

Shanghai 9th Septem^r. 1874.

Sir,

I have the honor to inform your Excellency that, as M^r. Giquel has been asked to go to Formosa, he for the present, will say no more than what follows:

"M^r. Giquel feels much honored
"by the message of His Excellency
"Iwakura, and will bear in
"mind the recommendations
"made to him."

I leave on the 12th or 13th instant with M^r. Giquel for Foochow and Formosa to meet the Imp^l. high commissioner Shên pao chên. M^r. Giquel will do all that he can to help to bring about a lasting and honorable friend ship between China and Japan.

I have just addressed your Excellency, had the opportunity of seeing official details of the conference between Shên pao chên & Yungui ana, & between Shên pao chên and the second commissioner and Goul Saigo in Formosa. And I respectfully commend to your Excellency's careful consideration my last letter. It is in my humble opinion positive that China will not consent to pay an indemnity for the costs of Japan,

To His Excellency,
Tomomi Iwakura,
Yedo.

From many reasons I will select one which I commend to your Excellency's attention, viz "That China dare not pay an indemnity". For altho' the present most painful crisis influenza will end in the degradation and ruin of many officials, the great party of Chinese rulers and ruled, are convinced of the absolute immediate urgency of very great and radical changes, and this conviction is so strong as to bear down all resistance.

I may also tell your Excellency as a positive fact that some very high Chinese officials are known to have the opinion that a war with Japan is necessary to quash the needed reforms in China to be carried out.

The first formal propositions of Yanguanara, who in his letter states they demands are final and complete, viz:

- 1st execution of the murderers of the Japanese sailors
- 2nd execution of the ill-treaters or doubters who resisted the Japanese troops.
- 3rd undertaking on part of China to protect in future shipwrecked men from outrage or murder.

and I submit proper bases for any arbitration. I have seen official letters from Chinese high officials saying that only these propositions can be

discussed. From Formosa I will
have the honor of again addressing
Your Excellency.

I have the honor to inform you
that my plans for two iron clad
ships of war have been accepted by
the Chinese government, and if I can
procure certain conditions of time
& I am to have the order given to
me. The vessels are of same design
as submitted to your Excellency, but
with heavier plating, and somewhat
less speed.

On my return from Formosa I
proceed to Tientsin to see the Viceroy
Li Hung Chang.

I have the honor to be,

Sir,

Your most devoted servant

J. D. Druce.

To His Excellency,
Tomomi Iwakura,
Takarada do,
Babasaki gomon,

—
Tokio.

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