

## **Location Is (Not) Everything: Re-Assessing Shanghai's Rise, 1840s -1860s\***

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### **Introduction**

In his path-breaking volume *Remaking the Chinese City*, Professor Joseph Esherick (2002, xi) famously complained that Western historiography of 20<sup>th</sup>-century China had been marred by a 'singular focus on Shanghai'. In other words, while Shanghai's pre-war history (1842-1937) was already 'quite well understood' thanks to an inordinately large number of studies, other Chinese urban centres have merely invited scant attention. A number of Western scholars have since shifted their gaze elsewhere in search of other Chinese articulations of modernity – most notably Ruth Rogaski (2004) and Frank Dikötter (2007).

Yet a thorough examination of the history of other Chinese cities – as timely as it may be – cannot replace a continual robust engagement with Shanghai. This is not least because the vast array of materials available at the Shanghai Municipal Archives (SMA) and Zikawei Library have been systematically catalogued only over the last few years. They are indispensable to understanding the city's rise to prominence and its preponderant position within China's economic modernisation process. While some Chinese and Western scholars (Du, 2006; Bickers 2007; Goodman 2009; Henriot 2009) have already addressed themselves to these newly-available materials, the latter remains relatively under-studied.

Mainly drawing on rare early editions of the *North-China Herald* (NCH) held at the Zikawei Library, this article will highlight one aspect of Shanghai's early treaty-port development; it will reprise the conventional wisdom positing that, because of its perceived advantageous location, Shanghai had been almost deterministically poised to become China's gateway to the outside world following the First Opium War (1839-1842). Instead, it will argue that location was significant but not *sufficient* of itself in delivering Shanghai's economic take-off.

The following passages admittedly draw much less on the vast SMA repository than on *Herald* accounts. This is because the documentary material in SMA, while invaluable to our understanding of Shanghai's development after 1870, contains relatively little on the formative era under review here (1840s-1860s). Shanghai Municipal Council (SMC) documents from that era are not likely to be found in great quantity elsewhere either, since they had been primarily stored in the British Consulate compound, which was gutted by fire on 23 December 1870 (Denison and Guan, 2006, 56).

Geography looms large in much of the classic Western scholarship on pre-war Shanghai. Most notably, Rhoads Murphey's influential work (1953) all but entrenched the notion that 'the physical advantages of the city's location' was the most important factor in its take-off as a treaty-port. Though tempered by more recent multi-faceted studies, the emphasis on geographical location is still quite pervasive in the pertinent literature. Indeed, Shanghai's 'propitious location', its appeal as a 'natural pivot point for trade', or as '*grand port côtier*' are discussed at considerable length in some of the best newly-published work on the city's history (Gamble, xii; Wasserstrom, 2009, 2; Bergère, 2002, 32).

Drawing on colonial records preserved in the UK National Archives, Linda Johnson's monograph (1995) is perhaps one of the most detailed Western studies of Shanghai between 1840s-1860s. Interestingly enough, at least half of her book is dedicated to an exposition of Shanghai as an important Chinese urban centre *prior* to the arrival of British settlers (CE 1074-1840, Chapters 1-6). The exposition is, in that sense, emphatically China-centred, a theoretical approach first accredited to Paul Cohen (1984); it runs counter to the old colonial myth suggesting that Shanghai had been an inconsequential 'fishing village' before Europeans landfall turned it into a 'model settlement' (Bickers, 1999, 39-40; Wasserstrom, 2009, 21-61).

Notably, Johnson (1995, 264) attributes much of the city's dynamism after 1840 to the 'development of a public sphere serving public interests, independent of both British and Chinese governments', in both the British-run and Chinese-run precincts. Put baldly, her argument is that the city's spectacular growth owes much to Chinese agency both before and after 1842, not just to European municipal administration and maritime trade.

As in Johnson's work, this article will highlight Chinese settlement in the city's foreign concessions in the mid-1850s as a critical factor in their subsequent prosperity. Yet the analysis offered here is comparative; it is underpinned by a re-assessment of the significance of geographical location as compared with other possible factors ranging from the fundamental to the incidental. In that sense, the thematic question posed at the background of this study is the inverse of the one posed by Johnson: if Shanghai's physical location had been so compelling, why was it not among China's 10 biggest cities on the eve of European settlement? Indeed, the question almost begs itself in view of authoritative geo-historical surveys of the area (Xiong et al., 1999, vol. 1, 2; Henriot et al., 1999).

