

# THE OPEN DOOR DOCTRINE IN AMERICAN FAR EASTERN POLICY, 1899-1924

by

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For more than half a century, the United States based its Far Eastern policy on the twin principles of equality of commercial opportunity and the maintenance of the political, territorial and administrative integrity of China. This was expressed by treaties and ordinary diplomatic arrangements designed to secure equality of trading rights in China. The former principle was incorporated in the form of a most favoured nation clause in the Treaty of Wanghia signed between the United States and China on 3 July 1844.<sup>1</sup> The provision guaranteed that the United States would automatically obtain whatever treaty rights other powers gained with respect to trade, residence, religious activity, tariffs or other commercial regulations. The most favoured nation clause was retained in commercial treaties subsequently negotiated with China in the nineteenth century, namely the Treaty of Tientsin of 1858<sup>2</sup> and the Burlingame Treaty of 1868.<sup>3</sup>

The principle of equality of commercial opportunity worked well until the late 1890s, when new pressures seemed to threaten a division of China into spheres of interest among the other great powers. After the Sino-Japanese War of 1894-5 and the collapse of the Manchu regime, Russia concluded in June 1896

<sup>1</sup>For details, see Tekong Tong, *United States Diplomacy in China 1844-60* (Seattle: University of Washington, 1964), 1-2. See also A. Whitney Griswold, *The Far Eastern Policy of the United States* (New Haven & London: Yale University Press, 1938), 5-7.

<sup>2</sup>For further details on the treaty, see Hunter Miller (ed.), *Treaties and Other International Acts of the United States of America*, Vol. VII, 793, 804.

<sup>3</sup>For details, see William M. Malloy (ed.), *Treaties, Conventions, International Acts, Protocols and Agreements Between the United States of America and Other Powers*, Vol. I, 234, 236.

the Li-Lobanov Treaty, providing the right to construct the Chinese Eastern Railway across Manchuria to serve as a direct link to the Trans-Siberia-Vladivostok route.<sup>4</sup>

The first move by Russia was followed by Germany. The latter used the issue of the murder of two German missionaries by Chinese bandits in the Shantung Peninsula in November 1897 to force China to grant it a 99-year lease on Kiochow Bay and the port of Tsingtao. This was followed by obtaining economic rights in Shantung in March 1898. Russia once again was able to procure a 25-year lease of the Southern part of the Liaotung Peninsula, including Talienwan (Dairen) and Port Arthur, with the right to construct a railway (later known as the South Manchurian Railway), from Harbin in the North to the newly-leased ports.

Britain took a 99-year lease of Kowloon opposite Hong Kong and a lease on Weihaiwei on the Shantung Peninsula together with other privileges. France likewise obtained Kwangchow Bay in South China, while Japan obtained rights in Fukien province opposite Formosa. Only Italy, which sought a naval station in Chekiang province, was rebuffed in 1899.<sup>5</sup>

The United States was at first oblivious to the impending chaos in China and to the probability that the Western nations would slice the Chinese melon. In 1898 the United States became a Far Eastern power with the acquisition of the Philippine Islands. What led the United States to join the "imperialist" race when the scramble for concessions became a dominant phenomenon in the Far East? What motivating factors steered the United States towards the Philippines and how did its acquisition help in the formulation of the Open Door Doctrine?

<sup>4</sup>Robert H. Ferrell, *American diplomacy, A History* (New York: W.W. Norton & Co., 1969), 409. See also Alexander De Conde (ed.), *Encyclopedia of American Foreign Policy, Studies of the Movements and Ideas*, Vol.II (New York: Charles Scribners & Sons, 1978), 713.

<sup>5</sup>For details on the European concession hunting, see A.L.P. Dennis, "John Hay, Secretary of State", in Samuel Flagg Bemis (ed.), *The American Secretaries of State and their Diplomacy* (New York: Cooper Square Publishers Inc., 1963), 135. For a background on the American search for concessions during the years 1884-95, see Marilyn Blatt Young, *The Rhetoric of Empire: American China Policy, 1895-1901* (Cambridge, Massachusetts: Harvard University Press, 1968), 34-35.

The idea of "acquiring" the Philippines was an offshoot of the 'large policy' initiated by a group of young Republicans comprising Henry Cabot Lodge, Theodore Roosevelt and Captain A.T. Mahan. The expansionists of 1898 incarnated the old spirit of Manifest Destiny. They wanted the United States to have a strategic command of the Carribean, eventually acquiring a string of defence outposts in the Pacific Ocean. Lodge and Roosevelt looked beyond. They set their eyes on the Philippines which would be "a vestibule for the trade of the Orient".<sup>6</sup> Roosevelt's foresight became a reality when Commodore Dewey conquered the Philippines in August 1898 following the Spanish-American War.

The United States' interest in retaining the Philippines was largely influenced by external forces. Germany was taking a watch over the Philippines and hoping that it would be able to occupy part or the entire Philippines if the United States did not retain it. Furthermore, Japan had also shown an active interest in 1898, while recognising the fact that the future of the islands rested with the United States. In a note to the United States Government dated 8 September 1898, the Japanese Government expressed a desire to administer the islands either singly or in conjunction with the United States.<sup>7</sup> Britain was also interested in purchasing the islands if the United States did not wish to retain it. It was thus clear that if the United States did not retain the islands, some other power would step in.

