London Committee, June 15, 1877. F.O. 17/775.

[2] Fraser to Derby, Dec. 25, 1876. F.O. 17/728.

[3] East India—Condition and Progress, 1872–3. P.P., 1873, L.

on purchaser, by the foreign customs establishment. . . . I will write full particulars.'[1]

However, no full explanation came till July 1877 when Wade presented his final report.[2] The Indian government complained that its interests were being neglected. The Sassoon Company in China which did two-thirds of the opium traffic complained to the British government that the new arrangement would hit their trade, and encourage the growth of Chinese opium.[3] The Shanghai Chamber of Commerce through their London Committee protested to Derby that the heavy duty would 'extinguish the Indian opium trade'.[4]

Wade explained that his proposed arrangement would have no adverse effect upon the opium trade and Indian revenue. The provincial governments had of late years shown a desire not to impose a tax so heavy as to drive the trade entirely into the hands of the smuggler.[5] At any rate, 'the Chinese Government have a right to tax it, and my stipulation, while it adds nothing to the power of raising the rate of taxation already in their hands, secures to them the full amount of the tax that may be imposed. This is simple justice.'[6] On his return voyage to China in 1879 he tried to calm the Viceroy of India's anxiety by the assurance that the sale of Indian opium would not be diminished by his measure for two reasons, 'firstly, the Indian opium is a requirement of the Chinese people, and secondly, that the revenue derivable from it is sorely needed by the Chinese Government'.[7]

On the question of opium the Chinese government had consistently professed a moral objection to its use, and long

[1] Enclosed in Lytton to Salisbury, July 2, 1877. F.O. 17/776.

[2] Part III of the Report by Wade, dated July 14, 1877, which Salisbury considered prejudged the questions with respect to opium, was withdrawn from the paper laid before the Parliament. Derby to Salisbury, Aug. 1, 1877. F.O. 17/775. It was finally published in 1882.

[3] David Sassoon to Derby, Feb. 14, 1877. F.O. 17/775.

[4] Shanghai General Chamber of Commerce to their London Committee, June 15, 1877. Ibid.

[5] Part III of Report by Wade, July 14, 1877. P.P., 1882, LXXX.

[6] Ibid.

[7] Wade to Lytton, Feb. 16, 1879. Ibid.

desired to prohibit its growth and import. During the negotiations in 1869 the Yamen had written to Alcock that if England would not stop the opium trade, China might as a last resort withdraw the prohibitions against the native growth of poppy. They further expressed the hope that India would substitute the cultivation of cereals or cotton. 'Were both nations to rigorously prohibit the growth of the poppy, both the traffic in and the consumption of opium might alike be put an end to.'[1] Alcock gave his testimony to the sincerity of the Chinese government in these words:

'My own conviction is firm that whatever degree of honesty may be attributed to officials and to the Central Government, there is that at work in their minds that would not hesitate one moment—tomorrow if they could—to enter into any arrangement with the British Government and say, "Let our revenue go; we care nothing about it! What we want is to stop the consumption of opium which we conceive is impoverishing the country and demoralising and brutalising our people." '[2]

No co-operation on the part of the British government was given in this direction.

The opium traffic had been legalized in 1858 and was ever expanding. It was one of the chief items of British imports. Of about four million taels import duties collected under tariff in 1875 nearly one-half came from opium.[3] The Chinese government, powerless to suppress the traffic, had a financial interest in the taxation of opium. The arrangement proposed in the Chefoo agreement would prevent smuggling and thus replenish the Chinese exchequer. The government was therefore most anxious to see the stipulations carried out. The minister Kuo often complained in his correspondence with the Foreign Office that the British government had so far not fulfilled her part of the agreement. More than once he assured them that in spite of the increase of opium duties there would not be any encouragement of native cultivation in the new system,

[1] The Yamen to Alcock, July 1869. Report of Select Committee on East India Finance. P.P., VIII, vol. i, p. 268, question 5,694.

[2] Ibid., p. 273, question 5,723.