To be sure, given its limited temporal scope, this article cannot purport to 're-write history' or trivialise the great significance of Shanghai's location. It will nonetheless underscore that Shanghai's location posed just as many difficulties for the first European settlers, and that scepticism about the future prospects of the city was initially rife partly for that reason. How these difficulties were subsequently overcome is a story of clearly institutional, technological and fiscal dimensions – it is one that remains under-studied. These dimensions cannot be fully treated here. But, at the very least, the following passages might draw greater attention to additional factors that might help explain Shanghai's growth after 1842.

## **Location or Rebellion and Fiscal Breakthrough?**

The reasons why the British chose Shanghai as their primary military and commercial node in China, and negotiated for its territorial concession as part of the Nanjing Treaty (1842), are quite complex. The East India Company's (EIC) explorer Hugh Hamilton Lindsay, and inveterate missionaries Karl Gützlaff and W.H. Medhurst's respective travelogues (1843; 1833; 1838) are often cited as the most important factor in bringing Shanghai's virtues to British consciousness in the 1830s, namely, on the eve of China's opening up to foreign trade after centuries in which it had been confined to Canton.<sup>1</sup> Notable too was the influence Dr William Jardine – veteran China Hand, surgeon turned opium trader, Shanghai aficionado, and later Member of Parliament – exerted over the British foreign secretary, Lord Palmerston, in the lead-up to the first Opium War (Johnson, 1995, 182-185).

Canton [Guangzhou] had become an anathema for the British by then because it was commonly associated with monopolistic practices by both Chinese merchant guilds (the Hongs) and the EIC, as well as with hostile Imperial commissioners (the Hoppo) and xenophobic mobs. The British had, of course, aimed at opening up other ports further north in order to sustain their grip on global commodity trade, and realise the potential of opium imports in China's hinterland markets (Fairbank, 1953).

The Nanjing Treaty of 1842, which ended the first Opium War, eventually provided for the opening of four such additional ports north of Canton: Xiamen [Amoy], Fuzhou, Ningbo and Shanghai. The few British settlers who arrived at these ports the following year were happy to discover that locals showed little of the 'turbulent spirit so conspicuously manifested at Canton'; the northernmost port of the four, Shanghai, was seen as bearing great potential for trade by some, but 'few at the time foresaw the great position it was ultimately to reach' (Wright, 1908, Chp. X).

In the first few years since its opening, both domestic and international trade flows via Shanghai were sluggish, and there was little sign of a turnaround in sight. The British, who were keen to uncork the Canton trade confinement, were understandably frustrated. On July 1844, for example, the first British Consul posted to the city, Captain George Balfour, demanded that the highest-ranking Qing official in the region, Taotai Gong Mujiu, explain why there had not been progress in domestic trade. Gong reported that overland tea consignments en route to Shanghai had been diverted back to Canton in Jiangxi. Gong then assured Balfour that he intervened with the Jiangxi sub-prefects to allow north-bound traffic (Johnson, 1995, 212-214). As late as 1853, Rutherford Alcock, the proactive British Consul who succeeded Balfour, and is often credited with turning around Shanghai's lot, still described it as an 'isolated sea-port on the coast of a vast Empire' (NCH, 17 September 1853, 26).

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<sup>1</sup> Frederick Pigou, who was an EIC Director, noted Shanghai's potential as early as 1756.

Ironically, a good deal of scepticism about the city's future was expressed precisely because of its location not far from the mouth of the Huangpu River at Wusong [Woosung]. This was the cause of constant navigational problems in the first few decades after European settlement because of downstream silting. Between the 1840s and until the British-run municipality amassed enough fiscal revenue to launch extensive dredging in the 1880s, the Wusong sandbar had become synonymous with maritime hardship. The British Parliamentary *Hansard* suggests that even as late as 1874 Shanghai's small foreign community (predominantly merchants and missionaries – British, French, American – and a few Paris and Baghdadi Jews) was hopeful that the Chinese government would fund the dredging of this sandbar out of its own pocket.

