Considering the Chinese Eastern Railway

Ronald Suleski, PhD,

Director of the Rosenberg Institute for East Asian Studies at Suffolk University, Boston

Introduction

“On the Front Line in the Far East: The Chinese Eastern Railway and Russo-Chinese-Japanese Relations, 1905-1935,” was the title of a conference held at George Washington University in Washington, DC on 25 January 2013. It was held at the Elliott School for International Studies. The seminar was organized by Dr. Masafumi Asada from Hokkaido University, a Visiting Scholar at the Institute for European, Russian and Eurasian Studies, one of the sponsors. The other major sponsor was the Slavic Research Center at Hokkaido University. The Sigur Center for Asian Studies at GWU also endorsed the conference as a co-sponsor.

Fifty-one people registered for the conference. Among those joining the audience were Dr. Edward McCord, Director of the Sigur Center, and Liliane Willens whose book *Stateless in Shanghai* (Hong Kong: Earnshaw Books, 2010) describes her life growing up in China from 1927 until she was able to leave in 1951. Dr. Takako Ueda, currently a Fulbright Scholar at Stanford, was invited to talk about a recent book in which she has an article. The book written in Japanese is titled *Russia in Manchuria* (満洲の中のロシア, Seibunsha, 2012). Dr. Daqing Yang, Associate Professor of History at GWU was the panel moderator. I served as the commentator. Three papers were presented. Although they were in draft form and still subject to revision by their authors, all of the papers were accomplished pieces of scholarship and were in fact nearly ready for publication.

Commentator's Remarks

The two major players discussed in the papers considered at the seminar were China and Russia, two huge national and cultural entities. Both had a strong sense of their rich heritage, their distinctive histories, and the investments they had made to the regions under their control. They both had an underlying confidence in the worth of their contributions to mankind.

Unfortunately, during the period covered by these studies, roughly from 1890 to the 1930s, they were each undergoing major transitions, when the powerful empires that once defined them on the world stage were unraveling. China and Russia still held in their collective minds visions of the power and prestige from the days of empire, but they were being forced to redefine themselves on the world stage as nation-states, a concept that did not bring them a sense of comfort. When they met and interacted in this period, as they did repeatedly and intimately, they were unable to appreciate how similar were the forces playing upon both of them.

China's long-established and once formidable Qing dynasty crumbled, to be replaced in 1912 by a series of political and military operatives acting under the name of the Republic of China, which each leader defined in a slightly different way. In Russia, the opulence and intrusive might of the czars fell to the ideologues of the Bolshevik revolution in 1917, whose first task was to crush the lingering influence of Romanov Russia. Each people faced the imperative of unknowable change, yet in the Far East, to use Russia's terminology , or the vast lands of Manchuria, to use the term common among many Chinese at the time, they joined in a protracted struggle with one another.

Manchuria, the term all sides came to use for the first half of the twentieth century, was a frontier region. It was far from the Chinese seat of political power in Beijing and also far from the Russian capital of St. Petersburg (until 1918) or Moscow (after 1918). In a frontier area, adaptation to immediate challenges and innovation in how to overcome obstacles is the order of the day. This gave an expanded degree of leeway to the Russian and Chinese officials who interacted in Manchuria, and allowed for experiments in problem solving that might not have been allowed had they been in their respective capitols. Of course being "on-sight" in a problem situation often calls for some immediate action, so we can find examples of political or military maneuvering that seemed necessary by the participants at the time, but was strategically unsound when seen in a larger context. This aspect of Russian-Chinese interactions is seen in the first two papers by Dr. Asada and Dr. Hsu.

Although they interacted in a frontier area, neither the Russian nor the Chinese officials were frontiersmen. They kept looking backward to their respective superiors in St. Petersburg/Moscow or Beijing, or in Manchuria to Fengtian City (奉天市), headquarters of the regional strongman Zhang Zuolin (張作霖 1875-1928). While on the frontier, not only did they feel they were carrying out grand, national strategic and economic policies, but they needed the support in terms of money or troops that could be provided by the leaders in their capitals. In that sense, being in a frontier area was not an opportunity for experimentation, most of them felt, but was simply the reality of where they were. The Chinese and Russian officials in Manchuria usually heeded the instructions of their superiors who were not present on the scene.