The expansionists of 1898 realized that the Philippines presented an opportunity to keep pace with the powers of Europe and Japan in the East, and prevented exclusion from the commerce of Asia. Therefore the paramount motive for acquiring the Philippines was the trade of the Orient. From the Philippines, the United States hoped to pursue the traditional American policy of conserving the independence and territorial integrity of China. But it never occurred to them that trade with a partitioned China might be greater and richer than trade with an intact China. The United States feared that if China was parti-

<sup>6</sup>Samuel Flagg Bemis, *A Diplomatic History of the United States*, 3rd ed. (New York: Henry Holt & Co., 1950), 443.

<sup>7</sup>*Ibid.*, 467.

tioned, its prospects for commercial expansion would be bleak and it would have to reckon with the restrictions of the partitioners. The fear that domination by any one power, or any group of powers, would be contrary to the interests of both China and the United States forced the latter to advocate a policy of non-interference in the internal affairs of China.

It is under these circumstances that the Open Door Doctrine should be viewed. It would not have been tabled if the United States had not moved into the Philippines. Although the United States' "desire" was to sustain China against the aggression of Europe,<sup>8</sup> its role in the conflict with China was determined by factors other than the ideologies of expansionism and manifest destiny.

The economic thrust was equally important. The American-China Development Company, whose stockholders were some of America's greatest financiers, had been organised in 1895. In 1896 it set out to obtain a concession to build a railway from Peking to Hankow. The stockholders urged the public to support it, stressing that it would be the opening wedge for "a limitless field of financial and industrial operations to be occupied, dominated and controlled by Americans".<sup>9</sup>

This view is largely shared by historians such as Charles Campbell, Tyler Dennet, Michael Hunt, William H. Williams and Walter F. La Feber.<sup>10</sup> Both La Feber and Williams contend that in the 1880s and 1890s, the United States suffered severe depression. The domestic economy could not absorb industrial over-production. Hence overseas markets were sought to dump the surpluses. However, Whitney Griswold views the "Open Door" as a product of well placed expansion, envisioning both the vast future of trade with China and a much enhanced world political role for the United States.<sup>11</sup>

<sup>8</sup>Tyler Dennet, *Americans in Eastern Asia: A Critical Study of United States Policy in the Far East in the Nineteenth Century* (New York: Macmillan Co., 1922), 631-2.

<sup>9</sup>Alexander De Conde, *Encyclopedia of American Foreign Policy*, 711

<sup>10</sup>William A. Williams, *American-Russian Relations 1781-1947* (New York: Macmillan Co., 1952), 32-4; Walter F. La Feber, *The New Empire: An Interpretation of American Expansion 1860-1898* (Ithaca: Cornell University Press, 1963); Michael Hunt, *Frontier Defense and the Open Door: Manchuria in Chinese American Relations 1895-1911* (New Haven & London: Yale University Press, 1973).

<sup>11</sup>A. Whitney Griswold, *The Far Eastern Policy of the United States*, 48-9.

As an altruistic move, it was regarded by the general public as giving the Chinese nationalists a fair chance and was, thus, tantamount to an anti-imperialistic move.<sup>12</sup> The last major factor was the balance of power considerations. The United States felt that the balance of power was in favour of Japan in the Far East. Japan was able to defeat China following the Sino-Japanese War of 1895. The United States feared a Japanese monopoly in the Far East. It viewed Japan as a threat to the stability and equilibrium of the Far East. In order to restore the unfavourable balance of power, the United States intervened.

Despite the various interpretations, recent scholarship states that 1898 marked a fundamental change in the direction of the nation's foreign policy. It cannot be regarded as the prelude to American imperialism in Asia or Southeast Asia, for it had made its scene in Southeast Asia prior to 1898.<sup>13</sup> Certainly, 1898 was an important date because the United States assumed new possibilities that influenced its position in world affairs in the twentieth century. The Open Door Notes has been charged as an excuse for intervention. It was more a "tactic" rather than a "policy", as later events proved.<sup>14</sup>

In seeking the most favoured nation treatment, did the United States act alone or in concert with other powers and, to what extent had it been purely an American concept, are queries which have to be answered.

To a considerable extent, the Open Door Doctrine was not totally an American concept. It was influenced by forces extraneous to both the United States and the Far East. Chief among these was Britain which promoted the doctrine in China.<sup>15</sup> Tyler Dennet states that the United States had originally followed

<sup>12</sup>J. K. Fairbank, *Chinese American Interactions - A Historical Summary* (New Jersey: Rutgers University Press, 1975), 64.

<sup>13</sup>For details on American imperialism prior to 1898, see James W. Gould, "American Imperialism in Southeast Asia before 1898", *Journal of Southeast Asian Studies*, Vol III (September, 1972), 306-14.

<sup>14</sup>Charles Vevier, "The Open Door: An Idea in Action 1906-1913", *Pacific Historical Review*, Vol. XXIV (February, 1955), 49-62.

