

PRIVATE

My dear Nelson,

Many thanks for your most interesting letter of October 18th and enclosures. The way things are going ahead in Canada is simply splendid, and I read your Constitution with the deepest interest. The Institute is developing in very much the same way as the British Commonwealth itself and as I always hoped it would. It is thrilling to see how you in the Dominions grasp the essential idea and create a machinery for carrying it out, adapted to your own conditions and therefore properly differing from the machinery developed here.

I have just seen Archibald Rose, for years a member of the Consular Service in China and now a prominent figure in the British American Tobacco Company, and who is the pivot of our Far Eastern Group of the Institute. He was in Shanghai when we were at Honolulu, and has just got back to this country. We breakfasted together this morning, and in his view, the Honolulu Conference coupled with Whyte's subsequent visit to China has really altered the whole situation. Before Whyte arrived, the Chinese were prepared to receive him with open arms, and the European community were equally prepared to cold-shoulder him. He succeeded, however, in winning the confidence of the Europeans with a result that both the Chinese and the Europeans joined in receiving him at meetings and public dinners, and their leaders were thus brought together in a way which before Whyte's arrival would have been inconceivable. All this, in Rose's view, has put matters on a new and far more hopeful footing. Rose is very strongly of opinion that everything is to be gained now by the Conference holding its next meeting in Shanghai. The process of getting responsible Chinese and Europeans to study the situation together free from all obligations to formulate joint conclusions, is the only kind of treatment which is likely to relieve the state of deadlock which has grown up. I learnt this lesson in South Africa twenty years ago, when we got Dutch and British to join together in study groups