THE YELLOW PERIL IN ACTION

A POSSIBLE CHAPTER IN HISTORY

Dedicated to the Men who train and direct
the Men behind the Guns

BY

MARSDEN MANSON

SAN FRANCISCO, CALIFORNIA.
JANUARY 2, 1907

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PREFACE

The indifference with which our people and Congress regard the development of the commerce of the Pacific Ocean prompts the writer to point out some of the possibilities of a war and its effects upon that commerce and our industries. Incidentally other matters are brought in which have a bearing upon these and upon our Naval and Military Power. If this brochure shall serve to bring about a better understanding of our needs and a recognition of their importance, and shall tend to an abandonment of our policy of neglect, its purpose will be served.

Dec. 22nd, 1906

THE YELLOW PERIL IN ACTION

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(Supposed to be written in 1912.)

In 1908 the friction between the United States and China became severe, and only by great forbearance and concessions had the actual breaking out of hostilities been avoided.

This near approach to war, although with a country having no navy comparable with that of the United States, induced the Congress meeting in March, 1909, to make quite liberal appropriations for fortifications at Manila, Pearl Harbor, Guam, Pago Pago and Kisga. On the basis of these appropriations contracts were let for materials, coal and supplies, and the War Department was ordered to go over the plans prepared many years ago for fortifications at these points and bring them up to the most modern requirements.

It appeared that the unprepared conditions of these vital military and commercial points would be at last remedied.

In the winter of 1909-10 China resumed the practice of "boycotting" American goods and materials; and, American sailors and citizens were insulted and hooted in several Asiatic cities. In two or three instances in China, where the lack of raw cotton caused factories to close, severe race riots occurred, followed by the expulsion of all American citizens and the destruction or forfeiture of their properties. This was followed, in seeming retaliation, by outbreaks of a similar nature in San Francisco and a few other Pacific Coast cities and towns. Intense bitterness and racial hatred were developed and in the riots several scores on each side were killed and wounded. These riots were not repressed until United States troops and marines were brought into service.

Counter claims for indemnity for loss of property and lives were presented by both sides, and they were finally referred to a court of Chinese and American jurists, which met at Asheville, North Carolina. The proceedings were characterized by extreme urbanity at first, but the acrimony of counsel on both sides involved the members of the court in very bitter and caustic debate. The President then with drew the American members of the court to Washington

for further instructions—thinking also that a few weeks calm consideration would restore a better state of mind on both sides. The Chinese members sullenly remained in their hotel quarters and the Chinese Ambassador left Asheville and returned to Washington. He then conducted a series of wireless communications in cipher via Vancouver Island station and a Chinese cruiser in midocean, which transmitted these via Sakhalen Island to China.

On the 13th of March, 1910, the Chinese Ambassador directed the Chinese members of the court to return to China on the German mail steamer, Kron Prinz Wilhelm III, and they immediately left for New York and embarked on the 15th.

On the 17th he handed the Secretary of State a declaration of war and demanded his passports, and sailed on the morning of the 19th.

The country was thunderstruck, China had no navy of moment, but her army, under Japanese example and training, had been put in a high state of efficiency, and her two ordnance works had been turning out high class arms and guns for several years. All her naval stations and commercial cities had been fortified in superb style and large stores and munitions of war were said to be on hand.

The United States calmly and confidently began to prepare for war with an Asiatic foe. The general plan had been laid out to simply and effectively blockade Chinese ports and attack her commerce until she came to reason. Great Britain was notified that in accordance with the treaty of 1908 she was expected to close Hongkong and Wei-Hai-Wei to Chinese vessels, both of war and commerce. She gave assurance of her good faith and kept these and other treaty obligations inviolate in the most cordial and friendly manner, but being in no way involved, her attitude was purely that of a friendly and sympathetic neutral.

The Atlantic fleet was ordered to reinforce the Pacific fleet with four first class cruisers, two battle-ships, all five of its recently commissioned scouting cruisers and its entire flotilla of torpedo-boat destroyers—these latter, in accordance with recent developments, being prepared to serve as either torpedo destroyers or torpedo-boats of high efficiency. The most important strategic point in the Pacific Ocean, GUAM, not having been prepared to receive large quantities of naval stores; and the fortifications, docks, and wireless outfit being principally on paper, was not suited for the receipt and protection of such a fleet. Hence the next best station, **Manila,** was selected as the headquarters of the reinforced Pacific fleet. This reinforced Pacific fleet was expected to cruise in Chinese waters, completely blockade her ports and bring her to terms. Colliers were put into

service and ordered to increase the coal supply at all stations on the Pacific seaboard, particularly at Pearl Harbor, where immense coal sheds had been built and a splendid drydock and repair shops constructed. Coal ships were also prepared to increase supplies at Manila, Guam and Pago Pago; at Kisga preparations were yet incomplete and a fair supply of coal being on hand, no colliers were sent there.

The United States had accepted the gage of war with China, and our navy was able to meet the requirements of the country, although scattered and but partially provided with aedquately fortified and well equipped military stations. But fortifications and strong garrisons were not needed, as our Asiatic enemy was not prepared to carry on a war which would in any way jeopardize the control of the Pacific Ocean.

Two regiments of the National Guard of California and one of Washington were ordered to prepare for garrison duty at points to be indicated by later orders; and secret instructions were given to the proper officers to outfit two companies from each regiment for duty at Manila, the same at Pearl Harbor and one at Guam, thus reinforcing the small forces at these points. The volunteer naval battalions at all Pacific Coast ports were mustered into service, and preparations made to assign them to the proper vessels.

The actual declaration of war made it more difficult to keep racial antagonism from breaking out in greater violence. These difficulties were intensified by the newspapers, which continued to incite the vicious and ignorant into discontent and violence. The commercial marine of San Francisco and Pacific Coast ports had been admirably advised, anticipating trouble by reason of riots at San Francisco, and by the recent embarkation of wealthy Chinese from American cities, these steamers had been ordered to leave Chinese ports and to take refuge in nearby Japanese and English ports. Learning of the declaration of war, some of those in English ports had crossed to Japan to take on coal or to await orders for other cargoes.

Such were the conditions on the morning of March 23, 1910. On that day, at 10 o'clock in the morning, the Japanese Ambassador at Washington delivered to the Secretary of State a copy of a secret treaty of offensive and defensive alliance between Japan and China, certified with the seals of the two Governments and dated as far back as June, 1906, just after the close of the Japanese-Russian war of 1904-5. He then demanded his passports and left on the German mail steamer, superb quarters being furnished him and his suite, by reason of the declination of these quarters by a New York banker, who had previously engaged them, ostensibly for himself and family.