Given that Manchuria, because of its pivotal geographic location and its rich natural resources was an area of contestation, Chinese and Russians also had to contend with other piranha-like outside powers who were seeking advantages for themselves. Though they changed positions as their national influence rose or fell, those powers included principally Imperial Japan, England, the United States and Germany, each of whom was capable of wielding international political and military influence over events in Manchuria. Representatives of these and other Western powers came to be present in all of the largest cities in the region. This aspect is especially examined in the third paper by Dr. Chiasson.

Making a Vancouver in the Far East: The Business Strategy of the Chinese Eastern Railway, 1896-1913, by Masafumi Asada, George Washington University and Hokkaido University

Professor Asada's excellent paper gives us the clearest discussion to date about the formation of the early business strategy of the Chinese Eastern Railway (CER 中東鐵路) from 1896 to 1913. This was the dream in 1892, he tells us, of Russian Finance Minister Sergei Iul'evich Witte (1849-1915). Asada sets forth how, in creating the CER, Russian planners looked to the successful Canadian Pacific Railway (CPR) as a model for their own efforts to link the economies of Europe (Russia) and the Far East. It was the heyday of large railroad conglomerates, particularly in the expansive and open lands of North America. Those conglomerates bought land, laid tracks, opened stations, and brought together people and markets from one faraway coast to the other. When they reached the ocean, they built harbors, bought ships, and so extended their economic reach out into international markets. In the case of the Canadian Pacific, Vancouver on the west coast of North America became the port from which people and goods went from the tracks of the CPR to Japan, Hong Kong and India. The noisy and heavy engines needed coal, water, and regular maintenance, so employees of the CPR were stationed at points all along the tracks to keep the trains running. Russian planners decided to adopt the "best practices" of the Canadian Pacific and apply them to the Chinese Eastern Railway.

The CER was an extension of the Trans-Siberian Railway built in the 1890s from the Russian-Chinese border near Manzhouli (滿州里), through the newly created city of Harbin (哈爾濱), eastward to the city of Vladivostok on the Pacific Ocean, the eastern-most coast of the Russian Far East. A spur was built down through the heart of Manchuria to the ice free port of Lushun (旅順) at the southern tip of the Liaodong peninsula on the Yellow Sea. The nearby small port of Dalian (大連) grew by the 1930s (when it was under Japanese control) into the largest commercial trading port in Manchuria.

Even in its earliest years, Dalian captured much of the export trade from Manchuria to Russia. In writing based solidly on Russian-language sources, Professor Asada shows how the transaction value of fine and brick teas passing through Dalian in 1903 reached over 19.2 million rubles, which was the cost of construction of the port up to that time, estimated to have been about 18.6 million rubles, meaning the tea trade alone in 1903 "was sufficient to cover the cost of constructing the port and the city." In addition, a large volume of agricultural products flowed through the port.

Asada's paper clearly presents the rivalries, both internal among the Russians and internationally between the various foreign powers that bedeviled the CER from its earliest moments. For example, Finance Minister Witte's decision to set up a free-trade port at Dalian was opposed in 1898 by Fedor Fedorovich Martens (1845-1909), legal advisor to the Russian Foreign Ministry. At the same time, Britain made clear its support for having a free port system in China. (This idea of the free port or the "open door" became increasingly important among the British and Americans in the early 1900s, as Dr. Chiasson's paper below discusses.) Asada concludes this episode by writing, "In short, the free port of Dal'nii [Dalian] was born of the earnest desire of the Russian Empire for an ice-free commercial port and external pressure from Great Britain." This theme of repeated pressures from players both internal and external to the CER continued for the entire period of its existence, exacerbated by the dislocations taking place in Russia because of its political transitions. Since the CER was being constructed on Chinese territory with Russian military forces spread all along its tracks, it could not have been otherwise.