[3] Part III of Report by Wade, July 14, 1877. P.P., 1882, LXXX.

the object of which was to prevent smuggling and secure a more regular revenue by the customs inspectorate.[1]

In England the supporters of the anti-opium movement had often attacked the government's opium policy. They wanted the suppression of the trade altogether. But on the wisdom of the ratification of the Chefoo convention they were agreed. Three hundred and fifty persons led by the Earl of Shaftesbury urged their government to carry into effect the opium clause of the Chefoo agreement under any circumstances.[2] China had the treaty right to place any duty she chose upon opium. If the heavy duties would really extinguish the trade, so much the better. In support of the Chefoo provisions one writer gave his opinion:

'Be the use of the power by the Chinese Government what it may, the adoption of Sir Thomas Wade's motion would lessen our complicity in the trade, and for that reason I answer that Her Majesty's Government ought to second and act upon it.'[3]

Apart from their hopes of a diminished import and use of opium they based their argument in favour of the convention upon broad principles of international equity. China had fulfilled her promises, and the refusal to fulfil the obligations undertaken by their minister on behalf of the British government would wear in Chinese eyes the appearance of bad faith.

On the other hand the British government maintained that in view of the enormous increase of the growth of native opium it was impossible to deal with this question from a medical or moral point of view.

'It was evident that even if all that had been said of the deleterious effects of the drug were honest, its consumption would not be affected by a prohibition of importation, so long as its cultivation in China was freely permitted and very largely practised. The matter must be treated purely as a commercial question, and Her Majesty's

[1] Kuo to Salisbury, Aug. 9, 1878. F.O. 17/794.

[2] Memorial respecting ratification of the Chefoo Convention, dated Nov. 9, 1877, by the Earl of Shaftesbury and 350 others. The names include the Archbishop of Canterbury, the Lord Mayor of London, six peers, forty-one members of the Commons, and a number of professors. F.O. 17/776.

[3] 'England, China, and Opium', by Sir Edward Fry, *Contemporary Review*, Jan. 1878, vol. xxxi, p. 320.

Government found great difficulty in consenting to facilitate an increase of duty which had a simply protective character, and would exclude Indian opium from competing with the native product in the Chinese market.'[1]

In short, they could not ratify the agreement unless the articles relating to likin on opium were modified. As in the case of the rejection by the British government of the convention of 1869, the Chinese government were irritated by the delay in execution of the opium clause of the Chefoo agreement. During the ensuing years discussion on the modification of the clause went on between the Yamen and Wade. Nearly nine years elapsed before 'the Additional Articles to the Chefoo Agreement' were signed at London in 1885, which provided for a uniform payment of eighty taels in addition to thirty taels of import duty on opium per picul, and thereby freed it from all further charges.[2] The story of this change belongs to another chapter of history.

5. *Concluding Remark*

To sum up, the very deplorable affair of the murder of Margary and the attack on Browne's party might not have happened, had the Indian government listened to Wade's counsel and deferred the dispatch of the expedition. Instead, the unwise decision was taken to push a group of foreigners into a frontier region which a year before had been in the hands of rebels and where the Imperial officials and populace entertained anti-foreign feelings.

But the fact that the expedition was untimely or that control by the central government of Yunnan was slack could not exonerate the Chinese government from failure to give protection to foreigners travelling under its passports. Had the Yamen been acquainted with western practice in such circumstances, they would have advised the Emperor or Regents to grant an audience to Wade or to send some high officials to the British legation to express their regret. This would have soothed Wade's anger and

[1] Salisbury to Fraser, Aug. 17, 1878. F.O. 17/778.

[2] Additional Articles to the Chefoo Agreement, July 18, 1885. Mayers, pp. 251–3.

smoothed the path for negotiations. There is, however, no certainty that protracted discussions would not have taken place, since it is clear that Wade had made up his mind to seize this opportunity to settle the questions of ministerial privileges and likin—issues unconnected with the Margary affair.

The Yamen, hampered by traditions and ignorant of western affairs, were conservative indeed. Wensiang, a progressive in early years, had been disappointed by the failure of the British government to co-operate with him on more than one occasion, and particularly by the non-ratification of the arrangements made for treaty revision in 1869. He was accused by Wade of being the stumbling-block in this negotiation.[1] The Yamen objected to involving the case with questions of ministerial privileges and likin, and feared the extension of the scope of extraterritoriality in 'joint investigation' of mixed cases in the interior. However, under pressure they conceded each step reluctantly. The policy of Wade, who knew thoroughly well the weakness of China's military force, was to threaten the Yamen, or, to use his word, 'sulk', whenever he was unable to obtain his demands. Irrespective of the wish of the Yamen and of the opinion of his colleagues he was determined to settle the questions of likin and ministerial privileges. He insisted upon regarding these side-issues as 'guarantees' of a necessary change in China's foreign policy.