During the next four days events happened in a bloody and humiliating procession. During the night of March 23d cable communication with Honolulu was cut off, a few leagues east of that harbor; and, as was afterward learned, a rapid and puzzling series of signals from more powerful electric batteries than those on the islands, completely interrupted the efficiency of the wireless station at Honolulu until early dawn on the morning of March 24th, when the top of the signal mast was blown off by a high explosive attached to a kite, and arranged to catch the mast from a distance of a mile or more.

During the same night boat load after boat load of uniforms, arms, ammunition and supplies were unloaded four miles west of Pearl Harbor, and just before dawn on the 24th of March, eight thousand well drilled and well officered troops, thoroughly armed and equipped and previously employed as Chinese and Japanese laborers, stormed the partly constructed fortifications at Pearl Harbor and adjacent to Honolulu.* The garrisons at these points, consisting of two companies of coast artillery, were killed or captured before sunrise, and the heavy guns in place were used against the two cruisers and one battle-ship in the harbor. One of the cruisers was sunk at its anchor, the battle-ship and other cruiser replied, but were crippled, and escaped from the harbor, when they were forced to surrender to an overwhelming fleet, flying the Chinese and Japanese colors. The surprise was so complete that no time was given to blow up the magnificent drydock just completed at Pearl Harbor, with its full equipment of shops and repair machinery. Every American steamer on the Asiatic coast was seized except four, and later three of these, with others en route between ports, fell a prey to small, swift torpedo destroyers cruising around and between the Hawaiian Islands and Kisga, and in constant wireless communication with the fleet at the islands. This loss was enormous, for all lines from San Francisco and Puget Sound had trebled their carrying facilities, and the steamers were large and new except the Siberia. The great line from San Diego lost the fine new steamer **Citrus,** but the **Burbank,** one half day out of port, was caught by wireless and recalled. The **Cooper** was accidentally south of her usual course home and was not intercepted by the hostile fleet, and arrived home on the 26th.

All captured steamers were immediately sent over to China, where troops, arms, ordnance, ammunition, engineers' tools and supplies of all kinds were rapidly loaded and then sent to the Hawaiian Islands. In the interim the fortifications there were rendered almost impregnable.

*These laborers, it was afterwards learned, had served two years with the colors before emigrating to the islands.

The laborers and soldiers there having been put to work night and day in six-hour shifts, upon plans already prepared to thoroughly fortify not only Pearl Harbor and Honolulu, but every harbor of advantage on the islands. The capture had been so thoroughly and rapidly carried out that supplies and stores of all kinds fell into the hands of the captors, so that by the time of the arrival of the converted troop ships and transports, everything was in readiness. Indeed, trained troops, police and civil officials were already on hand and a provisional Asiatic Government was established within sixty hours after the storming of the fortifications.

The First Naval Battle.

The Admiral's flagship the cruiser Michigan, the cruisers Tennessee and Colorado, and the battle-ship Vermont, of the Pacific fleet, had been ordered to hasten to Honolulu to overhaul, take on coal and stores, and proceed to Manila. They were intercepted on March 26th, with bunkers nearly empty, and fought a running fight against far superior numbers. The foremost of the Asiatic cruisers was sunk and the others heavily damaged, one hardly reaching the Pearl Harbor drydock under forced draught. The Vermont and the Michigan were sunk, and the other vessels forced to surrender to three times their efficiency of higher speed—the Tennessee sunk, however, within thirty minutes after striking her colors. The enemy attempted to use torpedo destroyers as torpedo-boats, but they were torn to pieces by the rapid and accurate fire of the American guns. The efficiency of the new hospital service steamers of Japan was a merciful marvel. They flew in amongst the fighting ships like darts. The small boats attached to each were of lifeboat pattern, and motor driven, with a type of engine using compressed oxygen and oil—an improvement on the old Deisel motor.

In addition to the Red Cross flag each was painted white, with the red cross on each side near the bow and again near the stern.

American steamers en route to Asiatic and Australian ports were nearly all captured by scout cruisers and torpedo destroyers, and were sent as prizes to Chinese ports, none being sent to Japan. Several sailing vessels flying the American flag, were overhauled, but were allowed to proceed either way, not being considered worth a prize crew. Foreign ships loaded with coal, destined for American ports, were sent to Pearl Harbor and detained or the coal paid for.

Similar results followed at Manila to those at Pearl Harbor, where there were only the old battle-ship Iowa, two antiquated cruisers and the same number of old

monitors. There was a new and astounding use made of torpedo-boats in this attack. The wealthy Japanese, after the war with Russia, took to steam yachting. Their boats were of their own peculiar pattern and were designed for racing and the sport was indulged in on all occasions. The cylindrical traps for carrying live fish, of which the Japanese are very fond, only needed a pair of doors to convert them into torpedo tubes; and the ventilating and refrigerating machinery on board were air compressors. A few connections converted these yachts into torpedo-boats. These entered the harbor and were repulsed—but the explosion of a light torpedo against the hulls of the American ships inevitably followed. These light torpedoes were very effective and were evidently fired from submarines of some sort, the converted torpedo destroyers having been sacrificed in the ruse. Corregidor Island was seized, ten heavy rifles on disappearing carriages were mounted in pits, which, with quite a complement of heavy rapid fire field guns behind temporary fortifications made this little island a veritable Gibraltar in less than a week.

The Asiatic fleet hovering outside the harbor then withdrew entirely and took up positions near the western entrance to the China Sea, with scout cruisers in pairs, 300 miles west of Singapore and 400 miles southwest of Batavia.

The garrisons on the Philippine Islands were gradually killed or captured by Chinese troops, officered, armed and equipped in a quick and thorough manner and appearing in overwhelming numbers wherever needed.

Fortifications at Guam, Pago Pago, and Kisga being lacking, or only in process of construction, the handful of troops at each point had to surrender. The surrender was immediately followed by one or two troop ships, with the necessary trained garrisons, with plans, tools, equipments, ordnance, munitions, etc., to put these harbors in a fair state of defence. Guam received particular attention. The new works raised there being of the most formidable and permanent types, with additional works in the rear, the heavy guns of which commanded the offings of the harbor, while the rapid fire guns commanded the line in front. A large new floating steel dock was towed into the harbor from Formosa and put in condition to be of service if needed.

The Blockade.