Conceptually the CER was a logically and strategically well-conceived enterprise that might have fortified Russia's military and commercial position as the strongest Western power in Northeast Asia. Japan came to reap the benefits of the CER, as Asada mentions, when it incorporated the entire Manchuria main-line rail network into its South Manchuria Railway (SMR 南滿洲鐵道) system in 1935. By that time Vladivostok was already a secondary port far below the position of Dalian in terms of volume of trade or commercial importance to the region. But

Asada suggests that had Finance Minister Witte favored Vladivostok from the beginning as the main port of the CER system, most likely with a clear emphasis on Vladivostok, Russia would have improved that city as a port to the point that it could have overcome competition to the CER from Dalian, even after Russia ceded territory in South Manchuria following the Russo-Japanese War. As it was, Vladivostok became less integral to the commercial flow of the CER, especially since the value of Chinese domestic trade and exports sent through Dalian or Harbin far outstripped the Russian-produced goods that otherwise Vladivostok was able to supply to the Russian economy.

The CER did try to spur trade through Vladivostok after it lost control of Dalian in 1906, but by that time Dalian had established itself as vital to the flow of goods and people from Manchuria to Russia in a way that Vladivostok was not able to do. In hindsight the cost to Japan for its successes in Manchuria and the SMR, by gaining control over Dalian in 1906 then in acquiring control of the CER in 1935 and integrating it into the SMR network, when seen as part of its entire war effort and its total defeat in 1945, was too great. Russia on the other hand, had it retained control over the Manchuria rail network, would have been able to enjoy commercial advantages much more in proportion to its investment, substantial though still limited, in the railroad and port system it had designed in Manchuria.

The CER demonstrated that the trinity system of railways, steamships and ports that the Russians learned from the Canadian Pacific was a winning combination in terms of generating economic activity. It became the model also used by the South Manchuria Railway under the Japanese, who were able to link Japan, Korea and Manchuria into one smoothly operating whole. The Canadian Pacific did not have to contend with the effects of building a colonial enterprise on foreign soil. It did not need a host of international treaties and agreements or to build islands of Canadian cities in foreign lands. That allowed for both the investment of the CPR and its return on investment to be more favorable than that of the CER. The Canadian Pacific was able to unify the nation of Canada, but the Chinese Eastern Railway never reached a point of playing that sort of positive role for the vast stretches of Russia. In fact it was instead a drain on the Imperial Russian treasury, a colonial strategy that had a number of goals, such as combining a strong Russian military presence in Manchuria with the hope of realizing profitable economic trade. But the international situation at the time was far too complex to allow for short-term stability. Even if the Russian government had not been bifurcated by the Bolshevik coup, given all the other variables in play among China, Japan and in Europe, it is sadly hard to envision how the CER might have experienced long-term success and stability.

The "Color" of Money: The Ruble, Competing Currencies, and Conceptions of Citizenship in Russian Manchuria, 1890s-1920, by Chia Yin Hsu, Portland State University

Professor Hsu's paper considers the confusing and fascinating world of the multiple currencies used in Manchuria from the 1800s through to the 1920s. She sets as the basis of her interpretive framework the ideas of German sociologist and early social-anthropologist Georg Simmel (1858-1918) about the role of currencies in the modern society of his time. He held that in the ideal metropolis of 1900, money would be an instrument of equivalence, i.e. it would represent a certain monetary value, but otherwise would have no intrinsic quality. In other words, it would not be 'colored' by the subjective values, or symbols, or economic practices of human beings. Hsu then goes on in her paper to show us how money, specifically the paper currencies circulating in Manchuria, were in fact very 'colored' by the people who used them.