Though he had begun life as a soldier Wade was a scholar.[2] He began his study of Chinese on his voyage to China early in 1842, and his linguistic talent secured for him a reputation as a sinologue. He and Sir Rutherford Alcock and Sir Harry Parkes formed the trio of British diplomats in China who rose from consular rank to the position of minister—an unusual thing in the British diplomatic service. As Chinese secretary of the legation (1861), chargé d'affaires (1864–5 and 1869–71), and minister plenipotentiary (1871–83), Wade represented England at

[1] Wade to Derby, July 14, 1877. P.P., 1877, LXXXVIII.

[2] There is no biography of Sir T. Wade. A biographical sketch is found in the *Dictionary of National Biography*, vol. XX, pp. 420–1.

Peking for nearly a quarter of a century. The Yamen considered him 'crafty and obstinate', a representative of *perfide Albion*,[1] while his colleagues regarded him, as M. de Rochechouart, the French minister, once told Li Hung-chang, as a man 'well-meaning, but temperamental and extremely face-saving'.[2] To his intimate friends Wade was known for his 'infirmities of temper'.[3] This psychological condition would partly explain the peremptoriness of his conduct in the Margary affair.

While Wade started his career as a soldier, his opponent, Li Hung-chang, was a scholar before he joined the campaigns against the Taipings. From 1870 to the end of his life Li handled many difficult diplomatic situations. He was a practical statesman with progressive views. He recognized the adoption of mechanical appliances and other innovations to be desirable and inevitable, and met insurmountable difficulties in face of the conservatism of the official class. He knew the inferiority of China's military force, and never wished to risk a war with a foreign power. In the Margary negotiation he had advised the Yamen on more than one occasion to accept Wade's demand for summoning Tsen to Peking for trial. In his opinion Tsen's neglect of duty deserved censure and, if Wade could prove his complicity, punishment. This line of action would enable China to refuse Wade's other demands alien in nature to the Margary affair. The sheltering of a high official by the Yamen from trial would only give Wade a chance to put forward more demands.[4] And Li was right.

Neither the Yamen nor Li Hung-chang had an adequate knowledge of European affairs. There were no Chinese ministers abroad to report to the government in Peking. The information which the Chinese statesmen obtained through the Shanghai newspapers, the customs offices, or the foreign ministers and consular agents was not always accurate and reliable. It seems that had the Chinese govern-

[1] The Yamen's Memorial, Feb. 29, 1872. *IWSM.*, Tungchih Section, vol. lxxxv, p. 6.

[2] Li to the Yamen, May 14, 1876. *LCTY.*, vol. v, p. 9.

[3] Michie, A., *The Englishman in China*, vol. ii, p. 133.

[4] Li to the Yamen, Sept. 1, 1876. *LCTY.*, vol. vi, p. 14.

ment analysed the situation accurately, they would have been able to get a more favourable agreement, for the British government was not prepared to fight China in 1876 when her hands were tied in Europe.

Nevertheless, the Chefoo agreement marks an important stage in the history of China's foreign relations. In the interests of foreign trade it provided for the opening of more ports, and the exemption of imports from likin duty in the foreign settlements. The Yangtze valley became more accessible to foreign trade. Though Yunnan was not opened immediately, China promised to regularize the frontier trade with Burma. The loss of revenue from the exemption of the imports from the likin in the foreign settlements was to be compensated by the more effective collection of additional likin on opium. The likin problem remained where it was. Foreign imports alone were less hit by its injurious effects. Its abolition was impossible without a radical change in the fiscal administration of the Empire, and the alteration of the treaty tariff which had so far deprived China of the tariff autonomy.

In the adjudication of the mixed cases the agreement established two new principles: the presence of the foreign officers at an inquiry in the interior, and the prevalence of the law of the defendant's nationality in mixed suits. No steps were taken to establish a common procedure or a common code of law.