The powerful Asiatic fleet off the Hawaiian Islands on the 24th and the 25th of March was divided into three squadrons, which appeared off San Francisco, Puget Sound and San Diego almost simultaneously on April 2d. The battle-ships Connecticut and Kansas, and armored cruisers Colorado and South Dakota, in San Francisco, were confronted by treble their efficiency outside; and the battleship Louisiana and cruiser Washington, at Bremerton, were

confronted by three battle-ships and the necessary complement of auxiliary vessels. A light cruiser and supporting auxiliaries did duty off San Diego. The three squadrons being directed by wireless from Pearl Harbor, where the Commander-in-Chief of the allied Asiatic fleets had established his headquarters.

Thus, early in April, 1910, American commerce was swept from the Pacific Ocean, and San Francisco, Puget Sound and San Diego were as effectually blockaded as was Port Arthur in 1904-5. The reinforcing squadrons en route to the Pacific Ocean, one by Suez and the other by Cape Horn (the Panama canal being only about one-third finished), were necessarily recalled. For, had either squadron continued, it would have been met by an equivalent or a more powerful enemy, with nearby bases, whilst our vessels would have arrived with empty or nearly exhausted bunkers, foul bottoms and no supporting harbor or safe place of rendezvous. Upon recall of these reinforcements the Allied Asiatic fleet in the China Sea took up its station at Guam and made this harbor its headquarters.

The superb base at Pearl Harbor, with a temporary base at Catalina Island—where hospital, repair ships and colliers were assembled—made the squadrons of the Allied Asiatic fleet not only effective on blockade duty, but also effective as an offensive unit, should circumstances demand such action, for the Commander-in-Chief at Pearl Harbor directed all movements and was apprised by wireless of all important facts by the Admirals in command of squadrons. Whilst the commanding harbor at Guam, with Manila as a sub-base, gave an almost overwhelming advantage over a fleet approaching from the Indian Ocean, and commanded the very harbors this fleet was expected to assist in blockading.

There was no attempt whatever on the part of the squadrons of the Allied Asiatic fleet to attack or shell San Francisco, Bremerton and San Diego; they simply maintained a thorough blockade of each port, now and then capturing a belated sailing vessel or blockade runner, risky enough to attempt to escape.

The battle-ships and cruisers in San Francisco Bay and those at Bremerton were in fine shape, but there was no justification in sending them to attack the seven hostile ships on duty off San Francisco and those in Puget Sound—particularly as there was known to be a full complement of armored cruisers, torpedo destroyers and probably submarines in the blockading squadrons.

Doubts as to the presence of submarines were laid at rest in the early part of April, for on the 10th a suspicious floating object was fired on and probably sunk in the harbor by a marine battery on shore duty on Yerba Buena

Island, aided by the rapid fire guns of the cruiser Colorado, at anchor in the harbor.

After this occurrence the positions of the war vessels in the bay were changed every night after dark, and motor launches kept patrol around each vessel during the entire night. Searchlights were shifted to points on shore and the closest watch kept. Just a little before sunrise on the morning of April 17th, after a dark and rainy night, several muffled explosions were heard, and the city was startled by the news that every drydock in the Bay of San Francisco had been mysteriously blown up. Mare Island docks, the two at Hunters' Point, Union and Risdon Iron Works, and even the floating docks at Center Street, were all irreparably damaged, and the magnificent battle-ship Connecticut was sunk in the harbor, though the others escaped. A small fleet of submarines, especially equipped, had been towed nearly into Golden Gate during the previous night in a dense fog. Each had made its way during the night to its appointed duty and within an hour after daylight had done its work. Whether they escaped or not was never known. The violence of the explosion at Mare Island was terrific. Hardly one of the great shops and their costly equipment escaped serious damage. Doors and windows across the strait, in Vallejo, were blown in, but there was a remarkably small loss of life—workmen not having assembled for the day's work. A similar attempt at Bremerton two days later was completely foiled, but both approaches to the dock were fairly strewn with fixed mines, which would require several weeks' work, with special appliances, not then available, to remove. Thus the American navy was deprived of coaling and docking facilities in and around the entire Pacific Ocean, except at Bremerton, and here the dock was rendered dangerous of approach for months, and our commerce was so completely and swiftly swept from the Pacific Ocean that we had not a flag upon its vast waters.

Effect of Destruction of Ocean Traffic on Transcontinental Lines and Internal Affairs.

The obliteration of ocean traffic by the capture of the great steamer lines from San Francisco and Seattle, and the blockading of a magnificent new line from San Diego in that port, coupled with the cessation of the traffic done by nearly an equal number of Asiatic steamers, put a stop to the greater portion of transcontinental rail traffic.

The recently completed Western Pacific Railway had developed its terminals on both oceans, and was engaged in distributing materials for branch lines, and its low grades and superb equipment made it the successful bidder for the transportation both ways of Government supplies

and mail. Its old contracts for 1909-10 did not expire until July, 1910, when its new contracts for 1910-11 came into force. Hence this road maintained its old rates and made but slight reductions in its forces. The previous labor troubles were aggravated and intensified by the enforced necessity of laying off the greater portion of all railway employees and of reducing the wages of those remaining. This caused strikes on all lines. The presence of Japanese and Chinese was regarded as an opportunity for revenge, and as their countries were at war with ours, roughs assumed that it was a part of their patriotic duty, as sympathizers with the strikers, to attack these foreign laborers or residents within our borders at every point, or at least to make life unendurable for them; indeed, this seemed to be the sole measure of their patriotic duty to their country, and the surest and best manifestation of their sympathy with, or adherence to, the principles of the labor unions.

The Japanese track gangs on most of the roads were a source of treble danger: First, no one knew what they might be up to, particularly under the aggravations to which they were subjected; second, they were the objects of special animosity by the sympathizers of the strikers; third, it took a large portion of the National Guard to maintain order and guard railway and other property.

Finally, in the early part of April, 1910, upon the refusal of the National Guard to fire upon a gang of roughs who were attacking a small camp of Japanese laborers in Nevada, the Ninth Cavalry was sent to the scene. These troops had to fire upon an indiscriminate mixture of roughs and National Guardsmen, the former having rushed in and seized some of the guns of the guardsmen with which to attack the Japanese and the Ninth Cavalry. This apparently unavoidable trouble resulted in the killing and wounding of nearly 100, among whom were Captain O'Brien and Lieutenant Rafferty, and a score of non-commissioned officers and men of the National Guard, and Lieutenant Gordon and eleven non-commissioned officers and privates of the Ninth Cavalry. The ultimate outcome of this lamentable affair was appalling; the strikers refused to move a single car west of the Mississippi River, and they and their sympathizers commenced the most outrageous series of destructions ever imagined. Tunnel after tunnel, and some important bridges and minor structures were blown up. The great summit tunnel of the Southern Pacific, in the Sierra Nevada Mountains, was in course of construction; a carload of powder intended for this work was exploded in the old tunnel; another carload was exploded on the track at "Cape Horn" and the costly steel braced track and masonry at that point were tumbled into American River. The blowing up of the Needles bridge over the Colorado was done with such skill

