

Slide 2: Issues

- The Chinese government is in urgent need of revenue:
 - China needs capital now to fund its military and industry to combat its enemies in China (CCP, Japan, & Major Warlords).
 - The weakness of the central government makes it difficult to find new sources of revenue.
 - The trade agreements that China has also makes it hard to collect revenue.
- KMT & SOCONY disagreements and conflicts
 - The stamp tax would hurt SOCONY's profits from exporting kerosene.
 - ↳ The tax is an illegal surcharge on foreign imports.
 - If SOCONY continues to export, ~~the~~ profits won't be as high.
- KMT & SOCONY are well-connected
 - The Chinese market is incredibly valuable to SOCONY, since they already have a huge portion of the market share.
 - SOCONY already has its own efficient distribution network in China, unlike other companies.
 - SOCONY and the Yuan Shikai government have a contract.
 - If SOCONY also join the coordinated embargo, they lose a key source of revenue, & lose out on ~~the~~ the opportunities created by their distribution network.