She says that one aspect of Russian colonial rule in North Manchuria, actually common to all colonial regimes, was the establishment of policies that created a hierarchically differential status among the people who came under Russian rule. She examines this aspect of colonial rule by investigating the economic policies adopted by the Russian government, first under the Czar and later by the Bolsheviks, in terms of the Russian currencies they wanted to circulate in Manchuria. Her paper examines the early Russian efforts to have a Russian ruble note accepted by the people in Manchuria. Russian planners recognized that in the environment of all the competing currencies available in Manchuria's markets, it was vital to have the people of the region voluntarily accept the Russian ruble notes. So in the early days of introducing the ruble currency to Manchuria, Russian officials courted, or wooed the region's Chinese through setting equal values for both the Russian ruble and the Chinese silver dollar. Normally, colonial administrators did not try to woo their colonized subjects. Nor did they try to promote the local currencies.

Initially, however, for both economic and cultural reasons the Russians themselves rejected the use of ruble paper banknotes in Manchuria. They feared the notes would be devalued by the Chinese in Manchuria who valued the Mexican silver dollar coin, then widely circulated in all of China's largest commercial ports, as more valuable than the ruble. Thus a speculator could buy a large amount of ruble notes in Manchuria at a lower price, then take them to a Russian bank and demand full value. Russia adopted the gold standard in 1897 and issued gold ruble notes, while Chinese continued to use a silver standard. This change in the standard of value calculation was another problem to consider as the Russians thought about financing their large investments and operations surrounding the CER. As Hsu writes, Russian Foreign Minister "Witte believed that circulating a gold-based banknote in a country with a silver-based currency, such as China, 'would be an extremely risky experiment.' The gold-based ruble banknote would then presumably be even more susceptible to speculation than a silver ruble coin (an idea then being debated), as it would not have a bottom value set by its metal content." This was a view based on rational economic thinking.

In the late 1890s, the currencies circulating in Manchuria that had the most stable value and were the most widely accepted were large silver coins, collectively known as 'foreign big money' (*dayang* 大洋). (This term contrasted the large silver coins with the small and lighter copper coins in common use.) The large silver Mexican Dollar was the king of the metal currencies. It was minted by the Mexican government as a trade dollar for use in international transactions and was accepted in Singapore and the neighboring British colonies, as well as in the international ports in China and Korea. Second in popularity among the Chinese were the heavy silver dollar coins minted by various provincial treasuries in China since the 1880s, but their market value varied widely. A Japanese gold yen was also in use in the 1900s. The British were promoting an English silver trade dollar and worked hard to make it accepted in Manchurian markets. Among the Chinese at street-level, copper cash strung together with twine (*qian* 錢), and even silver ingots molded and stamped by local money changing shops (*yuanbao* 元寶), served to cover most typical purchases for local use.

In 1897 the Russians debated minting a special silver coin, similar in size and form to the Mexican dollar, with inscriptions in both Chinese and Russian. The coin would be for use in Russo-Chinese relations and, it was no doubt hoped, that if widely accepted for use in Manchuria it would stifle the attempts of the British to promote their English dollar and might even take the place of the Mexican dollar. But other voices in Russia did not like the concept of a "dollar" coin. They held that the Western character of a dollar coin would prevent the Chinese population in Manchuria from accepting it. Instead, they held that since the Chinese used the silver *liang*（兩）, in English called the *tael* with the rough equivalent of one *tael* equal to1.2 ounces of silver (mentioned again below), the new Russian coins should be issued in *tael* units. Advocates of the *tael* unit were taking into consideration, according to Simmel's thinking, ethnographic over monetary aspects: rather than emphasizing exchange rates and convertibility, they felt Chinese merchants would more readily accept a coin based on a monetary unit they instinctively understood. Other members of this same camp suggested also minting Russian copper coins to be used in place of the Chinese copper coins known as "cash" to cover transactions of smaller value.

In the end, the consensus in St. Petersburg was against the idea of creating, as the Russians said, "a currency alien to us." By the end of 1900, as Russian investment in the CER and its related infrastructure in Manchuria continued, the Russians were paying their bills to Chinese and Russian workers with Mexican silver dollars, traditional Chinese silver ingots (*yuanbao* calculated in *tael* units), and in Russian ruble paper banknotes. They even paid silver from the Russian treasury to the local government of Jilin province to mint a Jilin dollar coin in order to facilitate the conversion of Russian rubles into a local currency, from a paper note to a metal coin. In the process, of course, this introduced yet another currency into the mix of currencies used in Manchuria's economic life.