<sup>15</sup>For further details, see A. Whitney Griswold, *The Far Eastern Policy of The United States*, Ch. II. See also J. K. Fairbank, *The United States and China*, 4th ed. (Cambridge: Harvard University Press, 1979), 321.

after the example of the British. For instance, in the Cushing Treaty of 1844, the United States had obtained concessions from China, identical with those extorted by the British as a result of the Opium War. Similarly, the American-Chinese treaty was a product of Palmerstonian gunboat diplomacy. However, the United States grew concerned lest the British acquired more territories or privileges from China. During the civil wars of 1850-64, set off by the Taiping uprising, American Commissioner, Humphrey Marshall, lent support to the Imperial Chinese authorities. "To Marshall", wrote Dennet, "the United States owed the discovery of the truth that the weakness or dissolution of China was a matter of national concern ... and that the true policy of the American government must be to strengthen and sustain the Chinese government against either internal disorder or foreign aggression".<sup>16</sup>

As for Britain, its interests were akin to those of the United States. It aimed at restoring the balance of world power recently upset by its three great rivals: Germany, France and Russia. As a result, it sought allies in an effort to reestablish the balance of power whenever British interests demanded it. On two occasions, Britain made overtures for alliance with the United States.<sup>17</sup> To Britain, the Open Door meant free or equal commercial opportunity. As early as March 1898 and 1899, Britain had invited the United States into a joint alliance to avoid a partitioning of the Chinese empire, but it was turned down by the then Secretary of State, John Sherman. At this critical juncture, Sherman was replaced by John Hay and Hay's personal intervention was to change American foreign policy. Hay was guided, to a great extent, by W.W. Rockhill<sup>18</sup> (an adviser on Far Eastern Affairs) and Alfred E. Hhipisley.<sup>19</sup> Rockhill argued that it was possible "to reestablish confidence and prepare the way for a

<sup>16</sup>Tyler Dennet, *Americans in Eastern Asia*, 206.

<sup>17</sup>Since 1840, Britain had a leading role in the economic exploitation of China. Trade with China amounted to 65 percent of China's total foreign trade. To protect her lucrative Chinese markets from France and Russia, Britain was interested in the territorial integrity of China. It failed to secure an alliance with Russia, then turned to the United States. For details, see A. Whitney Griswold, *The Far Eastern Policy of the United States*, 42.

<sup>18</sup>For the role of Rockhill, see Julius W. Pratt, *A History of United States Foreign Policy*, 2nd ed. (New Jersey: Prentice Hall Inc., 1965), 241.

<sup>19</sup>Hhipisley was formerly from the Chinese Customs Service. For his role, see G.F. Kennan, *American Diplomacy 1900-1950* (University of Chicago Press, 1951), 27-31.

concerted action by the Powers to bring about the reforms in Chinese administration and the strengthening of the Imperial Government recognized on all sides as essential to the maintenance of peace".<sup>20</sup> Hay had positive encouragement from both Rockhill and Hoppisley. In fact, the actual formulation of the Open Door doctrine was, in part, due to a memorandum drawn up, at Hay's request, by Rockhill. It took the form of diplomatic notes that were presented to the governments of Britain, Germany, Russia, France, Italy and Japan. The Hay notes of 6 September 1899 read:

Ernestly desirous to remove any cause of irritation and to insure at the same time to the commerce of all nations in China, the undoubted benefits should accrue from a formal recognition by the various powers claiming "spheres of interest" that they shall enjoy perfect equality of treatment for their commerce and navigation within such "spheres"; the government of the United States would be pleased to see His German Majesty's Government give formal assurances and lend its cooperation in securing like assurances from the other interested Powers, that each within its respective sphere of whatever influence.

First: Will in no way interfere with any treaty port or any vested interest within any "so called sphere of interest" or leased territory it may have in China.

Second: The Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports as are within said "sphere of interest" (unless they be face ports) no matter to what nationality it may belong and that the duties so leviable shall be collected by the Chinese Government.

Third: That it will levy no higher harbour dues on vessels of another nationality frequenting any port in such "sphere" than shall be levied on vessels of its own nationality and no higher railroad charges over lines built, controlled or operated within its "sphere" on merchandise belonging to citizens or subjects of other nationalities transported, through such "sphere" than shall be levied on similar merchandise belonging to its own nationals transported over equal distances....<sup>21</sup>

<sup>20</sup>Samuel Flagg Bemis, *The American Secretaries of State and Their Diplomacy*, 140.  
<sup>21</sup>William M. Malloy, *Treaties, Conventions, International Acts, Protocols and Agreements Between the United States of America and Other Powers*, 249-51; see also J.M. Maki, *Conflict and Tension in the Far East, Key Documents 1894-1960* (Seattle: University of Washington Press, 1971), 12-6.

Hay and Rockhill were actually appealing for cooperation from the major powers which they did indeed obtain, except from Russia which had a vested interest in Manchuria. Although it bound all the powers, the doctrine was still limited in its application to tariff railway charges and port dues. It did not open the door to equal opportunity of investment or of industry. In 1899, it did not attempt to preserve the territorial integrity, the administrative entity or the independence of China as the British government had suggested in 1898.

The negotiations relating to the Open Door were scarcely out of the way when the Boxer movement<sup>22</sup> drew world attention. The role of the United States expanded once again. It was feared that the dramatic episode might lead to the partition of China. To forestall this fear, Hay issued a second circular (now primarily an American policy) which sought:

... to preserve Chinese territorial and administrative entity, protect all rights guaranteed to friendly powers by treaty and international law and safeguard for the world the principle of equal and impartial trade with all parts of the Chinese empire....<sup>23</sup>

In many ways, the second note, regarding China's territorial integrity, contradicted the note of September-November 1899 which had stipulated commercial freedom for all nations within any of the spheres of interest. The second circular can be regarded as the cardinal doctrine of twentieth century American policy in the Orient.<sup>24</sup> By 1901, the idea of "integrity" was far from real, and the rivalry among the powers was so strong that an outbreak of a general war was imminent. As Japan began to embark upon an aggressive policy in the Far East,<sup>25</sup> threatening the integrity of China, American diplomacy tended to distort the meaning of the second Hay Open Door note. The idea of preserving the Chinese territorial and administrative entity gave way to the idea of an outright guarantee of Chinese territory.