ment was on its regular tour of assignment of duties at different posts, and was the most available body of reliable troops when the disorder broke out. The clamor was so great that it became necessary to order a court martial of the officers of the regiment. The finding of the court was highly creditable to them, it having been irrefutably proved that they and their command had been subjected to the severest and keenest trial of patriotism and duty which comes to a soldier, and had simply discharged their awful responsibilities. This finding was concurred in by a court consisting of army officers and of the National Guard of the States in which the troops were then stationed. The mass of the American people, and the better classes of our foreign born citizens, recognized the facts and accepted the justness of this verdict; but, the yellow press and its corrupting and inflammatory writers, smarting under the refusal of the court to allow its attorneys to assist the Judge Advocate and his associate from the National Guard of Pennsylvania, continued to distort the truth and misrepresent the facts. This action on their part encouraged and incited the ignorant rough element in their deeds of violence. The previous vicious course of yellow journalism, having culminated in bringing on the most disastrous war the country ever knew—a war practically taking the shape of a civil and foreign war combined—its writers actually continued to clog or destroy the effectiveness of our energies in war by pandering to and exciting the passions of the ignorant and vicious; this, however, tended to draw a clean and well defined line between the workingmen proper and the riotous and "sympathizing" element. The former began to see that their first allegiance was due to their country and its laws, from which duty they had been led away by the example of the trusts and monopolies. Both the capitalist and the laborer were thus paying tenfold for their past work, but the punishment fell, it is true, on the innocent more than the guilty.

The yellow press demanded with the most intemperate denunciations, the impeachment of the Secretary of the Navy, holding that competent official responsible for decades of failure by our people and Congress to recognize the importance of providing fortified stations in and around the Pacific Ocean, and for not making the Pacific fleet the most efficient in that ocean. It even attacked the entire Navy Department—that service which alone can insure us safety and success in a foreign war—for the United States is so situated that excepting internal foes, no foe can reach our borders without controlling the sea. The only justification for these tirades of the yellow press was the past failures of our people and Congress to recognize and act in harmony with the importance of efficient and well fortified military

stations in and around the Pacific Ocean and commeasurable with our naval and commercial needs. These journals, with the milk-and-water-sop dished out to us in the past, and until now by the so-called universal peace advocates, had been our worst foes. It is, however, not our task to moralize over the causes of this disastrous war, but to briefly recall the principal events and results.

Effect of Asiatic Mastery of the Pacific Ocean on Our Country.

Conditions in the Eastern States were sad, but the putting forth of hundreds of millions of dollars by the Government for naval and military purposes, and the working of eight-hour shifts in every dock yard or factory producing naval and military supplies, partly ameliorated their conditions. Japan and China ceased, of course, to take our great staple, cotton; but European industries were revived, and bought freely at high prices. Atlantic ports were open and commercial interchange practically undisturbed, except that the paralyzing effects of war decreased the productive capacities of the whole country. The absolute and entire wiping out of American trade and commerce on the Pacific Ocean just as it was assuming enormous proportions, and entering into competition with powerful Asiatic rivals in its development, was a blow inflicted in a few weeks, and requiring centuries to recover. This blow fell on the Pacific States with the greatest severity. These being the theater of internal disorder, isolated the energies, patriotism and power of the States east of the Rocky Mountains, by lawlessness almost reaching rebellion and civil war. Between the line of contact with the enemy and the great energies of the nation, was this embroiled and bitter industrial and racial conflict—paralyzing every effort and humiliating every heart.

These conditions imposed such a terrible hardship on the Government that, coupled with the complete mastery of the Pacific Ocean by the enemy, made a successful prosecution of the war impossible and hopeless. Even if the keys of the Pacific Ocean, **Guam** and the **Hawaiian Islands** only, were in the hands of the enemy, an attack upon his commerce and the blockading of his ports would be well nigh impossible. But, with these keys and all else—Manila, Pago Pago, and Kisga, a temporary base well established on Catalina Island, and his powerful blockading squadrons off our western ports, and operated as a unit from the single station at Pearl Harbor, its splendid dock and its facilities in his possession—a continuation of the war was indeed hopelessly impossible.

The dire strait in which the country was, can best be appreciated by a glance at the accompanying map, show-

ing the three great oceans as units, and our masterly position between them. It is seen at once that Guam is midway on a nearly direct line from Yokohama to Torres Strait, in Northeast Australia; and from its splendid harbor, well fortified, an efficient navy can control on radial lines every entrance to, and every harbor on the southwest half of the Pacific Ocean. Also, that Pearl Harbor, on the Hawaiian Islands, commands on correspondingly radial lines, all Pacific Coast harbors on the east side of that ocean, from Alaska to Acapulco. Two more masterly positions from the standpoint of commercial and naval control, do not exist on the globe. Add to these the sub-stations Pago Pago, Manila and Kisga, and the chain, properly fortified, is impregnable. With the three great continental harbors, San Francisco, Puget Sound and San Diego—these absolutely dominate the Pacific Ocean. These points of control had been secured for us by the clear foresight of those directing our military affairs—but through the supine indifference of our people and Congress, they had been permitted to remain unfortified and unprotected, consequently all, except the three continental harbors had been seized by an alert and far seeing foe, and these continental harbors were, by this stroke, rendered almost as useless as waste sand bars.