Professor Hsu does a masterful job of explaining the creation and interaction of each of the Russian currencies, and in the process explains how monetary issues, such as convertibility and exchange rates, as mentioned above, were combined in the Russian's considerations, with attempts to understand the cultural milieu in which the Chinese lived, with one Russian observer stating, for example, that Chinese clothing did not have pockets and so Chinese preferred copper coins strung together. (He seems not to have wondered if the Chinese had any way of carrying small items on their person.) At many stages of her explanation Hsu refers to aspects of Simmel's analytical categories, such as the idea of "currency citizenship," a concept that currency users could accept a certain currency and participate in transactions using it with full equality regardless of their other cultural or ethnographic or status differences. The same currency used by all and traded at equal value might unify them into a common currency citizenship.

In some respects, the use of convertible paper banknotes in Manchuria by the Russians was a forward-looking step, since from 1918 on the Chinese authorities preferred to use paper convertible notes for all larger transactions. They allowed copper cash to remain in use, since transactions in daily life could be covered most conveniently by small denomination currency, though even they began to print paper notes in dominations of *jiao* (角), with ten or twelve *jiao* to equal one Chinese banknote dollar. From the 1920s on in Manchuria Chinese local governments were issuing non-convertible paper notes. Non-convertible notes meant that one could not present a paper note at a bank and ask to receive that amount of silver in return. (Most paper banknotes in use today, including United States dollar notes, are not convertible into precious metal.) When local government treasuries were acknowledged to be full, the non-convertible banknotes were stable, but when it was assumed the governments had inadequate silver in bank reserves, then devaluation of the notes and inflation rapidly took hold.

Professor Hsu's intriguing paper goes on to describe in some detail the declining role of the Russian ruble in Manchuria following the Bolshevik revolution in Russia. In those years most people were unsure of the exact value of the old "Romanov" notes, so they were eagerly swept up by dealers in Manchuria, and were widely traded among speculators, leading to their steady devaluation as well as causing shortages of the notes in the marketplace. Some horded the currency rather than exchange it at lower rates. As the post-revolution civil war in Russia continued, different versions of Russian ruble notes appeared, each having a life and a value tied to its issuing agency, and then going out of circulation when its issuing government fell. The temporary Vladivostok Government existed from 1920 to 1922 and was taken over by White anti-Bolshevik elements. It issued its own ruble notes, but even anti-Bolshevik Russians would not accept the notes because it was generally assumed (correctly) that they were not backed with precious metal. It seems that people living in the multiple currency world of Manchuria in the 1920s carefully considered the perceived value of the currencies they needed in order to carry on daily life. Regardless of their political sympathies or national affiliation, they would accept and use any currency that would deliver good value to them. There was not a strong element of idealism or romantic nationalism about the money they used. The equality that identified both Russian and Chinese consumers in that environment was their equally realistic assessments of their need to survive.

Hsu's innovative use of Simmel's ideas, examined in light of a detailed exposition of the Russian ruble in the context of Manchuria's complicated currency markets, is very well done. Rather than see the multiple currencies of Manchuria in a negative light, she concludes by saying that Soviet and Chinese reformers were willing to live with the market complexity of many currencies in circulation, and instead of decrying the situation, they saw it offering the possibility of the free exchange and conversion between currencies. Simmel would have assumed they were moving away from the rationalization, standardization and homogenization of modern life. Hsu ends by observing that the possibly for consumers to accept or reject a particular currency, could be said to amount to a "monetary plebiscite," a gathering where citizens freely make their wishes known on a particular issue.