<sup>22</sup>Tyler Dennet, *Americans in Eastern Asia*, 655.

<sup>23</sup>Document C enclosed in Thomas P. Brockway, *Basic Documents in United States Foreign Policy*, rev. ed. (New York: Van Nostrand Reinhold Co., 1967), 49-50.

<sup>24</sup>Robert H. Ferrell, *American Diplomacy, A History*, 412.

<sup>25</sup>For details on Japan's foreign policy following the Boxer Rebellion, see Paul A. Varg, "The Foreign Policy of Japan and the Boxer Revolt", *Pacific Historical Review*, Vol. XI (September, 1946), 279-85.



It began to assume responsibilities far greater than any interests that had been involved. This was particularly evident in the years following the Russo-Japanese War of 1904-5.

Russia had occupied Manchuria<sup>26</sup> and the latter, not Japan, appeared to be the problem of the Orient. The Russians had used the Boxer uprising as an excuse to send troops into Manchuria. In the face of Russian penetration, both Hay and President Roosevelt were willing to scrap the second principle if only commercial equality could be saved. Prior to the Boxer uprising, Russia was well on the way to making Manchuria its own preserve. It had gained China's assent to build the Chinese Eastern Railway.

The proposed line enabled Russia to have a direct link with Vladivostok. Russia also acquired the right to build a line from Harbin, on the former route southwards to Port Arthur, thereby giving her access to Southern Manchuria and the Northern provinces of China. In order to proceed with the construction programme, Russia established the Russo-Chinese bank. To protect its enterprises, Russia exercised the right, acquired by treaty, to station railway guards to patrol the lines. When the Chinese Boxer troops swarmed over the Russian strongholds in 1900, destroying the railway lines, Russia retaliated. It aimed at a complete domination of Manchuria and the probable extinction of Chinese sovereignty in the area. Meanwhile, it was showing considerable interest in Korea. This brought about tension with Japan which, after the Sino-Japanese War, regarded Korea as its preserve. War flared up between the two powers leading to the defeat of the Russians and the emergence of Japan as a first class military power.

Japan's role in the War can be traced to the Anglo-Japanese alliance of 1902 with Britain which had repercussions for Japan.<sup>27</sup>

<sup>26</sup>As early as 1902, Russia had negotiated an agreement with China that placed Russia in temporary control of Manchuria. For further details, see Paul A. Varg, *The Making of a Myth: The United States and China 1897-1912* (East Lansing: Michigan State University Press, 1968), ch.4.

<sup>27</sup>For details on the treaty, see J.M. Maki, *Conflict and Tension in the Far East*, 16-17. The Anglo Japanese alliance was renewed in 1905 and a further renewal was made in 1911 for another ten years. See also Julius W. Pratt, *A History of United States Foreign Policy*, 245-6.

It served as a necessary preliminary for the war with Russia. The terms of the treaty stipulated that if either Britain or Japan should become involved in a war in defense of its Far Eastern interest, the other was bound to remain neutral unless its partner was attacked by an external power. If this occurred, then both would fight side by side.<sup>28</sup> The treaty actually introduced the phrase "equal opportunity", in keeping with the British concept of the Open Door.<sup>29</sup> It, however, created for the United States a disturbing diplomatic problem which was not resolved until the Washington Conference twenty years later.

Initially, President Roosevelt was delighted to have Japan protect American interests in the Far East. As his concern over Russian expansion had increased, and as his awareness of the administration's helplessness had grown, he had turned more and more to Japan as a balance against the Russian power on the mainland of Asia. In protecting its own vital self-interests, Japan was also protecting the interests of the United States. In short, Roosevelt felt that Japan was "playing our game"<sup>30</sup> in the Far East and he turned to Japan not only to contain Russian imperialism but also to stabilize the Far East.

Nevertheless, Roosevelt was uneasy over the extent of Japan's triumph in the Russo-Japanese War. He feared the vulnerability of the Philippines, a major security problem for the United States. Once again the United States began to mediate the war and Roosevelt brought about the Treaty of Portsmouth between Russia and Japan on 5 September 1905.<sup>31</sup> By this treaty, Japan took over Russian rights and interests in South Manchuria, including the leasehold at Port Arthur and that part of the Russian-controlled Chinese Eastern Railway stretching from Changchun in Central Manchuria, to Port Arthur. Further, she secured Liaotung Peninsula under the guise of a leasehold and the southern half of Sakhalin island. Russia, on its part, acknowledged Japan's paramount interest in Korea.

<sup>28</sup>Thomas A. Bailey, *A Diplomatic History of the American People*, 8th ed. (Englewood Cliffs: New Jersey, Prentice Hall, 1974), 515.

<sup>29</sup>J.K. Fairbank, *The United States and China*, 322.

<sup>30</sup>Charles E. Neck, "Theodore Roosevelt and American Involvement in the Far East 1901-1909", *Pacific Historical Review*, Vol.XXXV, (1966), 437.

