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The A B C's
of the
HAY DOCTRINE

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THE
CHINA SOCIETY
OF
AMERICA

1921

Published By
THE WEEKLY REVIEW OF THE FAR EAST
SHANGHAI, CHINA

The A B C's of the Hay Doctrine

What the Doctrine Is

Fundamentally, the Hay Doctrine is predicated upon the geographical position and the political institutions of the United States.

In the century and a-half of its existence as an independent nation, the United States Government has formulated only two affirmative foreign policies—the Monroe Doctrine and the Hay Doctrine. Both doctrines sprang from the same general causes and line of reasoning.

The Monroe Doctrine was pronounced because certain tendencies of European politics, as expressed by alliances and combinations of the period which was the outgrowth of the Napoleonic wars, were deemed by American statesmen of that time to endanger by encroachment upon and interference with new and weak States on the American continents the free development of democratic institutions and ideals of government, and likely to create a situation on the Western hemisphere that might menace the security of the new American Republic. The Monroe Doctrine as originally pronounced included only political issues, and did not mention specifically economic aspects. The close-linking of international economics with international politics, which has been the outstanding development of the last half-century, had not begun to attract the attention of statesmen in President Monroe's time. Nevertheless, in practice the Monroe Doctrine has been

the major influence in maintaining the "Open-Door" in the Western Hemisphere.

The Hay Doctrine came about because of the development of conditions in the Far East and the Pacific Ocean which in the opinion of far-seeing American statesmen presented a danger to American political institutions and national security closely analogous to the apprehensions of the statesmen of Monroe's time. The Asian continent, with its immense populations, territory and undeveloped resources, had become the chief focus of imperialistic ambitions of the more powerful nations in Europe. The process of bringing China and other weak Asiatic nations under the political and economic control of European Powers was proceeding apace. While many thoughtful Americans perceived the danger and the economic disadvantages to America that might come from such developments, John Hay is credited with formulating and bringing into existence the international doctrine that bears his name.

The practical test of any political doctrine is found in its application to conditions as they arise, and in their practical applications the Monroe and Hay doctrines will, on close examination, be found to have the same fundamental motivations, and very similar practical applications. The two doctrines, however, differed in form. The Monroe Doctrine had the form of a dogmatic statement of a general policy, taken by the United States as its own position and without consulting or seeking the previous approval of other nations. The Hay Doctrine took the form of a diplomatic approach by the American Government to other Powers with a view to establishing among them, by general agreement, a recognition of certain principles. What is now termed the Hay Doctrine consists of a number of diplomatic exchanges among governments, made at different times and under different

circumstances; but in all of which the general principles advocated by Hay are recognized and reaffirmed. This difference in the form of the two doctrines has caused many people superficially to construe them differently; and has left a way open for various diverse and specious interpretations to be given to the doctrines by governments which desire to undermine and destroy them.

The essence of the Hay Doctrine is succinctly given in John Hay's Circular to the Powers of date July 3, 1900, urging in respect to the settlement of the various issues arising out of the so-called "boxer" disturbances in China, viz.: **"bring about permanent safety and peace to China, preserve Chinese territorial and administrative entity, protect all rights guaranteed to friendly Powers by treaty and by international law, and safeguard for the world the principle of equal and impartial trade with all parts of the Chinese Empire."**

All of the so-called Principal Powers—Great Britain, Russia, France, Germany, and Japan—which then and thereafter took prominent parts in events visavis China, have subscribed to the Hay Doctrine by diplomatic commitments, in alliances, and the public utterances of statesmen.

What the Hay Doctrine is Not

The Hay Doctrine has two distinct propositions:

1. Preservation of the territorial and administrative entity of China.
2. To safeguard the "Open-Door" in China.

The first proposition ought to require no elucidation. What it means is plain to the understanding even of uneducated persons. Everyone knows what the territorial entity of a nation is, for the lines are marked in the school geographies and on maps. If the lines are changed, then

the territorial entity of a nation either is enlarged or diminished. China's territorial entity as meant by the Hay Doctrine obviously is as it existed when the Hay Doctrine was first pronounced; it existed then as it had existed for many centuries previously without question, as it still exists today in international theory. There is slight ground for misapprehension of what is included in the territorial entity of China; no ground at all, in fact, except as the subject is purposely obscured in the interest of nations that are trying to obtain an expansion of their own territorial entity by acquisition from China.