But the most important thing arising out of the agreement was the establishment of Chinese legations abroad. Though in principle this had for past years been agreed by the Yamen and the highest officials of the provinces as necessary to China's foreign relations, no action had as yet been taken. Had the Margary affair not occurred, the dispatch of resident missions abroad might have been further delayed. Kuo Sung-tao who headed the mission of apology to London was the first minister of China accredited to the Court of St. James. Within two years Chinese legations were established in other capitals. Representation abroad was a logical finale in China's recognition of the equality of western States.

In speaking of the Chefoo agreement Wade acknowledged that however advantageous, commercially, the multiplication of contacts might be, he 'regarded the political advantage derived from multiplication of points of contact of greater importance, our misunderstandings with China arising almost wholly from the non-intercourse system heretofore adhered to'.[1] Certainly representation abroad was a significant step in the multiplication of political contacts.

[1] Wade to Bourke, Mar. 15, 1877. F.O. 17/754.

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4. Chinese historical documents.

(*a*) *Chou Pan I Wu Shih Mo* or 'The Beginning and End of the Management of Barbarian Affairs, 1836–74', published by Palace Museum, Peiping, 1920. This important collection of documents issued in an edition from photographic plates is divided into three sections. Section I comprises 40 volumes for the last fourteen years of Taokuang (1836–51); Section II, 40 volumes for the whole reign of Hsienfeng (1851–61); and Section III, 50 volumes for the whole reign of Tungchih (1862–74). The documents, arranged in chronological order, include imperial decrees, memorials to the throne, treaties, diplomatic notes, and correspondence of various descriptions. An analysis of a portion of these papers may be found in Professor T. F. Tsiang's article, 'New Light on Chinese Diplomacy' in the *Journal of Modern History*, vol. iii, no. 4, December 1931.

(*b*) *Ching Chi Wai Chiao Shih Liao*, or 'Sources of Diplomatic History toward the End of the Ching Dynasty, 1875–1911',

compiled by Wang Yien-wei and his son, Wang Liang, Peiping, 1932–4. The work is in two series. Series I contains the documents for the whole reign of Kwangsu (1875–1908) in 218 volumes. Series II has 28 volumes for the reign of Hsuantung (1909–11). In addition, there are 11 volumes of Wang Yien-wei's 'Notes on the Flight of the Imperial Court to Siang', useful for the study of the Boxer Rebellion; 12 volumes of index; 4 volumes in the form of a date dictionary of diplomatic events; and 16 maps. Of the entire collection, the compilation of the documents for the first thirty years of the Kwangsu period (1875–1904) and the 'Notes on the Flight of the Imperial Court to Siang' were made by Wang Yien-wei (b. 1842, d. 1904), who had been for eighteen years chief of the Secretariat of the Grand Council; the rest was compiled and edited by his son, Wang Liang.

The value of the work, as Professor Tsiang pointed out in his review (*Chinese Social and Political Science Review*, vol. xvi, no. 2, pp. 338–40), lies in the fact that all the papers of the Tsungli Yamen for the period covered by the collection are here for the first time given to the public. But neither is the collection complete, for some documents did not go to the Grand Council, nor is the dating of individual documents free from inaccuracies. As the compiler, Wang Yien-wei, mentioned in his preface, he had given up those memorials which he thought unimportant, and made summaries of the longer ones, but there is no means of identifying the papers which are mere summaries. The collection is valuable, but it must be used with care.

(*c*) *Complete Collection of Li Hung-chang's Papers*, edited by Wu Ru-jen, Nanking, 1908. The work is in five series: Series I contains 80 volumes of memorials of 1862–1901; Series II, 20 volumes of correspondence with his colleagues between 1862 and 1886; Series III, 20 volumes of correspondence with the Tsungli Yamen during the period 1870–94, including memoranda of interviews and communications of various descriptions, and 1 volume of correspondence respecting the removal of the catholic church from the Palace; Series IV, 4 volumes of correspondence respecting naval affairs, but also including telegrams from Yuan Shih-kai concerning Korea; and Series V, 40 volumes of telegrams of 1880–1901 important for the study of the Li-Ito agreement after the Sino-Japanese War and the negotiation of 1901.