<sup>31</sup>For details on the text of the treaty, see J.M. Maki, *Conflict and Tension in the Far East*, 18-23. See also W.B. Thorson, "American Public Opinion and the Portsmouth Peace Conference", *American Historical Review*, Vol.III (1948), 439-63.

Although a diplomatic move, it signalled disaster as far as the United States was concerned. It inaugurated an American-Japanese antagonism that was soon to buttress American relations in the Far East during the first half of the twentieth century.

Failing to get an indemnity from Russia, and having obtained only half of Sakhalin, anti-American feelings grew and the rift in Japanese-American relations widened. Roosevelt's fear of Japan and his uneasiness over the safety of the Philippines grew so intense during the Russo-Japanese War that he decided to reach an agreement through the Taft-Katsura Agreement of July 1905<sup>32</sup> (between the Secretary of War, William Howard Taft, and the Japanese Premier Taro Katsura). To placate Japan and to discourage it from attacking the Philippines, the United States decided to recognize Japan's dominant position in Korea and the Japanese disavowed "any aggressive designs whatever"<sup>33</sup> on the Philippines.

The two powers, furthermore, agreed upon an indemnity which China had to pay as compensation for the losses alleged to have been suffered by the powers whose interests were involved.<sup>34</sup> The United States thought that the indemnity requested was exorbitant but felt that it would be a mistake to take less than what was stipulated. It believed that such an action would not lessen the liability of China, but would increase the shares of the other powers. It was Hay's intention that the portion of the indemnity in excess of the just claims of American citizens should be remitted to China. This was subsequently fulfilled. No formal agreement was required of China for the remission on the part of the United States. However, an understanding was secured by Secretary Root (who succeeded Hay) to the effect that the money should be set aside to finance the education in the United States of Chinese students under government sponsorship.

<sup>32</sup>For details, see Tyler Dennet, *Roosevelt and the Russo-Japanese War* (New York: Macmillan, 1925), 112-4.

<sup>33</sup>Robert H. Ferrell, *American Diplomacy, A History*, 416.

<sup>34</sup>James Brown Scott, "Elihu Root, Secretary of State, 7 July 1905 to 27 January 1909," in Samuel Flagg Bemis, *The American Secretaries of State and Their Diplomacy*, 247.

The indemnity amounted to US\$333 million. Under the protocol of 7 September 1901,<sup>35</sup> an interest of 4 per cent per annum was payable over a period of 39 years. The sum of 24,440,778.81 was allotted to the United States, while the losses to American interests and property were estimated at 12,479,657.05. The United States decided to renounce the difference between these two sums, and it was accepted by the Chinese government.

During 1905, United States' diplomacy towards Japan began to take a different form when Elihu Root was appointed the new Secretary of State. The Open Door doctrine became less precise. It had become a conveniently elastic principle capable of accommodating the differences of opinion over United States Far Eastern policy.<sup>36</sup> Relations with Japan and Russia were now friendly. During the Russo-Japanese War, sentiment veered from Russia to Japan because an unequal contest had been forced upon Japan. President Roosevelt's policy was to preserve American friendship with Japan. According to Howard K. Beale, Roosevelt pursued a policy of balanced antagonism which, though it eventually collapsed, was "a tribute to the perception of the creator".<sup>37</sup> The objectives of his new policy were evidenced in the signing of the "Gentlemen's Agreement Treaty" of February 1907,<sup>38</sup> arising out of the problem of immigration of the Japanese into the United States.

Japan was recovering from the war and felt a great drain upon its resources. It needed its human resources on the island and its outlying possessions. It preferred to keep its people where they would be of service in the development of its empire; but it was unwilling that they should be discriminated against, should they go to foreign lands. Japan was, however, willing to prevent them from going abroad. A solution was the refusal to give its subjects Japanese passports, without which they could not gain access to the United States. The agreement was aimed with the hope that unwritten agreements would prevail as long as the parties involved would care to observe them.

<sup>35</sup>William T. Malloy, *Treaties, Conventions, International Acts, Protocols and Agreements Between the United States of America and Other Powers*, Vol.II, 2006.

<sup>36</sup>Michael Hunt, *Frontier Defence and the Open Door*, 138.

<sup>37</sup>Howard K. Beale, *Theodore Roosevelt and the Rise of America to World Power* (New York: MacMillan Co., 1973), 270-3, 322-4.

<sup>38</sup>Julius W. Pratt, *A History of the United States Foreign Policy*, 247-8.

During this period both Root and Roosevelt realized that it was not an auspicious time for any vigorous assertion of the Open Door doctrine. Despite United States' desire to restore friendly relations with Japan, it was during the years 1907-8 that there began to develop an expanded concept of the Open Door against Japan.