The Open-Door, however, is less plainly defined in popular conception; it even is not clear to many sincere publicists. Many people have the impression that the Open-Door in China means that foreign nations are to have the right to trade there as they wish, regardless of China's wishes; that the Open-Door means a door for foreign trade into China, but does not mean a reciprocity of the Open-Door when China's trade wants to enter territories controlled by the so-called major Powers.

That, of course, is a completely perverted definition of what the Open-Door in China is, as meant by the Hay Doctrine. The Open-Door as insisted on by Hay is very simple; it merely means that all foreign trade and commercial development in China shall enter and operate there on equal terms. The Hay Open-Door does not assume to dictate to China the conditions under which foreign Powers shall enter China and operate there; it merely desires that when China, by her own volition, or by treaties, has established the conditions for foreign trade in China, these conditions then shall apply impartially and equally to all foreigners doing business there. The Hay Open-Door does not concern itself with the amount of customs tariff that China will impose on imports; it merely insists that when an import tariff is en-

acted by China, all commerce entering China shall pay the same rates. The Hay Open-Door does not concern itself with regulations which China may adopt regarding the development of Chinese railways or natural resources by foreign capital and with foreign assistance; it merely insists that when China does adopt such regulations that they shall apply impartially to all foreigners who want to participate in developing China.

The opposing thesis relating to China is exemplified by the so-called "sphere of interest" policy, whereby a Power may assert for its nationals an exclusive privilege for the exploitation of certain opportunities within certain parts of China. "Spheres of interests" are created by the process of two or more Powers, by private agreement among themselves, mutually agreeing to restrict their own operations to specified regions, and jointly to exercise their diplomacy to protect their "spheres" from being entered by nations which are not included in the "sphere" agreements.

The American Government strictly has respected the Hay Doctrine, which it promulgated. Therefore there is no American "sphere" in China. But the whole of the territorial entity of China today is divided into "spheres" apportioned among the other Powers. These "spheres" rest upon nothing except the private (and sometimes the secret) agreements of the "sphere" Powers among themselves.

I frequently note a fallacy that runs through current discussion of this subject. This is that the Open-Door doctrine contains an injustice to China. Quite the contrary is true. China strongly approves the Open-Door policy. It is the converse of the Open-Door, the "sphere" policy, that is strangling China's industrial development and insidiously undermining her administrative autonomy.

The basis in international law for the Open-Door

policy rests chiefly on the so-called "most favored nation" clauses of modern commercial treaties. For instance, the United States has taken pains to insert in most of the commercial treaties it has made in recent years, a clause assuring to American commerce with the treaty nations the "most favored nation" treatment. This gives no especial advantage to American commerce with those nations; it merely means that in case a nation with which America has a "most favored nation" treaty grants some economic privilege to a third nation, the same (or equal) privilege automatically extends to American citizens. And in return, the United States gives the same privileges and position to the commerce and economic penetration of those other nations in our country and possessions.

The Open-Door in China is nothing else but fair play as between foreign commerce and exploitation there, and fair play to China in respect to foreign economic penetration. It is NOT a scheme to give Americans any special advantage or privilege in China, nor to force upon China any economic policy which she does not want, and which America is not willing to grant to Chinese and all foreign commerce in the United States.

The Existing Status

The plain truth is that a majority of the Powers since the Hay Doctrine was born have been taking it as their **PROFESSED POLICY** while all the time they have been taking the "sphere of interest" thesis as their **ACTUAL POLICIES**. This is the situation which has to be met by the Washington conference. The assertion by certain Powers of the "sphere" doctrine in China and the pressure of the 'sphere' diplomacy upon China is not a thing of the past; it is as strong today as it ever was. The British and Japanese protests in the present year with regard to the contract for wireless installations to be erected for

the Chinese Government by an American firm is a pertinent example. It called out the most recent reaffirmation by the American Government of its firm stand upon the Hay Doctrine, displayed in the exchange of notes between Secretary of State Charles E. Hughes and Hon. Alfred Sze, Chinese minister to the United States, in July, 1921. In his Note to Dr. Sze, Secretary Hughes said:

“Your reference to the principle of the Open-Door affords me the opportunity to assure you of this Government’s continuance in its whole-hearted support of that principle, which it has traditionally regarded as fundamental both to the interests of China itself and to the common interests of all powers in China, and indispensable to the free and peaceful development of their commerce on the Pacific Ocean. The Government of the United States never has associated itself with any arrangement which sought to establish any special rights in China which would abridge the rights of the subjects or citizens of other friendly states; and I am happy to assure you that it is the purpose of this Government neither to participate nor to acquiesce in any arrangement which might purport to establish in favor of foreign interests any superiority of rights with respect to commercial and economic development in designated regions of the territories of China, or which might seek to create any such monopoly or preference as would exclude other nationals from undertaking any legitimate trade or industry or from participating with the Chinese Government in any category of public enterprise.”

(Signed) CHARLES E. HUGHES.

Washington, July 1, 1921.

Will the Secretary of State maintain this position at the Washington conference, or will the American Govern-

ment consent to have it infringed or completely disqualified by the open or surreptitious moves of other Powers?

Sinister Intimations

Some very plain intimations of propagandas of certain Powers preliminary to the Washington conference indicate propositions relating to the Hay Doctrine that may be urged upon the major Powers in the conference.

One suggestion is to the effect that an international supervision be established over China by the Powers, or by a controlling combination of Powers. Even in preliminary propaganda this proposal goes to the extent of suggesting an international military force to police China and to enforce there the policy of the Powers. Stripped of diplomatic camouflage, this means foreign military occupation of China; and foreign military occupation of China of course will amount to the subordination of government of China by Chinese to a government of China by foreigners.

In short, the essence of this proposal is that the first and major proposition of the Hay Doctrine—"the preservation of the territorial and administrative entity of China"—IS TO BE SCRAPPED. The suggestion is bold enough coming as a scheme confined to certain Powers whose policies notoriously incline toward the dismemberment of China; seldom before has this design upon China been put so boldly. But the suggestion is presented now, and somewhat hopefully, as desiring to include the United States in the combination of Powers which is, by this plan, to take the first open and unashamed step to supersede the Chinese Government by an international superstate. This seems to pose the idea that there is nothing incompatible with traditional American policy visavis China, with previous and existing commitments of the American Government, with the national honor of the

United States, and with the material interests of America, in the plan. It assumes that the American Government morally is free to invite China into the conference at Washington with the openly-stated object of protecting her national rights, and then to enter a combination of Powers to take over the administration of China.

The political background of this proposal, as indicated by preliminary propaganda, is an Anglo-American-Japanese alliance, or entente, or "understanding." Such a combination is openly mooted in discussions that are taking place as the conference convenes. Its fundamental idea is that the American Government's position *re* the Open-Door and territorial integrity doctrines in China is due to the fact that America has no "place in the sun" under the "sphere of interest" demarcation of existing inter-Power agreements. This idea assumes that the present American Government perhaps can be "bought off" by giving the United States a "place in the sun" or a "sphere" in China, and probably one in Siberia. There are distinct intimations that secret proposals of this nature, cleverly camouflaged, may be made to the conference Powers.

In November, 1919, the conference of British Chambers of Commerce in China, at Shanghai, adopted resolutions in which this language occurs: "This Conference is of the opinion that the time has come when the policy of the 'open door' should be reaffirmed as an essential commercial principle and that its reaffirmation be accompanied by an international agreement for the abolition of spheres of influence."

If the Open-Door has been respected and observed, why the necessity to reaffirm it? If spheres of influence have been abolished in China, that seems to have escaped the observation of the most numerous and important foreign commercial organizations doing business in China.

As to reactions of Chinese to a policy indicated by such proposals, that easily can be foreseen. Put it this way: How are Chinese likely to feel toward America if after summoning the Powers to confer in Washington on Far Eastern problems, inviting China to attend the conference with assurance that her rights will be respected and safeguarded, the American Government consents to and enters a combination of Powers to regulate China's political autonomy and to install a foreign military government in China? An explanation that all this is for China's good hardly will content Chinese. In such a case I would not undertake to describe the burning indignation of the 400,000,000 Chinese, and especially their resentment at America, in whose professions and friendship they have trusted.