A well-informed short history of the city, published in 1928, cast the dredging of the Bar in the 1880s as a veritable milestone in the city's development:

The accessibility of the harbour in Shanghai was rendered difficult by the shallow water over the outer and inner Woosung Bars. These are formed by the tidal Whang-poo [Huangpu] River emptying itself into the tidal estuary of the Yangtze River. The low water depth of the river bar varied in different months of the year from 6 feet to 13 feet 6 inches and was in the midst of a crossing that cut diagonally from one bank to the other of the Whang-poo River....

In 1863 when Robert Hart, Inspector-General of Customs, was in Shanghai, a deputation, representing the leading shipping firms, put before him the importance of conserving the Whang-poo and of dredging the Woosung Bar, so as to allow the entrance of the larger ships then being dispatched to China. He agreed to lay the matter before The Chinese Government....

To all requests the answer of the Chinese Government was 'No,' and the Chinese Ministers maintained an attitude 'even more obstructive than the obstruction of the Bar.' It is well to remember that in the early days, the Chinese sometimes referred to the bar as a heaven-sent barrier intended to prevent war vessels of heavy draught and ironclads from entering the harbour.<sup>2</sup>

Sir Robert Hart, alongside Alcock, is conventionally credited with anchoring Shanghai as Britain's primary bastion in China. Yet the very same Hart, who presided over the Chinese Imperial Maritime Customs Service (IMCS), had predicted in the early 1860s that steam technology and the opening of the Suez Canal would end up diverting trade from Shanghai even if the Bar was properly dredged:

[I]n 20 years time Chinkiang [Jinjiang, Fujian] will have taken the place of Shanghai as a semi-terminus and trans-shipment port. . . Thus looked at, as it affects and is affected by natural and artificial agencies now at work at the mouth of the Yangtze, the question of the Woosung Bar is seen to mean that dredging there may possibly be nothing more than a means of making the last days of Shanghai a little more comfortable than they would otherwise be; it will not prolong or avert the commercial death of the place, but it will make a show of vitality during its declining years more possible (quoted in Pott, 1928, Chp. X).

To understand how the British-run SMC was eventually able to amass enough resources to transform the city's physical setting; to remove such geographical obstructions and to

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<sup>2</sup> Quoted in Pott, 1928, Chp. X; on the difficulties the Bar posed for Shanghai travellers, see also Cumming, *Wanderings in China*, pp. 265-266.

secure its future growth as a port – scholars must first turn their mind to 1853. For, as indicated above, trade emanating from Shanghai had been fairly sluggish hitherto.

Then, happenstance intervened: an obscure band of misfits, the Small Sword Society (*xiaodao hui*), rebelled against the local Qing authorities in Shanghai's 'Native City', driving the Taotai's Imperial forces out (Fang 1972; Sun 1990; CFHA 1993). The disruption to law and order was such that as many as 22,000 refugees escaped the walled, old city of Shanghai to seek refuge in the areas strung along the Yang-king-pang [*Yangjingbang*] Canal, which demarcated the border between British and French settlements within the concession area.

J.D. Clark's well-informed *Short History of Shanghai* (1921, 6-7) is one of countless pre-war sources suggesting that this was a crucial formative event in the city's early treaty-port history. The unchecked wave of refugees ended, in effect, an era in which only Europeans and the indigenous rural population sparsely scattered along the Bund could reside in the concession area (1843-1852). From then on, the SMC could extract exorbitant fees from wealthy Chinese refugees for the smallest of municipal services. Similarly, European lessees of concessionary land – foreign land-ownership *per se* was never recognised by the Qing – could provide makeshift accommodation for the wealthier amongst the refugees at inflated prices.

The Qing Imperial forces were able to recover the 'Native City' from Small Sword rebels and restore order south of the *Yangjingbang* by early 1855. Yet an even larger exodus of refugees converged on Shanghai from all over the Lower Yangzi Delta (Jiangnan) seven years later, as the broader Taiping Rebellion swept through the region in 1862. This second exodus consisted of as many as 110,000 refugees, with many carrying along their lifetime savings in silver bullion, then China's primary mercantile means of payment. By 1862, word of the foreigners' determination to protect the concession area from both Qing and Rebel encroachment – as first demonstrated during the Small Sword upheaval – had spread far and wide; it rightly persuaded many that the concessions were the safest place to flee to (Johnson, 1995, 343; Lu, 1999, 36).