The value of this collection needs no emphasis. It was care-

fully edited by the well-known scholar, Wu Ru-jen. In the course of my studies I have checked Li's memoranda of interviews with Wade's reports in the Public Record Office. Li's papers are absolutely reliable. Sometimes they contain fuller information and more vivid description than the British minister's reports. With the use of English, French, German, Russian, and Japanese materials, and this valuable Chinese collection, it is hoped that a critical biography of Li Hung-chang may be written.

All the Chinese documents were dated according to the moon calendar. For verifying the dates it is best to consult Chen Yuan's *A Comparative Daily Calendar for Chinese, European, and Mohammedan History*, 5 volumes, published in Peking, 1926.

II. BOOKS AND PERIODICALS

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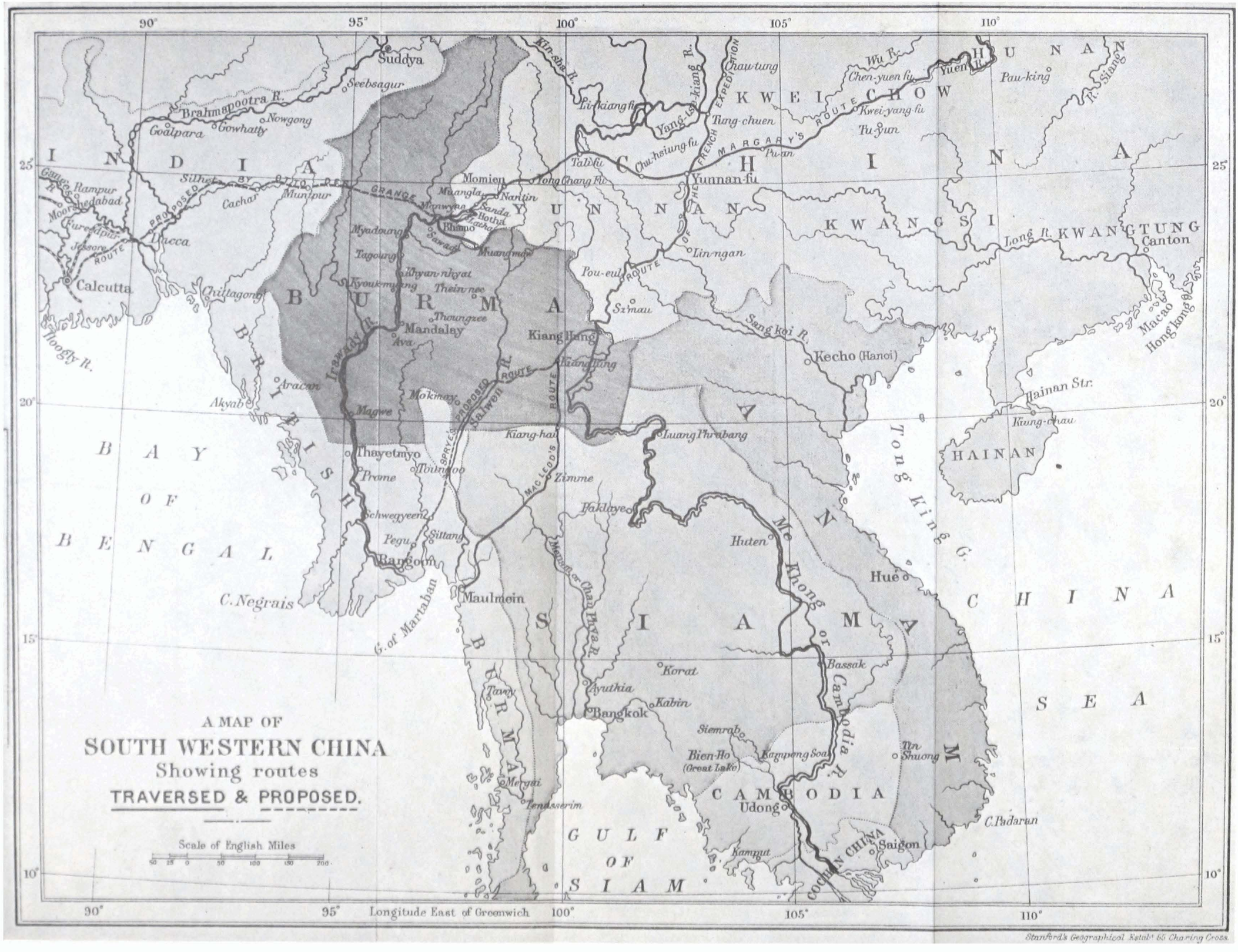