Root's and Roosevelt's determination to maintain cordial relations with Japan was not often unanimously accepted by the Department of Foreign Service. An anti-Japanese programme was ushered in by Willard Straight, the Consul General at Mukden and Huntington Wilson, the third Assistant Secretary of State. Straight felt that Manchuria could be saved from Japan only by a programme of capital investment by the United States and other Western powers. He rested his case on the enlarged concept of the Open Door doctrine. He also clamoured for equal opportunity in investment as well as in commercial enterprise and intended to give forcible support to China's integrity. There were also proposals to invigorate and reinterpret the Open Door policy; but Root did not support the aggressive policies of Francis Huntington and Willard Straight. He continued to be adamant in maintaining a friendly relationship with Japan which culminated in the signing of the Root-Takahira Agreement of 1908.<sup>39</sup>

The Japanese-US agreement originated with Russia's attempt to impose regulations at Harbin, in North Manchuria, enforcing claims to an exclusive right of administration, but Root promptly responded in defense of China's sovereignty in Manchuria. He opposed China's division into the Russian and Japanese spheres of influence. The result was an exchange of notes between him and Baron Kogoro Takahira on 30 November 1908. In the correspondence, the United States and Japan declared themselves to be uninfluenced by an aggressive tendencies to maintain the existing status quo in the region of the Pacific Ocean. Both countries resolved to respect the territorial possessions belonging to each other and were determined to preserve the common interests of all powers in China by supporting the

<sup>39</sup>For details, see Thomas P. Brockway, *Basic Documents in United States Foreign Policy*, 58-9; William M. Malloy, *Treaties, Conventions,...*, Vol. I, 1045-1047.

independence and integrity of China and the principle of equal opportunities for commerce and industry of all nations in the Empire. It was agreed that should any event occur which threaten the status quo or the principles of equal opportunity, the two governments would communicate with each other to arrive at an understanding as to decide on appropriate measures.

There have been various interpretations about the aims of the United States in signing this agreement. According to Whitney Griswold, Roosevelt gave Japan a "free hand" in Manchuria for a second guarantee of the Philippines and a promise of cooperation in the immigration restriction.<sup>40</sup> Raymond A. Esthus believes that it was an attempt to clear the air and restore Japanese-American friendship.<sup>41</sup> Thomas A. Bailey contends that it was an attempt to strengthen the Open Door in Manchuria.<sup>42</sup> Nevertheless, it cannot be denied that the agreement was used as a strategy to save the Philippines from falling into Japanese hands.

The United States regarded the Philippines as a vital foothold in its naval strategy in the Far East. Its intention was to close the door to all the other foreign powers and to divert their attention from the newly acquired islands. During this period the British, Dutch and French had already established themselves in Malaya, Indonesia and Indochina and were active participants in the spice trade of the East Indies.

The Root-Takahira exchange actually supplemented the earlier Taft-Katsura memorandum. However, it contained many anomalies. Only "peaceful means" were mentioned but the integrity of China was not defined by the often qualifying word "territorial". The phrase "existing status quo" covered a great many things. It not only included the important railway and mining rights, leaseholds and privileges in Manchuria transferred from Russia to Japan by the Portsmouth Treaty of 1905, but also Chinese recognition of that transfer by a special Sino-

<sup>40</sup>A. Whitney Griswold, *The Far Eastern Policy of the United States*, 129.

<sup>41</sup>Raymond A. Esthus, "The Changing Concept of the Open Door 1899-1910", *Mississippi Valley Historical Review*, Vol.LI, 3 (December, 1959), 448-51.

<sup>42</sup>Thomas A. Bailey, "The Root-Takahira Agreement of 1908", *Pacific Historical Review*, Vol.IX (1940), 33-35.

Japanese treaty of 1905. Japan's special rights in Manchuria had earlier been recognized by the Franco-Japanese and Russo-Japanese Treaties of 1907 and the principle of propinquity creating special interests was firmly established by the Anglo-Japanese Alliance of 1905.

The Root-Takahira agreement clearly suggested that the United States had secured from Japan a new promise to support the Open Door and the integrity of China in addition to a fresh disavowal of aggressive intentions towards the Philippines which Roosevelt regarded as the "Achilles heel"<sup>43</sup> of the United States. Through the agreement, Japan was able to realize her ambitions in Manchuria at the expense of China's complete territorial integrity, but her dreams were soon upset under the new administration of President Taft (who replaced Roosevelt) and his Secretary of State, Philander Knox.<sup>44</sup>

Root had earlier pursued a consistent policy of resisting any extension of Japanese and Russian rights which would further infringe China's integrity. Taft, on the other hand, ignored Roosevelt's interpretation. He endeavoured to open the China door wider. Taft and Knox realized that the territorial integrity and political independence of China in Manchuria were menaced by the railway concessions of Japan and Russia. They were convinced that this was contrary to the spirit of the Open Door and felt that it ought to be stopped. Knox believed that if these special railway concessions could be done away with, the Open Door and China's sovereign rights would be protected. To a great extent, Knox was a disciple of Hay. He continued the policy that American capital could hope to compete successfully with other foreign capital in the investment market of China. Soon enough, there was an opportunity to confirm his beliefs on the matter.

The representatives of a group of American bankers, who were also acting for an English construction company, had se-

<sup>43</sup>Samuel Flagg Bemis, *The American Secretaries of State and Their Diplomacy*, 496.

<sup>44</sup>For details, see Herbert F. Wright, "Philander Chase Knox, Secretary of State, 5 March 1909 to 4 March 1913" in Samuel Flagg Bemis, *The American Secretaries of State and Their Diplomacy*, 303-357.

cured from the Chinese Imperial Government a contract for the financing and construction of a railway from North Chinchow to Tsitsihar and to Aigun on the Amur River, passing from Manchuria through Mongolia and crossing the Russian Trans-Siberian Railway. In January 1910, the preliminary agreement<sup>45</sup> was ratified by an Imperial edict. As this enterprise would open up a large and new field in China, and would directly and indirectly benefit both Chinese and American commerce, the United States agreed cordially to support it. This railway project furnished the basis of Knox's plan for the neutralization of all the railways of Manchuria, suggested in a memorandum, dated 9 November 1909, and forwarded to the governments of China, Japan, France, Russia and Germany.<sup>46</sup> The nominal control would be China's, but the real control would be vested in an international banking consortium. Through the New York bank, America's heavy industry would at least get its share of the China market.