### **Other Factors: Land Grab, Customs Takeover, Consul's' Proactive Line?**

Once Qing forces had quashed the Small Sword rebellion in January 1855, Alcock feigned cooperation with Taotai orders that Chinese refugees north of the *Yangjingbang* return to the 'Native City'. Yet, the refugees had proven such a bonanza to the municipal authorities that Alcock, the American Consul, Robert C. Murphy, and the French Consul B. Edan, ratified in July 1854 a new set of Land Regulations, which ran counter to the Taotai's orders, and were never subsequently ratified by him.

The old Land Regulations were derived from the Treaty of the Bogue (*Humen tiaoyue*, 1843), which in turn supplemented the Nanjing Treaty. They provided for foreigners' rights to lease land along the Bund and north of the 'Native City', and to maintain judicial autonomy therein, but precluded Chinese residency in these foreign concessions.

By contrast, the new Regulations (1854) meant in effect that all foreign lessees of land in the concession area could eventually acquire title-deeds and, equally important, that Chinese newcomers could rent accommodation anywhere within the concession areas. Before long, Chinese residents far outnumbered foreigners, and the era of segregation between Europeans and Chinese was consigned to a footnote in the city's annals (Lu, 1999, 32-35).

The new Land Regulations formalised a *fait accompli*: between 1853-1845 many agile foreign lessees of concessionary land scrambled to buy out the original Chinese landowners in anticipation of an imminent rise in demand for housing. It seems most paid very little to the original landowners. So much so that on 14 January 1854, shortly before the new Regulations come into effect, Alcock published the following Notification in the NCH (14 January 1854, 94):

Many applications for allotments within the limits of the land originally set apart for the residence of British subjects by the local authorities have been recently made. In some cases, land appears to have been taken over without either previous notice or reference to this office – a proceeding only calculated to give rise to dissensions and litigations. Her-Majesty's Consul desires under these circumstances to warn the community of the necessity for great caution in any dealings for land in the present unsettled state of affairs at the port...To the purchase of land from Chinese at this time, there are two very serious objections. The one is the impossibility of obtaining a legal title...The other is the virtual abeyance of the [old] Land Regulations now under the consideration of the higher Authorities...The sudden demand for house accommodation and more land, occasioned by the large influx of Chinese seeking shelter and security in the Foreign settlement...has indeed proved both the necessity and the difficulty of adhering to this course of action...The old regulations still in existence prohibit to Chinese and Foreigners alike the building or renting of houses within the limits for the Native population. In the draft of the new [Land regulations] all restriction in this particular has been omitted.

Notably, the Qing loss of land rights within the concession area in the mid-1850s was compounded by the loss of tariff autonomy. Until the Small Sword Rebellion, the Chinese Customhouse in the 'Native City' had been responsible for collecting duties from junks and steamers entering city bounds. This upset many British merchants, who saw the Chinese Customhouse as corrupt. However, the Customhouse was deserted when the Small Sword rebels moved in, and no duties were collected for almost two years afterwards, effectively turning Shanghai into a free port and haven for smugglers.

Though Alcock let British vessels evade duties during that period, he was becoming increasingly concerned that unbridled trade would advantage other European nations. Therefore, once order had been restored in the 'Native City', he astutely wrested control over duty collection from foreign vessels by offering the Taotai a share of the revenue, and the allurements of unburdening the local Qing bureaucracy from dealing with 'barbarian' crewmen (NCH, 22 October 1853; NCH 12 November 1853).

As indicated above, the British bypass of Chinese tariff autonomy, its allotment of land rights within the concession area, as well as the influx of rent-paying refugees all had sweeping fiscal implications. To better understand these, we must examine Shanghai's

finances before the Small Sword Rebellion, i.e. during the era of effective segregation between foreigners and Chinese.

A rare hand-written report pertaining to the SMC, now stored at SMA, poignantly bears out the Council's difficulties in raising taxes from the small foreign with which to fund capital works during the era of segregation. This 'Report of the Committee of the Shanghai Roads and Jetties for the Year Ending May 18<sup>th</sup>, 1852' [*sic*] states:

The Committee regrets having to report parties who have refused to pay Jetty Tax, and one party [who refused to pay] the Road Assessment...the late rain enables the Committee to point forcibly to the Meeting the injury done to the roads by the present system of carrying mud from the River to the back lots of the Settlement. The Committee are at a loss to suggest a remedy, but they feel convinced that so long as the present careless system continues, it will be utterly impossible to preserve the roads in a proper state, more especially the Bund where the mud is first landed...(SMA File U1-1-1293).