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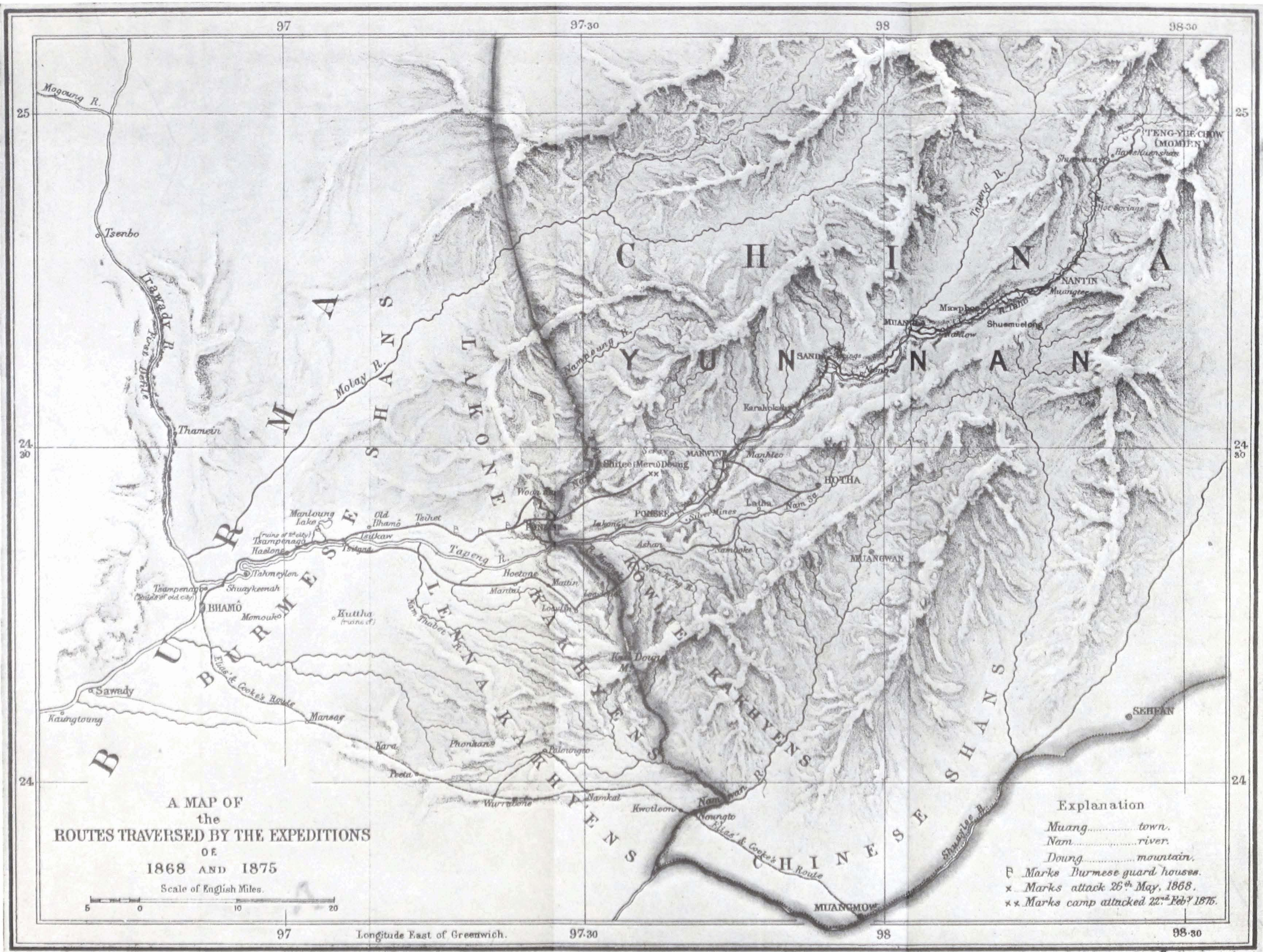

A MAP OF the ROUTES TRAVERSED BY THE EXPEDITIONS OF 1868 AND 1875

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