The plan was to provide a joint loan to enable China to buy the railways, including those in Manchuria which were then under foreign lease. Through neutral administration in Manchuria and all other parts of China, it was hoped that the Open Door policy would be guaranteed and that, in return, China would throw off the trammels which the railway concessions had established upon her sovereignty. The United States hoped that Britain would support it in effecting the complete neutralization of all the railways in Manchuria. But, if the neutralization plan proved impracticable, Britain and the United States would, together, support the Chinchow-Aigun project. Knox felt that this was the most effective way to preserve the political rights of China in Manchuria. It formed an integral part of the general policy of the United States towards China and its railway projects: "a policy of righteousness tampered by enlightened self-interest".<sup>47</sup>

<sup>45</sup>For details see John V.A. MacMurray (ed.), *Treaties and Agreements With and Concerning China 1894-1919*, Vol.I, 800.

<sup>46</sup>Walter V. Schoeles and Marie V. Schoeles, *The Foreign Policies of the Taft Administration* (Columbia: University of Missouri Press, 1962), ch.10.

<sup>47</sup>J.O.P. Bland, *Recent Events and Present Policies in China* (London: W. Heinemann, 1912), 319.



Despite China's approval of the neutralization plan, both Russia and Japan objected. As the nearest neighbours of China, they had been vying with one another in their attempts to secure exclusive control of territories nearest them, even to the point of bloodshed. Nonetheless, the erstwhile enemies made common cause, so that the wordings of their final representations to the Chinese government coincided.<sup>48</sup> Japan proceeded to construct feeder lines to the South Manchurian Railway for the exploitation of the rich coal fields and to connect Korea with a trunk line. It also extended its military guards and developed political jurisdiction over the loosely defined railway zones. In Northern Manchuria, on the other hand, Russia expanded her political influence.

The project was, therefore, a failure. For a while it appeared that Knox created a blunder in unwittingly forcing a rapprochement between Russia and Japan for joint action in Manchuria leading to the Convention of 4 July 1910.<sup>49</sup> It can be said that during this period, American policy had tried, unsuccessfully, to achieve a commanding position among the nations by tampering with the European balance of power. According to Tyler Dennet, Knox thought that "the question of Manchuria in 1910 could be segregated from world politics and treated as though it were an abstract question of right and wrong".<sup>50</sup>

Following the failure of the neutralization proposals, many forces converged to direct President Taft towards a different course in East Asia. Willard Straight and Francis Huntington once again strove to make the Open Door doctrine a reality. They conceived bold plans to challenge the status quo in China and Manchuria. From 1905 onwards, the race for territories and spheres of influence was over. Railway contracts, mining

<sup>48</sup>The Japanese note read: "Before the Chinese Government determines anything, the consent of my government must first be obtained. If the position of my country is ignored and a decision is made without referring the matter to my government, it will be hard to estimate the seriousness of the trouble that may be caused in the relations of the two countries." The Russian note confirmed: "The Russian Government expects that China will not settle such matters without first consulting Russia. Otherwise there will be trouble in the relations between the two countries". See Samuel Flagg Bemis, *The American Secretaries of State and Their Diplomacy*, 330-331.

<sup>49</sup>John V.A. MacMurray, *Treaties and Agreements with and Concerning China, 1894-1919*, 803.

<sup>50</sup>Tyler Dennet, *President Roosevelt and the Russo Japanese War*, 320, 335.

rights and other enterprises - rather than territories - absorbed European attention. The capitalists of Europe spearheaded the drive, and their governments supported them. Taft and Knox desired a share for American corporations in China's foreign loans and big construction contracts. There was a tendency on the part of the powers to exert political control over China while competing to be China's creditors.

Knox proclaimed "a new era of international commercial expansion in which American business was eager to participate".<sup>51</sup> The new policy, known as dollar diplomacy,<sup>52</sup> was in operation between 1909 and 1913. It was characterized as substituting dollars for bullets with a view to making the United States a commercial and financial world power. Both Taft and Knox sensed that the China market was more a future hope than an immediate reality. The motive in Washington was to bring American capital to the rescue of China's territorial integrity. Secretary Knox struck a curious note when he declared in 1911:

If the American dollar can aid suffering humanity and lift the burden of financial difficulty from states with which we live on terms of intimate intercourse and earnest friendship and replace insecurity and devastation by stability and peaceful self-development, all I can say is that it would be hard to find better employment.<sup>53</sup>

In May 1909, a group of American financiers tried to obtain participation in the Hukuang railway loan. It was hoped that through the penetration of American capital into China, on an equal basis with that of the European powers and Japan, the United States could create a base for the expansion of its own trade and, more importantly, create a concrete interest which would force the other powers to jointly formulate political decisions with the American government. The United States would seek neither economic nor political supremacy in Manchuria but rather equality and cooperation among the powers which would grow out of the internationalization of all projects.

<sup>51</sup>Paul A. Varg, *The Making of a Myth*, 105-111, 126-127, 158.

<sup>52</sup>For details see Thomas P. Brockway, *Basic Documents in United States Foreign Policy*, 59-60; Julius W. Pratt, *A History of the United States Foreign Policy*, 249-51.