By 1856, thousands of makeshift houses had been made for refugees along the *Yangjingbang*. *Herald* reports suggest that most of these were built by European realty speculators like Gilman Bowman & Co. (NCH 8 March 1856, 126). A Year before, the Taotai demanded that these 'hovels' be pulled down because they hindered navigation on the Canal, thereby obstructing Qing supply lines to the forces besieging the rebels in the walled city. Alcock seems to have used the Taotai's demands as a pre-text to pressure Chinese owners of land adjacent to the Canal to share the rent collected from refugee tenants with British lessees of the same land (NCH, 20 January 1855, 101).

Increasing municipal land-tax revenue and tariff-derived funds meant that law and order, roads and port facilities could be improved in order to stimulate trade and secure Shanghai's future as the leading British bastion in China proper. In the short-term, law and order were most important because they entrenched Shanghai's comparative advantage as an island of stability in a vast empire with an atrophying central government that was buffeted by rebellions and foreign encroachment.

The SMC's report for 1855 suggests that land-tax receipts from Chinese residents (3,179 silver dollars) had exceeded by then foreign receipts (\$2,249). The great bulk of municipal revenue (\$11,728) was derived from wharfage fees – but here the distinction between Chinese junks and ocean-going western vessels is impossible to pare down. Notably, of a total expenditure of \$ 20,520 – over half was spent on police procurement and wages, and only \$7,000 on new roads and jetties. Overall the SMC could conclude its performance that year on an upbeat note:

The Council are happy to report that a material change for the better has taken place [in the Settlement]...In addition to the improvement arising from increased jetty accommodation; more extended and better made thoroughfares, and from a more complete system of drains, the streets have been lighted and kept almost entirely free from beggars, and the nuisances of various kinds by which, formerly, foreigners were so seriously inconvenienced. The Chinese buildings on the Yang-king-pang have been removed...[and the area] covered with native hovels, is now in the occupation of foreigners, while a period seems to have been put to the erection of buildings for the accommodation of Chinese in other quarters, and it is probable that ere long, a portion of the tenements which were so hastily constructed during the siege of the city will be abandoned by

their present occupants: a step which cannot fail to contribute materially to the cleanliness and salubrity of the place...(NCH, 19 January 1856, 99).

Chinese studies often portray a ‘violent and crafty usurpation’ (*haoduo qiaoqu*) of rights from Chinese landowners in the foreign concession as part of a British imperialist grand design (e.g. Zhang, 1996, 41). It is nevertheless important to note that the end of segregation between Europeans and Chinese was not welcomed by *all* Europeans in the settlement. Some members of the small European community in Shanghai, who were less associated with mercantile and realty interests, expressed grave concerns about the influx of refugees. They feared that a Chinese majority in the settlement would impinge on its flimsy infrastructure and compromise hygiene and etiquette standards.

One anonymous letter that is representative of this vein was published in the NCH (25 May 1856, 170):

The admission of Chinese residents into our settlement, although attended with pecuniary advantages to many, is in other respects and annoyance...[due to the] imperfect drainage of native houses (not that our own are by any means perfect) and the system of allowing all drains to run on to the roads or ditches on the road side...

However, these were merely minority voices in the larger sweep of events.

### **The Situation in Other Ports**

The previous section highlighted 1853 as a turning point in Shanghai’s development trajectory. In order to understand 1853 in context, one must take account of what happened in other parts of China at the same time, particularly developments in the four other ports opened to trade following the Nanjing Treaty.

Recent work by Professor Xiong Yuezhi (1999, vol. 1) and other Chinese scholars (e.g. Dai, 1998, 12-17) draws out three important factors attending Shanghai’s rise. First, the wealthy Jiangnan gentry began gravitating toward Shanghai after the Small Sword Rebellion. They viewed Shanghai as a haven of stability that was largely free of Imperial bureaucratic exactions common in more established urban centers like Suzhou. Second, Shanghai’s large Chinese mercantile population had incorporated many migrants from various parts of China long before Europeans arrived. At the grass-roots, it was a very heterogenic society, and therefore much less suspicious of foreigners. Third, Late-Qing monarchs relinquished grand public works, to the extent that the Great Canal – once China’s arterial waterway – progressively fell into disrepair. This occasioned a shift of domestic trade toward the coastline, benefiting hitherto marginal county-level towns like Shanghai.