Two research questions were discussed at this session: First, concerning the *diao*(吊) unit mentioned in her paper. Were these actual notes, or were they rather "silver certificates" that could be used as in payment of larger bills? Were the *diao* units in wide use in China? Were they a replacement for the former *tael* unit, which was being abandoned for accounting purposes in China in the 1920s? Secondly, concerning the term *xiandayang* (現大洋), which Hsu probably correctly translates as "cash dollars." This term suddenly appeared in the mid-to-late 1920s in the old newspapers I was reading for my research, and I assumed they were a new type of paper banknote. Was it instead a term referring to the *dayang* coins, as opposed to paper banknotes? Professor Hsu gave information from her own research on these points.

"Certain Matters Define Themselves: The CER's future discussed at the Washington Conference, 1921-1922," by Blaine Chiasson, Wilfrid Laurier University

One of the questions discussed at the Washington Naval Conference in 1922 was the issue of ownership of the Russian-built Chinese Eastern Railway. To give an overview of the CER in the first half of the twentieth century: Czarist Russia built and opened the railway in 1902, lost its southern-most section to the Japanese after their defeat by Japan in 1905, fought with the local Chinese officials over control of the line and its important concession area in Harbin in the 1920s, then sold the railway to Japan in 1935 after Japan had forcefully occupied all of Manchuria. Dr. Chiasson's paper examines in detail the diplomatic discussions held at the Conference in an attempt to decide the CER's international status following the end of World War I.

The notable Washington Naval Conference was held in Washington, DC in 1922-1923. Nine of the major Powers that had been victors in World War I (the United States, Britain, France, Italy, Belgium, Netherlands, Portugal, China, Japan) met. The Great War had prompted the development of many new and highly lethal weapons of destruction. Among them, large battleships, submarines and aircraft carriers were the most effective for extending the theater of military operations, force projection, and so were most feared. The Conference aimed to limit the production of naval arms among the major Powers.

The Conference also worked to determine the status of territorial control over a number of the colonized regions in the Pacific. The Committee on Pacific and Far Eastern Affairs dealt with territorial issues and the deals they worked out among the delegates present resulted in the Nine Power Treaty of 1922, one of the major treaties signed at the at the Conference. Professor Chiasson's thoughtful paper reviews the discussions within the Committee on Pacific and Far Eastern Affairs as they debated the question of the CER, who owned it and who ought to run it.

Chiasson lays out how the legal identity of the CER was vague from its very inception. Based on a treaty of 1896 between Qing China and Czarist Russia, a French and Russian consortium was formed by the Russo-Asiatic Bank with capital from both countries. Only Chinese and Russian citizens could buy shares, but when the shares went on sale in St. Petersburg, Russia bought up the majority and became the principal stockholder. French citizens tended to buy railway bonds. China lent five million *kuping taels* (*kupingliang,* 庫平 meant "treasury standard," and the value of one *tael* was 1.2 ounces of silver), to the newly formed railway company and had the right to purchase the line at full price after 36 years. But the Russian government controlled the railway through its ministry of finance, built, settled and administered the concession areas alongside the tracks and even provided a railway guard composed of Russian soldiers. As Chiasson writes, "until 1917 Chinese participation (in running the CER) was minimal."

The Bolshevik revolution shocked the capitalist nations of the West, which in 1919 moved troops into Siberia to prevent the spread of Bolshevik influence into Manchuria and the Far East. An Inter-Allied Railway Commission was formed that included China (along with the United States, Britain, France and Japan). There was no Russian seat on the Commission since Russia did not have a recognized government at the time. China was a member of the Commission and was given the responsibility to administer and protect the CER between Manzhouli in the west to Nikolsk near Vladivostok in the east, and from Harbin to Changchun on the southern spur. In 1920 Russian consular privileges and consular courts were abolished by the Chinese and Russians in China were made subject to Chinese law. Chinese influence over the CER was also strengthened in 1920 when the Chinese government signed an agreement with the Russo-Asiatic Bank that made the CER a true Sino-Russian enterprise by allowing China to protect and provide security to the line, and to place Chinese members on the top administrative committees of the CER.

Professor Chiasson describes how this new agreement still left unclear questions such as who really owned the railway. The CER's corporate identity was tied to the Russo-Asiatic Bank, but other stakeholders were the French bondholders, the Russian government (whichever government eventually gained international recognition), and the Chinese government. Keep in mind the line was on Chinese territory, and was then being supervised by the Inter-Allied Railway Commission.