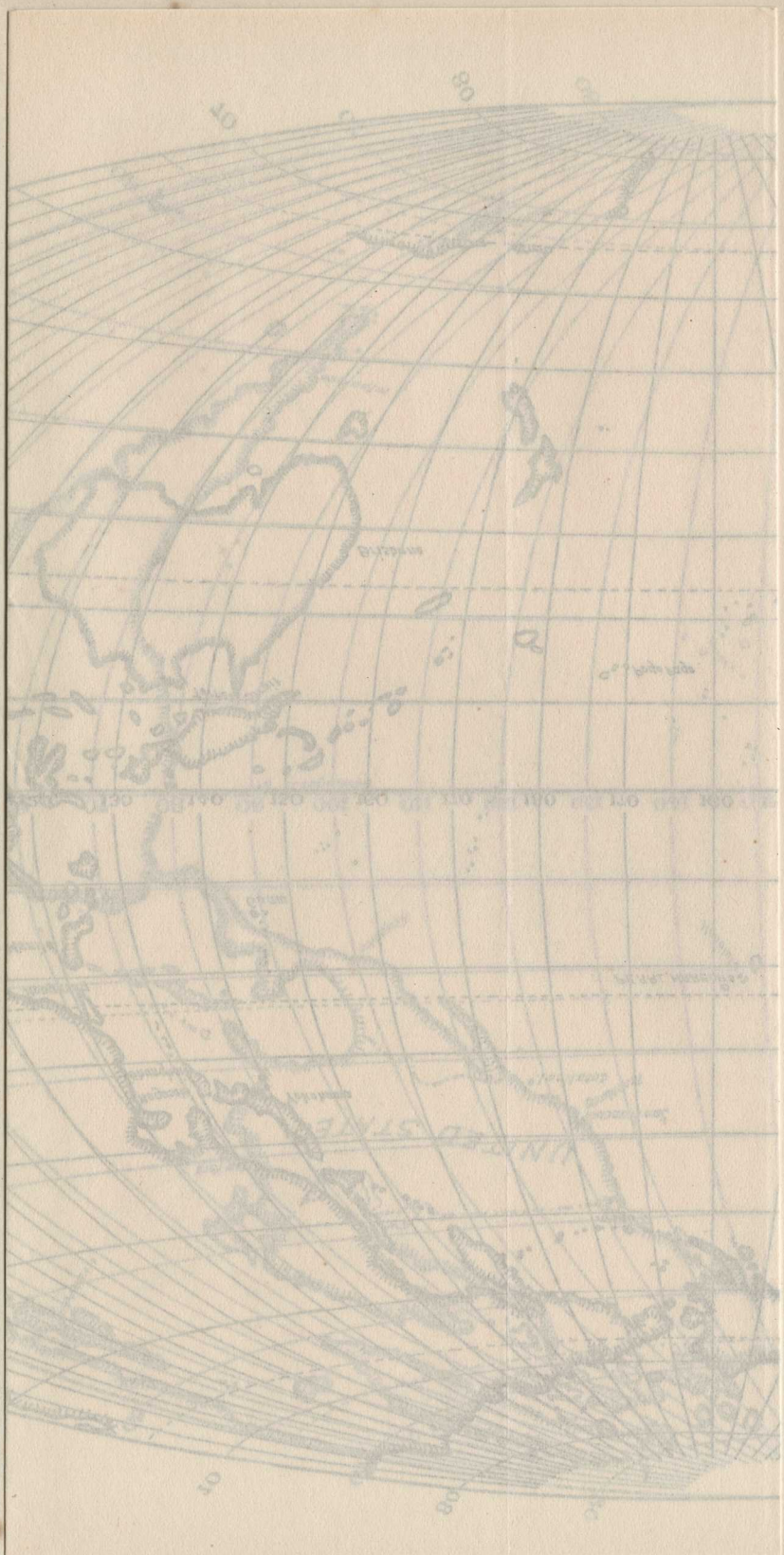
Let us now look at the relations of these three harbors to the empire to the east of them. Each is approached by great lines of transportation traversing a continent, and linking them to its millions and the commerce of the Atlantic. These lines were almost completely paralyzed by internal disorders. Could a more humiliating condition be imagined for the greatest of Anglo-Saxon peoples!

The Losses.

The losses in lives had been comparatively slight, excepting the sharp and bloody conflicts of small isolated garrisons and the naval conflicts in and around Honolulu and Manila, no serious conflicts were had. The crews of the vessels previously mentioned had been killed or captured, and these latter were being cared for with even greater medical skill and humanity than the crews of the Russian fleets in 1904-5. The loss of life in the sinking of the Connecticut was small by reason of the splendid discipline on board American war vessels, and the ready assistance available.*

The killed in the race riots, lawlessness and internal outbreaks accompanying strikes were nearly double the losses in naval and military conflicts, and ten times the number

*The vessel itself has been raised and will be repaired as soon as the repair of the docks can be completed.—Eds.



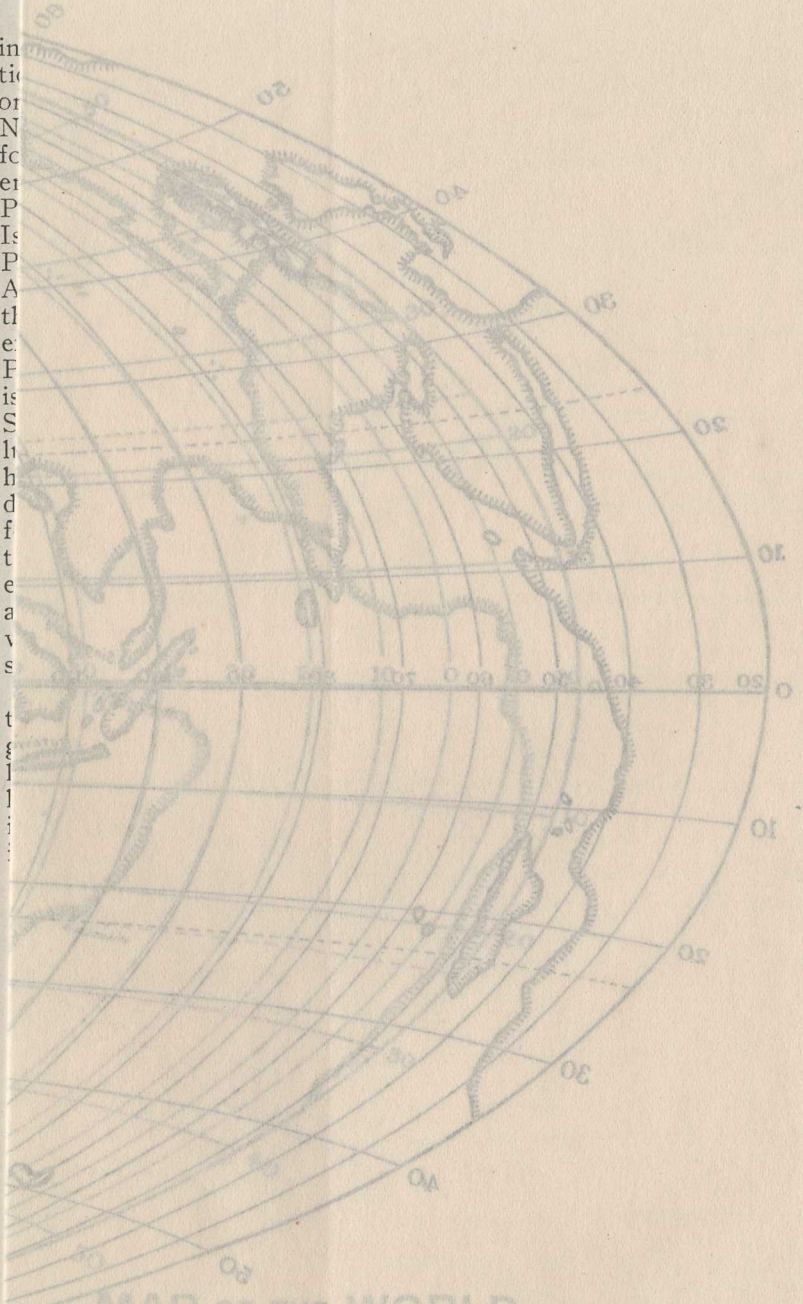
MAP OF THE WORLD

SHOWING

The three Great Oceans as Units

AND OUR

Unfortified Military Stations



MAP OF THE WORLD

SHOWING

The three Great Oceans as Units

AND OUR

Unfortified Military Stations

of troops were engaged in preventing further outrages and conflicts and in guarding railway and telegraph lines than were needed to man the entire navy.