While the Small Sword and Taiping effect on Jiangnan’s gentry has been discussed at length above, the ways in which late-Imperial inertia precipitated a shift in domestic trade routes await more detailed research. For now, the shift lacks clear-cut documentary support in either PRC or Western studies. On the other hand, there is plenty of evidence

to bear out the second factor, namely, the accommodating nature of Shanghai's migrant society.

In the preamble to his wonderfully animated portrayal of plebeian life in Shanghai, Professor Lu Hanchao has pointed to a number of contemporaneous testimonials to that effect. He thus concluded (1999, 37-38): 'Although the rise of modern Shanghai must be explained from a multi-faceted analysis – including the favourable geographical location of the city, sitting as it does in the middle of the nation's lengthy coastline facing the Pacific to the east and the Yangzi Valley to the west – the "soft" nature of the Shanghainese no doubt played an important role.'

Evidence can be easily found elsewhere too. In 1908, for example, veteran China-hand, Arnold Wright (1908, Chp. X), observed:

The successful and entirely harmonious establishment of the [Shanghai European] settlement was...in a considerable measure due to the cordial relationship which existed between the British and the Chinese authorities [there]...The native population also were very friendly...Moreover, the inhabitants were naturally of a more peaceful type than the turbulent Cantonese with whom the foreign element had formerly mainly had to deal.

However, Wright (1908, Chp. X) was also quick to note that, initially, the

...dull and apathetic character of the natives of the place disqualified them from the bustle and energy inseparable from European commerce. At the end of the first year of its history as an open port [1843] Shanghai counted only 23 foreign residents...only 44 foreign vessels had arrived during the same period.

The comparatively low degree of xenophobia in Shanghai, insofar as it constituted an advantage over other ports, should not be overstated. Ningbo was another one of the five ports opened after the first Opium War. In 1857, a NCH (31 March 1857, 106) dispatch from Ningbo exclaimed that '...at no one of the five ports are the natives more friendly than [here]'

Similarly, there was much to recommend Fuzhou as an alternative port to either Canton or Shanghai. Fuzhou loomed larger in important mid-1830s accounts: the EIC's China Director, Sir James Urmston, who analysed the future prospects of Britain's trade there, underscored 'Foo-chow-fu' as an ideal port because of its proximity to the tea growing areas of Fujian province, while eliding any mention of Shanghai altogether.

When surveying the Lower Yangtze, Urmston, like many of his contemporaries, was much more grossed in the adjacent island of Zhoushan [Chusan]. The latter had a convenient deep-water port, where the EIC had ephemerally traded in mid-18<sup>th</sup> century. Urmston similarly commended the commercial potential of Ningbo, a 'large and populous city of the first class'.<sup>3</sup> Britain, it should be remembered, occupied Zhoushan

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<sup>3</sup> Urmston, 1834, p. 64; cf. Medhurst's 1838 account (368-369) where "Shang-hae" is described as 'a city of the third-rank [yet] *one of the* greatest emporiums of commerce on the east coast of China. It communicates, immediately, with the rich districts of Soo-chow [Suzhou], and Hang-chow [Hangzhou],

during the first Opium war precisely because many thought it would prove an ideal location for trade; it was reluctantly traded off for another island, Hong Kong, as part of the Nanjing Treaty. Either way, memories of Lindsay's effusive 1834 account of Shanghai carried the day with the British naval force eventually deciding to penetrate further inland and storm the 'Native City' in 1842.<sup>4</sup>

As the first European settlers soon realized, the Shanghainese were less versed in foreign trade than their Southern compatriots. A *Herald* editorial from 1854 lamented the 'prejudices' of Shanghai 'natives', who insisted that foreign merchants pay for Chinese commodities in full-bodied and increasingly scarce Spanish-American (Carolus) silver dollars. By contrast, in Fuzhou, often-adulterated Mexican dollars, which European merchants could obtain more easily, were accepted by the Chinese 'with equal felicity'. This meant Chinese tea was made 25% more expensive for Europeans to purchase in Shanghai than in Fuzhou (NCH, 17 June 1854, 182-183).