<sup>53</sup>Samuel Flagg Bemis, *The American Secretaries of State and Their Diplomacy*, 327. For Taft's policy regarding the Far East see T. Dennet, *Americans in Eastern Asia*, Vol. I, 268-72.

Basically, Taft and Knox believed that shared investments would produce interdependence and that a community of interests would develop which the United States could direct towards idealistic and humanitarian goals. Time and again, they expressed their concern over the fate of China and their determination to use American dollars to secure influence there.

In 1910 a consortium of British, French and German bankers signed a contract with the Chinese government for the construction of a system of railways, stretching southwards and westwards from Hankow in the province of Hupei into the provinces of Kwangtung and Szechuan (known as the Hukuang railway).

The American share of the consortium loans formed only a tiny fraction of the immense Chinese foreign debt of US\$335 million accumulated by the end of 1913. Taft felt that uncontrolled rivalry by the powers for loans to China and their supervision would lead to bankruptcy and political intervention. He also reiterated that American participation and cooperation was necessary to preserve China's integrity. Americans were finally admitted to the consortium, but financiers were reluctant to participate and demanded explicit governmental support. When Woodrow Wilson became the President in March 1913, he refused to support the consortium and allowed American bankers to leave. With this the last of the dollar diplomacy schemes came to an end. By this time America's diplomatic position in the Far East had deteriorated to a grievous state and, with the outbreak of the First World War in 1914, the American government was beset with problems of neutrality.

It can be surmised that the Open Door doctrine failed as a policy during the years 1899-1914. The policy went through three phases of development. In each phase, the key principles remained the same: "open door" and the "integrity of China". In practice, however, the policies had a different connotation.

In the Hay period, the Open Door policy meant the preservation of equal commercial opportunity. As applied by Hay, the doctrine, extending over a period of six years, was based upon a realistic appreciation of the limitations of American policy. He hoped to safeguard commercial equality within the frame-

work of special rights and interests. He supported China's integrity to the extent of opposing complete partition, but never supported it to the point of attacking the spheres of influence, although the spheres themselves were an infringement of China's integrity. Hay oriented American policy towards a more active participation in Far Eastern politics in support of the doctrine. In doing so, he had kept pace with the expansionist forces that had propelled the United States into the conquest and annexation of the Philippines in 1898. The Open Door doctrine was certainly an ad hoc statement. During Hay's time, it was a temporary expedient; it was frequently violated thereafter and it was never embodied in an American treaty until 1922. Though the accompanying "integrity of China" concept was asserted, Hay was eventually driven to abandon it in the face of Russian power in Manchuria. Shortly before his death, Hay restored the concept of Chinese sovereignty in Manchuria to American diplomacy because Japanese power had driven the Russians from Manchuria.

With Hay's death, the doctrine entered a second phase under his successor, Elihu Root. The principle not only survived but expanded to include a demand for equal investment as well as equal commercial opportunities, while the phrases "Open Door" and "integrity of China" became by-words used against Japan in defence of China. The United States, in fact, made a blunder in supporting Japan after 1899, leading to increasing involvement in foreign politics. It should, in fact, have maintained an even-handed cooperation with all states willing to support the most favoured nation principle. Instead, John Hay's notes of 1899 and 1900 returned the United States to the historic course of foreign involvement. Root accepted the assumption that the spheres of influence were established facts, and that more harm than good would probably result from challenging them. He was less willing than Hay to abandon the "integrity of China" concept and struggled to prevent any further infringement of China's integrity.

During the third and final phase of dollar diplomacy, American policy demanded equal investment as well as commercial opportunity and intended to support China's integrity. During this phase, the Open Door policy took a different turn from the policies of Hay and Root. Hay's policy was employed, more

specifically, to justify an attempt at American financial supremacy in China and Manchuria. However, during the Taft administration, investment in railway development and loans to the Chinese government were seen as a means to increased influence in China. This meant that dollar diplomacy was utilised more as a political instrument than the answer to the express needs of American business. It came to a close with the stigma of impairing rather than strengthening the territorial integrity of China. It fell short of its announced objectives. It had not stimulated international cooperation but, rather, international competition.

Finally, it can be argued that American foreign policy in the Far East from 1898-1914 rested on executive acts and executive agreements and did not rely solely on the expressed sanction of the Senate or the Congress. New interpretations were given to the Open Door doctrine as new Presidents and Secretaries of State came to power. Each successive administration felt bound to uphold the original principles of the doctrine. This made, correspondingly easier, the task of those who continued to argue that the China trade would gain importance; that the United States had a duty to act as a great power in Asia, and that the Americans owed a moral obligation to the Chinese. It also made easier the task of the British who wished to entangle the United States in European politics. As a concluding remark, Griswold's statement is appropriate:

From 1900-32, American efforts on behalf of China's integrity had passed through a number of circles, all ending in failure. With what consequences? Jeopardising the security of America's own territorial integrity. Encouraging Chinese patriots to hope for it not to count a type of American support that never materialized. Obstructing the most profitable trend of American commerce and investment in the Far East which since 1900 had been towards Japan and not China.... Stimulating naval rivalry between the two nations. Involving the United States in European politics via the back door of Eastern Asia.<sup>54</sup>

<sup>54</sup>A. Whitney Griswold, *The Far Eastern Policy of the United States*, 467.