The real damage and loss to the country after that inflicted by these causes, was in the entire and irreparable loss of the opportunity—not to control, but even to compete for the control—of the commerce of the Pacific Ocean, with Asiatic rivals.

Negotiations for Peace and Its Price.

Europe stood amazed and almost aghast at the condition of the once powerful and rich United States. Germany was apparently contemplating some stroke, for her entire fleet was concentrated at a few points. It is not known what was contemplated, but the concentration of the British home squadron off Dundee and Hull, and the recall of the most powerful vessels of the great Mediterranean fleet to Portsmouth seemed to have restored confidence and allayed any alarm.

Our own people were simply dumb with humiliation. The overwhelming blackness of the situation confronting them for a time paralyzed their powers of thought. But their Executive went at the dark task before him on the best and most feasible lines. An armistice was asked for. To which our Asiatic conquerors replied that no conflict was going on and none possible, except upon our advance and choice. The terms of peace and the withdrawal of their blockading fleet from our ports were then solicited. These terms were moderate, but extremely galling. Briefly stated the terms were as follows:

ARTICLE I.

Provided for The cession to the Allied Asiatic Powers of Guam, the Hawaiian and Philippine Islands, Kisga,, Pago Pago, Catalina Island, and the Farallone Islands (light house privileges on these latter to be retained by the United States in time of peace).

ARTICLE II.

Provided for The payment by the United States of an indemnity of $750,000,000.00. With part of which the United States was permitted to reimburse the owners of the steamers captured during the war, and the owners of Catalina Island.

ARTICLE III.

Provided That a part of this indemnity should be paid to the relatives of each Asiatic subject killed, or to such subject in the case of injury; to person or property which had been incurred by rioting during the war and the year immediately preceding.

ARTICLE IV.

Provided That the Constitution and Laws of the United States should be so amended so as to extend to all aliens equal rights of citizenship.

ARTICLE V.

Provided That the minutiae of these terms and the financial details should be adjusted and fixed by an Imperial High Court composed of Chinese and Japanese jurists, sitting in the hotel on Catalina Island.

The effect of the announcement of these terms can only be likened to the outburst of Mt. Pelee.

The provisions of Article IV set the whole country ablaze—that Asiatic powers should dictate the terms upon which the right of citizenship should rest was too unbearable to consider for an instant. Indignation on the Pacific Coast knew no bounds—the terms were simply heinous—and the entire daily press went into hysterics of denunciation and threatened the most dire consequences unless Article IV be immediately withdrawn. But the chain of floating steel fortresses around our great gates of commerce remained the same and each of its relentless links responded in a single minute to the directing genius of one man, situated 2000 miles away, at Pearl Harbor. Not a single noncombatant within our vast borders had seen the armed legions of our foes, nor his emblazoned sun and dragon flags—yet the most secluded hamlet felt the crush and humiliation of his steel squadrons. No eyes, save those of the thousands of tireless watchers at the guns on the heights saw those black dots on the sea which forbade our flag to fly to its breezes, and our commerce to seek its marts.

The situation was so intensely critical that those legislatures not already in session were immediately called together. Denunciatory resolutions of the most extreme and lurid wordings were introduced in all of them except Massachusetts, South Carolina, Virginia, Texas and Minnesota.

The country seemed to be in the control of the unbridled demons of black despair.

Out of this despairing wail came a few calm words. It was pointed out that all of the islands mentioned in Article I were already in the possession of the enemy, and that an increase in the indemnity might induce him to relinquish Catalina Island and the Farallones, which should never be surrendered.

Article II was favorably commented on by European journals and it was pointed out that the capitalization of the ocean transportation companies whose property had been swept out of existence, and of the hotel company owning Catalina Island, were nearly half the total indemnity.

Article V was harmless except for the indignity of the place selected for the meeting of the Imperial High Court and the outrageous and humiliating terms of Article IV.

These outbursts and manifestations of hatred had no effect whatever on the grim girdle of steel fortresses holding our western sea front, and the very horror of the situation seemed to awe even the rioters into humiliation, so that the guarding of Chinese and Japanese laborers became a less difficult task; and men, real men, stepped forward from the mighty ranks of labor, and, with patriotism blazing in every feature, volunteered by hundreds of thousands to undertake any class of service our country might need, to act as their own guards and to protect life and property.

There was nothing else to do but to accept the profered terms, this nation could not wait in its crippled condition until an adequate fleet could be built in Eastern yards and sent around the Horn, or through Suez to restore our power. What could the allied powers of Asia do in the same time? What would be the nature and strength of a fleet which could steam from Atlantic ports to the eastern ports of Asia and without fortified harbors and coaling stations carry on a war? Could we ask our only friend to help us and risk an attack from European rivals? All these questions, and more, were asked and unanswered save by sighting off our fair shores the flags of a hostile fleet beyond our power to harm, yet infinite in his power to harm us; and these conditions had been brought about by our own disregard of our own laws and opportunities.

The terms were yet before us. The Imperial High Court met for the adjudication of details. It was largely composed of jurists educated in American or European universities, qualified in every way to consider and discuss the questions in the English language. All its assistants, clerks and even stenographers were similarly qualified, and were so organized that any detail was instantly produced or executed as required.

Brevity and businesslike methods characterized the

whole proceedings. Each article was taken up seriatim and its exact scope and meaning fixed. The United States practically appeared through its Commissioners as an uncontested plaintiff, and stated its case, which the Imperial High Court took into consideration and promptly brought in its findings. It, however, graciously and with extreme oriental courtesy, permitted the plaintiff to restate his case and reconsidered its previous findings, generally with slight or no modification.