The possibility of Fuzhou eventually overtaking Shanghai as Britain's gateway to China persisted even later that decade. In 1856, for example, a Shanghai merchant anonymously complained to the *Herald* that maritime trade in Fuzhou was not regulated by the local Chinese authorities, whereas in Shanghai duties were being strictly enforced by the newly-established British-run IMCS. This meant that tea consignments were being diverted from Shanghai to Fuzhou, whence they could be exported overseas. Summing up the implications of this loophole, the merchant soliloquised:

Is the Black Tea trade fast leaving Shanghai, and are there influences at work which threaten to deprive us even of Green Tea?...It is to Foochow [Fuzhou] we must look for the injury our trade has already sustained...The ancient trade at Canton may indeed somewhat revive, but our superior geographical position...[should] remove all serious apprehension...Foochow however enjoys advantages which can neither be gainsaid nor overcome...Teas [can] be conveyed to Foochow at an expense of at least 15 percent less than if conveyed to Shanghai ... (NCH, 5 April, 1856, 142).

For this high-minded Shanghai merchant, the solution was not a revocation of the IMCS or a return to the unrecorded trade and contraband phase which followed the Small Sword Rebellion. Rather, he demanded that the other four ports also embrace IMCS regulation – a course of action followed, indeed, soon afterwards. He deemed such institutionalised abrogation of Chinese tariff autonomy necessary, because 'China bound itself by treaty to levy certain duties at all the ports alike...[but] ten years' experience has proved the utter inability of a purely Chinese establishment to effect this end – such is the indifference, imbecility and corruption of the race'.

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receiving the rich brocades from that arcadia of China, and conveying thither, the inventions and commodities of the western world.'

<sup>4</sup> On the impact of Lindsay's account on British policy-makers like Lord Palmerston, see e.g. London *Times* Editorial, 28 March 1836, p. 4; See also Denison and Guang, 1999, 32-33; the British relinquishment of Chusan had to do with rumours that the Qing Court would formally cede the island to the French as part of their strategy of pitting 'barbarians' against other 'barbarians'. The British decided to retreat from the island in return for Chinese indemnity, and a promise Chusan would not be ceded to any other European Power. Nonetheless, for many years afterwards, some in the British foreign office believed trading Chusan for a 'barren rock' such as Hong Kong had been a grave mistake. For a detailed account, see Beasley, 1995, 55-59.

The IMCS aside, there are complex reasons why Fuzhou eventually remained a marginal port compared with Shanghai and Guangzhou. Suffice it to say here that Fuzhou (as well as Xiamen) had derived some of their importance during the 1880s not just from tea exports but also from the Taiwanese sugar trade, as well as from rapidly expanding maritime links with overseas Chinese trading communities in Southeast Asia.<sup>5</sup> However, these were severely curtailed after Japan occupied Taiwan in 1895.

As for Ningbo, international trade going through that port was ‘dull’ right from the outset despite Urmston’s prognosis. The main factor here is *not* that Ningbo was in any way at a location inferior to Shanghai’s. If anything, Ningbo proffered better deep-water access, was closer to some silk growing areas and was the hometown of many of Shanghai’s prominent Chinese merchants (Jones 1974; Jones 1976; Brook 1990).

Ningbo’s falling-behind probably had a lot more to do with the fact that Alcock politically entrenched Shanghai as Britain’s most important bastion in China, and was seen as the most able of the British Consuls by far. This meant that most British gunboats in East Asia continued to dock in Shanghai by default, so that the city was perceived by Chinese and foreigners alike as the safest of the five open ports. In addition, Alcock’s espousal of the IMCS meant that, in addition to its small mercantile and missionary community, Shanghai’s foreign settlement began attracting a bureaucratic workforce as of the mid-1850s. Thus, a complex set of circumstances – a fiscal windfall, consular proactivity, vigorous law enforcement, takeover of tariffs, land-rights grab as well as a good deal of happenstance – all add up to geography in explaining Shanghai rise to prominence.