At the discussions of the future of the CER held in 1922 as part of the Washington Conference, enter V.K. Wellington Koo (Gu Weijun 顧維鈞, 1887-1985), at age 33 China's senior diplomat at Conference. During his lifetime Koo held numerous high positions in the Chinese government and with international bodies such as the League of Nations, the United Nations and the International Court of Justice at The Hague. A fluent speaker of English, a master debater and an ardent Chinese nationalist, he was a formidable presence wherever he appeared. He did the best he could, which was always impressive, but unfortunately he lived at a time when the sands of international diplomacy almost never allowed him a secure footing, and he was allied with the ineffective warlord governments in Beijing and then the Guomindang that eventually had to retreat from the mainland to Taiwan in the late 1940s.

Chiasson makes the point that at the Washington Conference Koo always emphasized the ideals of Chinese sovereignty, of self-determination and territorial integrity. "This strategy was not always popular, for it seemed as if he was often speaking in the abstract while negotiations demanded practical solutions." Moreover, probably the issue of removing Japan from Shandong was the focus of his concern more than the status of the CER. (Germany had occupied Jiaozhou Bay (膠州灣) on the Shandong coast near Qingdao in 1898, and the Japanese took control of the area from Germany in 1914 since they supported the allies in World War I. The area was returned to China at the conclusion of the Conference.）

Most members of the Committee wanted the CER to be put under temporary international control. They did not want to give control over it to China. The Chinese had failed, they felt, in the financing of the line, in improving its operations and in providing effective security. After discussion about forming a Nine Power trusteeship to control the CER, Koo unexpectedly added a new item for resolution: that all discussion had to include the easternmost branch of the railway from the Chinese border east to Vladivostok.（This section was known as the Ussuri portion of the line.) He held that the CER extended to Vladivostok, which was its lifeline, and so the entire line from Harbin to Vladivostok, even the portion on Russian territory, had to be included in any agreements reached. Much consternation arose among the Committee members to the proposal. Chiasson writes that the CER and its zone was "perhaps, in the minds of the delegates other than China, a newly created zone of international trade and modern transportation, perhaps tainted with Russian colonialism, but now with the possibility of being remade through international supervision, a shining example of what the open door might be. The Chinese shared much of this modernizing vision, except they saw the CER's foundation in Russian extraterritorial privilege and extra-legal colonialism. It would be impossible, in their view, to turn the CER over to international supervision."

Koo's introduction of this new demand resulted in the failure of the Committee to reach agreement on international supervision of the CER. Two years later China was able to sign an agreement with the Soviet Union acknowledging that the CER was a joint Sino-Russian enterprise. In their discussions, the committee in Washington had not been intending to include language about a special Chinese interest in the CER or to claim China as a co-owner, but Koo's maneuvering kept the Nine Powers at bay concerning the CER. It prevented them from forming a trusteeship and allowed China to continue its claims to joint ownership of the railway.

Given the weak position that China was in at the time, both on the international stage and internally because of its political chaos, Koo and the Chinese delegation at the Washington Conference probably extracted the maximum benefit for China that could have been expected of them. Chinese sentiments about their national sovereignty might have motived Koo and millions of students in China, but the country's chief political actors were unable to claim themselves as models of responsible governance able to uphold those principles. Britain might have been regrouping after the end of the World War I and so not strongly focused on Manchuria, but the United States was beginning to realize the possibilities of its growing power and the importance of Asia and the Pacific to its future. Japan was not about to take its eyes off of Manchuria. It was a time when the high-sounding ethical principles invoked by all parties had little chance of being the final determinants in the struggle for economic and strategic advantage.

Concluding Remarks

Dr. Chiasson's paper neatly ties together the major strands seen in all of the papers discussed at the session: international rivalry and competition, strategic military imperatives, the drive for economic benefits, and the differing cultural perceptions and values of all of the players whose hopes met at the tracks of the Chinese Eastern Railway.

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