Article I was modified, omitting the surrender of Catalina Island and the Farallones, and adding $10,000,000.00 to the indemnity.*

Twenty millions of dollars were deducted from the indemnity, as being the sum paid by the United States to Spain for the Philippine Islands. This was an auspicious beginning, although all points were to be held by the Asiatic Allies until the final payment of the sums ultimately fixed by the Imperial High Court and the ratification of the terms of the treaty by Congress.

In the consideration of Article II the American Commissioners presented sworn statements of the capitalization of each of the steamer lines, and asked that the United States be permitted to pay this sum, amounting to $391,870,000.00, to the steamer companies.

The Imperial High Court took the matter into consideration and fixed the sum at $42,728,490.00, that being the exact value sworn to by the honorable officers of the honorable steamer companies at the assessment just preceding the breaking out of hostilities and appearing upon the assessment records of their home ports, plus $924,782.00, as the assessed values of the private works destroyed in the harbor of San Francisco by reason of the exigencies of war. Damages for this latter property not having been asked for, suits being in preparation against the United States for a far larger sum. The figures having been obtained and verified by law students from Asia attending the universities in America and verifiable by them as they were now present in the employ of the Imperial High Court. The Imperial High Court heard the American Commissioners, but politely declined to change its evidently just findings. It admitted that these vessels and works could not be built and restored, even in Japan or China, for the sums found by it, but that it could not reject official records of the honorable States of California, Washington and Oregon.

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*This, as was afterwards learned, was spent in a lease for 99 years from Equador of the Galapagos Islands, with the privilege of renewal at the same price for the same terms. These islands command the Isthmian canal and adjacent ports.

Article III was then taken up for adjustment and the American Commissioners suggested $5000 for each Japanese or Chinese killed during the riots, and $1000 for each one injured or maimed, with as accurate lists as could be obtained of these unfortunates and their losses. The sum to be paid them aggregated on this basis $985,000.00.

In fixing the amounts to be paid to the relatives of the killed and to the maimed Japanese and Chinese the High Court had in its possession the exact names, dates and places of every Asiatic covered by the terms of the article under consideration, his death, injury or loss, and fixed the price at the mean amounts determined by the juries of the several States in cases of awards for damages or for loss of life or serious injury. The Imperial High Court expressed its surprise that the awards in the latter cases generally exceeded those for actual loss of life—but verified its conclusions in each case by citations from the Court Reports of the several States in which the outrages had taken place. This data also had been collected by Asiatic law students at various American universities and was verifiable by clerks then present, if so desired.

The sum fixed by the Imperial High Court for this particular and on this revised basis, amounted to $18,496,754.00. One of the Chinese members of the High Court made some reference during this presentation to the Fifteenth and Sixteenth verses of the Twentieth Chapter of Exodus, but the exact relation of the reference to the case could not be ascertained until the American Commissioners got back to Los Angeles and examined the reference.

When the American Commissioners came to present Article IV they grew livid and demanded that it be expunged from the treaty. The Imperial High Court announced that this exceeded their powers and that it must be enforced, as the Allied Asiatic powers had at least established their equality with the nations of Europe and America, and were determined to insist upon the full recognition of this. The Imperial High Court, however, consented to the transmission of its views to the Capitol at Washington, and to await further instructions to the American Commissioners.

These communications were passed in duplicate by separate sets of officials, one by wire and one by wireless, to the Secretary of State at Washington. Both the American Commissioners and the Imperial High Court were astounded at receiving imperative instructions from the Secretary of State to accept the terms of Article IV without reserve.

To the anathemas of denunciation launched at him by the press and Legislatures the Secretary of State coldly called attention to the fact that under the terms of Article

II, Section 2, of the Constitution of the United States, Congress had the power to make war or to declare peace, and that this important function of the Government had not been delegated to the Legislatures of the several States, nor even to the press. He intimated that he hoped to make some suggestions to the former for their consideration in the near future.

It is difficult, even at this time, to realize the intensity and fierceness of the denunciations directed at the Secretary of State for his action in this matter. Resolutions demanding that he be impeached and hung for high treason were passed by many States and forwarded to Congress; and his life was attempted twice. Only with the greatest effort could the police and troops protect him, and a member of the police was even suspected of having made one of the attempts on his life.

When final action was had on the treaty this fact was transmitted in duplicate by wireless and wire, as heretofore mentioned, and the Secretary of State, through the President, transmitted the terms to Congress and recommended their acceptance to that body.

On the same date he transmitted a separate recommendation through the President to Congress, and asked that it be considered in joint executive session with the President and Cabinet present.

During this session troops were to guard the entire Capitol grounds and no one was to enter or leave; the United States printing office was to be guarded by double lines of secret police and troops.

Congress sat but for a short time, and on July 3d accepted the terms and ratified the peace, ratifications being exchanged by duplicate dispatches as before. It then went again into executive session and sat continuously through July 4th, 5th and 6th.

The gloom of that Fourth of July is a memory graven deep in the hearts of American patriots. Flags were half-masted. Governors proclaimed it a day of fasting and prayer. Ministers took for their texts passages from the Lamentations of Jeremiah, and preached to congregations with set jaws and bowed heads.

By the 6th of July the final and ceremonial exchange of copies of the treaty of peace were made, and the American Commissioners left Catalina Island. Then the grim silence of Washington burst forth, Congress had, in accordance with the recommendation of the Secretary of State, and without a dissenting vote* amended the Constitution of the United States, **absolutely prohibiting foreign immigra-**

*Although there were many foreign born Senators and Representatives present.

tion from all countries for ten (10) years; and FOREVER DENYING TO ANY PERSON THE RIGHT OF FRANCHISE UNLESS BORN AND EDUCATED ON AMERICAN SOIL AND BENEATH THE FLAG.

Drafts of amendments to the Constitution and Laws of every State in the Union in harmony with this action had been prepared and printed and were transmitted to the respective Legislatures by telegraph and mail, with the unanimous recommendation of Congress that they be adopted as soon as the requirements of their several constitutions permitted.

The blaze of patriotic glory that burst forth and shone from mountain top to prairie, to mountain top and ocean, brought a delirium of joy to every heart. The purification of the ballot box was assured. Never again would the foul hand of the ignorant or purchased voter touch that sacred signet of the right of franchise of the American citizen—the ballot. The people, scourged and purified by the suffering, grief and humiliation of defeat, were ready to make it, what the forefathers made it—the hallowed exponent of the right to participate in the affairs of the nation.

The War's Lesson.