Alcock’s consular proactivity is perhaps the most difficult to capture in comparative terms. It can perhaps be best described in reference to how the Taiping Rebellion was handled – the Taipings having been perceived as a much more ominous threat to the foreign community than the Small Swordsmen. The British maintained neutrality in the conflict, though European arms dealers and mercenaries served both the Qing and the Rebels. When the Taipings approached the ‘Native City’ in February 1862, French gunboats repelled the ‘sanguinary wretches’ with Alcock’s support (NCH 22 February 1862, 31). Yet, a few months earlier, when the much smaller foreign community at Ningbo had besought Alcock’s help in confronting the Taipings, he evaded their pleas.

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<sup>5</sup> Lindsay (1834, 12-13) described Amoy as a ‘celebrated emporium’ or a ‘flourishing town’ that was situated in ‘one of the most barren [districts] in China...it is dependent on the neighbouring island of Formosa [Taiwan]...’. He was more upbeat about Fuzhou (57-58): ‘...in point of local and commercial advantages, few cities of the empire are more favourably situated than Fuh Chow...Fuh Chow is also a far more central situation than Canton for the distribution of British woollen manufactures, which would also be here in greater request from the coldness of the climate. In the latter point, however, some of the more northern ports, such as Ning-po or Shang-hae, have much greater advantages than Fuh Chow’; Lindsay concluded (290-291) that expectations that his mission would be allowed to trade were building up the further north it sailed. In Ningbo, local mandarins for the first time even promised him that he would be able to trade upon arrival in Shanghai. Yet, in Shanghai – the northernmost port-of-call – he was snubbed again.

Consequently, Ningbo was brutally run over (dispatches from Ningbo in NCH 15 June 1861, 94; 15 March 1862, 43; and 10 May 1862, 75).

## Conclusions

This article suggested that some aspects of Shanghai's history may still be somewhat misunderstood despite an explosion of pertinent studies in recent years, and amid a burgeoning tendency in Western historiography of late imperial China to shift the focus of attention onto other parts of the country.

The primary aspect explored here was the geographical one, namely, the degree to which its location at the mouth of the Yangzi River accounts for Shanghai's rapid early treaty-port development. Shanghai's location was framed as one of a number of important factors that laid the groundwork for the city's rise to prominence as of the 1880s. While leaving the subsequent era of urban growth to future research, the article did underscore fiscal expansion and Alcock's consular proactivity in the 1860s as two factors that merit scholars' closer attention. By way of counter-factual argumentation, the article then showed Shanghai's location had posed at first as many obstacles to development as advantages. Zhoushan, Ningbo and Fuzhou had offered equally – if not more compelling – advantageous geographical features.

To begin with, trade had been the lifeblood of the British Empire, and its stewards quite naturally sought to expand it into China's interior. For centuries, Britain's China trade had been confined to Canton and monopolised by the EIC. The dissolution of the EIC's monopoly in 1834 impelled many to eye northern ports closer to the fabled Yangtze Delta, where much of China's wealth and commodities were produced. Steam technology and superior military capability enabled the British to impose on Imperial China the opening up of four additional ports following the first Opium War.

Few Britons had heard of Shanghai in the 1830s. However, Lindsay's *Amherst* mission – one of the last to explore the North-China coast ports prior to the Opium War – had much praise for Shanghai's potential, to the extent that HM Government eventually traded off its interest in Zhoushan for Shanghai (and Hong Kong) around the Nanjing Treaty negotiating table.

That being the case, Shanghai still had to vie with Fuzhou and Canton for mercantile supremacy. It gained the upper hand not only by virtue of its location further up the coast but because of its sound institutional foundation, which was underpinned by a broader fiscal base, comprising hundreds of thousands of wealthy Jiangnan Chinese. These were, in turn, drawn to Shanghai's foreign settlement because of its demonstrable immunity to late-imperial upheavals.

In that sense, an efficient municipal police backed up by gunboat deterrence was an essential prerequisite for early development. So was Sino-Foreign co-habitation. Upon this solid foundation, the British-run settlement could later improve road infrastructure and port facilities, paving the way for industrialisation by the turn of the 19<sup>th</sup> century. But

what if the British had insisted on Zhoushan? Or if the great bulk of their naval force had permanently cast anchor in Ningbo rather than Shanghai in 1843? The end result might well have been equally spectacular, with just as many Jiangnan literati heading in Ningbo's direction.

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