To rehabilitate the country was an immense task. The first and greatest problem was the transportation problem. The transfer of the products of the farm to the consumer, of those of the mine and field to the factory or mill, and then to the homes of the people. It has been mentioned that in the early part of the war the Western Pacific Railroad was seized by the Government as a war measure, and that the Secretary of War had been required to put the actual cost of the road and its equipment in United States 4½% gold bonds, $250,000,000.00, in the hands of the directors. That, becoming alarmed as to the safety of the road and its equipment, they had formally notified the Secretary of their acceptance of the bonds, thus making the Government the absolute owner of the most recently built and best equipped transcontinental line, with splendid terminals and branch lines. The other transcontinental roads practically forced the late directors of the Western Pacific to ask the United States Supreme Court to issue a mandamus compelling the Government to accept the return of the bonds, and restore the road to their ownership and control. The Court heard the arguments and pronounced the transaction legal and the sale just and valid.

This sale carried with it the existing and unexpired contracts and the then recently awarded contracts for the ensuing fiscal year. Among these were the contracts for carrying the bulk of the great interurban and transconti-

nental mails and for Government troops, supplies and materials of all sorts. The Government officials therefore found themselves executing contracts for the Government at enormously profitable rates. They learned that in the collection and distribution of mail there was carried out the most expensive and yet profitable part of the mail service, and that these vast profits were swallowed up in the contracts for doing the most inexpensive part of the service; or, that in carrying out both of these parts of the service, as provided in Article I, Section 8, of the Constitution of the United States, there was sufficient profit to build a battle-ship or two every year. This article authorized Congress to build and maintain postoffices and post roads; we had been performing the hard and costly part of this at a profit and farming out the real money making part at ruinous profits to the bond-aided and other railroads. They also found out the exact cost of hauling freight long and short distances, and deducted this cost from the "contract prices" under which they were hauling it, left an astounding profit. When these facts were reported to Congress that body passed a very simple law, requiring the Government road to transport all classes of freight at the same price, which price would pay the four and one-half per cent interest on the bonds paid for the road, the cost of service including maintenance and 3½% for depreciation, and to retire the bonds in forty years. Shippers were privileged to insure freight at its value at very reasonable, but profitable rates to the Government. In the case of loss or damage to uninsured freight the amount of such loss was fixed by a court of competent jurisdiction and paid. This simple and equitable law did away with costly and intricate "classifications" of freight, which were recognized as only methods to secure rebates or extort higher rates. It was actually found out that it cost no more to transport a ton of gold than a ton of pig iron, a box of oranges than a box of potatoes; and, the simple expedient of insuring the goods at their actual value, as is done in many marine transportation companies, made the shipper safe for high class freight. Without going into details, this simply and quickly forced all transportation rates down to this equitable basis. A large percentage of the roads went into "liquidation," but this process seemed to affect the "water" in the stocks and bonds, without impairing the roads, their equipment nor their ability to carry freight and passengers.

Of course there were enormous losses due to the "shrinkage" in values of stocks and bonds, but no actual property was lost. Only certain people who thought that strips of paper representing an "indebtedness that had never been incurred" were wealth, found out the true value of the paper, namely, the value of the actual property which the

actual money economically invested in the road or enterprise had produced, plus the reasonable value of the service this form of stored wealth rendered to the community. This shrinkage ranged from two-thirds to five-sixths or even more, of the so-called "face" or par value of the stocks and bonds, as a shrewd Japanese professor remarked, "they had saved a fraction of their face."

There had been a fictitious value added to these stocks and bonds so long as they stood as "evidence of an indebtedness which had never been incurred," and the country permitted charges to be made sufficiently high to maintain this fictitious value. But this transaction no more produced actual wealth than recoining money and stamping treble its value on its face would create new gold; in other words, the mere transformation of the form of wealth created no new wealth.

This difference, between the actual value of the wealth used in the construction and equipment of a railroad, and the service it rendered the country, and the total face and par value of its stocks and bonds, was "the water," which went into "liquidation," and was effectually "squeezed out" by the ownership and operation, on just and equitable principles, of a single line of transcontinental road!

This effectively put a stop to discrimination and rebates. There could be no monopoly of crude nor of manufactured products. Monopoly simply "died of inanition." The enormous, real and permanent stimulus to the productiveness of every industry, and the equitable distribution of profits among the real producers, can hardly be estimated or appreciated. When a man raises oranges in Porterville, Cal., and ships them to New York or Chicago at equitable rates, and actually receives the bulk of the profit between the sale price of the oranges and the cost of raising and packing them, he simply grows wealthy; he cannot be stopped except by sheer laziness or worthlessness on his own part. It is the same with all other products; the most notable instance is the cotton crop. This crop has been found to be so peculiarly suited to the delicate balance of soil conditions, temperature and moisture found in the South Atlantic and Gulf States, that no other part of the world can compete in its production. The home mills can now consume over two-thirds the annual crop and the surplus is contracted for by British factories at fair figures for the coming fifteen years, or until 1929.*

When the actual profits upon the well directed energies of 100 millions of intelligent people ceased to be swallowed up in interest and dividends upon fictitious values, and began to be equitably distributed among those engaged

*This is causing at the present time terrible poverty and suffering in Japan and China.—Eds.

in the various processes of production and transfer, recuperation from the terrible results of the war was rapid.

The most distressing of the many distressing results were and are yet in the great city of New York.

Deprived of the principal sources of income, namely, illegal profits by trading in and cornering these "evidences of indebtedness which had never been incurred," and without sufficient occupation for the great army of clerks, stenographers and other employees of bankers, brokers, etc., her condition was for some time pitiful. But the transfer of these unfortunates to the towns growing up in the great irrigated regions relieved this. Nevertheless, the distress in part continues, for rents and values have continued to shrink, as the population has fallen off nearly three-quarters of a million, and is still decreasing.

Similar conditions prevail in other minor "financial centers," but these, too, are in process of alleviation by the great and new developments in agriculture, which has become so attractive and profitable a science that the most ambitious and energetic people follow it.

Still, in the review of results, it is manifest to the philosopher and the economist, that the price of this war has not been too great. We have lost, it is true, all control of the commerce of the Pacific Ocean, and may never regain it, but we have gained control of that of our own country. We have learned that **there shall be no monopoly in transportation** is the prime, essential law of prosperity.

There is another class who now see this war and its cost and lessons in a truer, better light. This class is the great army of men and women who from childhood learned to sing the words and music of the patriotic songs of our country without learning the meaning. They had learned the words and tunes in the schools of their country, but had not learned the meaning in their homes. In a general way they loved these songs—but they had not learned to feel and love the patriotism that swelled and burst forth from the hearts that wrote them. But this war and its trials and humiliation has burned this true meaning, this true love, into their very souls; and now, when with bursting hearts and tearful eyes they teach them to their children in the home, the true meaning is learned, to be passed on to their children's children.

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