

The Haiphong Shipping Boycotts of 1907 and 1909-10: Business Interactions in the Haiphong-Hong Kong Rice Shipping Trade

Short title to be used as the running header: The Haiphong Shipping Boycotts

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Abstract

The main focus of this article is the Haiphong shipping boycotts of 1907 and 1909-10 which were conflicts about freight rates on rice between several Chinese rice hong in Haiphong (Hải Phòng), the main port in north-eastern French Indochina, and three European tramp shipping companies. When the firms, in 1907, set up a joint agreement unilaterally increasing freight rates for shipping rice to Hong Kong, the affected merchants felt unfairly treated and boycotted the ships of the companies. Furthermore, in 1909, they formed a rivalling charter syndicate and also set up a steamship company chartering vessels of other companies to apply extra pressure on the firms to return to the previous rate. Although the Chinese suffered direct financial losses due to their insufficient expertise in this business, they were successful in achieving a considerable decrease in the freight rate on rice which shows that boycotting even when costly proved to be an effective means to push for reductions and better arrangements with shipping companies. In contrast to a similar incident in the same trade - the shipping boycott of 1895-96 when the French government intervened at the Chinese government on behalf of the French shipping company -, the later boycotts did not provoke the intervention of Western powers. The case suggests that growing anti-imperialism and nationalism in China, expressed in public discourses on shipping rights recovery and in using economic instead of political means, had an impact on the boycotts. Economic, not imperial power determined the outcome of this struggle.

Introduction

Rice has been cultivated since ancient times in tropical countries, and is the most widely consumed staple food in Asian countries. In the nineteenth century, British rule in India, Singapore, and Hong Kong (pinyin: Xianggang) had established a large free-trade area in Asia providing the market base for a huge expansion in the rice trade for which Singapore and Hong Kong developed into key redistribution centres. In these and other port cities, Chinese merchants were to find at all levels of the highly competitive rice export trade acting as buying agents, millers, and shippers. For Western financial and agency institutions and importers and exporters, Chinese dealers also operated as compradors (middlemen) collecting and managing goods and business. The important role of Chinese as intermediaries between the Europeans and the indigenous people of Southeast Asian countries and regions was made possible by their high degree of adaptation to different geographical and social circumstances. Most of them had come as migrants from Southern China, predominantly from Amoy (pinyin: Xiamen), Swatow (pinyin: Shantou), and Canton (pinyin: Guangzhou), and established Chinese family firms which were closely connected with each other by personal relationships within the family. The social structure and commercial organisation of overseas Chinese and the long history of Chinese trade with Southeast Asia are the most important explanatory factors for the Chinese economic predominance, and also the

patronage they enjoyed from Western elites. In Saigon (Sài Gòn, nowadays: Ho Chi Minh City, Vietnamese: Thành phố Hồ Chí Minh), Haiphong (Hải Phòng), Hong Kong, and other ports in China and Southeast Asia, Chinese merchants or 'hongs' (factories or warehouses) dominated the rice trading industry and provided business services and connections which included their links to foreign shipping companies and served as transport providers for shipments of rice and other bulk cargoes overseas.

When taking into account the very frequent contacts between foreign and Chinese merchants over a long period of time and which had been established on the basis of mutual interests (the main feature of such business interactions), it is astonishing to note that there are only a few studies on this topic. The main reason is probably the dearth of primary sources, especially company and government records dealing with micro-economic aspects of 'on the spot' daily interactions, and their lack of accessibility. By presenting a case study in the wider context of transnational, maritime and business history of East Asia, this article intends to present a more nuanced picture of the range of interactions between European tramp shipping companies and Chinese rice merchants on the level of material connections – in this case, shipping – and on the level of business interactions (in this case, cooperation as routine but also conflicts, in the form of boycotts, as rather exceptional events).

First, this article aims to provide insights into the important role of European tramp shipping companies as service providers for the transport needs of Chinese merchant networks in port cities around Asia. It will use the examples of two companies operating medium-sized steam tramps in East Asian waters from the 1880s to the First World War – one from French Indochina based in Haiphong and one from Germany with its fleet based in Hong Kong – to highlight that, in the long run, business relations with Chinese merchants were conducted on a routine-like and cooperative basis framed by mutual interests. A shipping boycott was a rather unusual event, as in the case of 1895-96 when Chinese shippers in Hoihow and Pakhoi tried to break the temporary monopoly of the French Tonkin Shipping Company by chartering ships of the German M. Jebsen Shipping Company.

Second, the article will discuss the development and importance of Haiphong as a major port of Tonkin and the role and position of local Chinese merchants in the rice exporting industry and their practice of frequently shipping large cargoes on chartered vessels of European tramp shipping companies. Third, based on archival evidence, the Haiphong shipping boycotts of 1907 and 1909-10 will be studied in detail, as will the agreement of 10 May 1910 which terminated the last boycott. Finally, the historical context in which the boycotts occurred will be explained and some general conclusions will be drawn from these business interactions, which may be instructive to better understand the ways in which both sides cooperated and conflicted with under sometimes harsh market economy conditions. What becomes obvious is that the driving force of the Haiphong boycotts of 1907 and 1909-10 was a purely business one, namely to prevent higher freight charges. Furthermore, the case study presented here does not support arguments about the dynamics of Western imperial power and Chinese resistance but demonstrates the non-involvement of European powers at this level of imperial relations in the east. Rising Chinese anti-imperialism and nationalism combined with an ongoing public discourse on shipping rights recovery in employing economic instead of political means created an atmosphere in which imperial power relations in China significantly altered. Since 1908, a new generation of small private Chinese shipping companies strongly committed to shipping nationalism emerged mostly operating on small inland rivers. Financed by Chinese capital and flying the Chinese flag, the operations of these firms provided arguments for shipping autonomy when demonstrating that China could fulfil its own shipping needs without foreign involvement. The discourse of shipping rights recovery went hand in hand with similar efforts in other arenas such as railway or mining signalling the begin of a new anti-imperialist era in China.

The case study presented here illuminates an almost unknown episode in East Asian economic history in its transnational dimensions. The reasons for that fact are perhaps twofold: first, as British interests were not primarily involved but German and French interests, there is scarcely any documentation in British consular files or Hong Kong government files; second, German and French government files appear to have seldom been consulted by historians working on the maritime or business history of East Asia. The bulk of material used for this article is derived from the Political Archives of the German Foreign Office and the German Federal Archives (both in Berlin), the Diplomatic Archives of the French Foreign Ministry (Paris) and the French National Archives of Overseas Territories (Aix-en-Provence), the Vietnamese National Archives Centre No. 1 (Hanoi), and the private Jebson and Jessen Historical Archives (Aabenraa). Contemporary French and British newspapers shed further light on the case.

Tramp shipping in East Asia before the Second World War

Until the Second World War, East Asian rice shipping markets were dominated by foreign shipping companies taking the largest share of ocean-going and river shipping activities, as statistics reveal.¹ Shipping rights in coastal and inland waters were usually denied to foreigners in an independent state but forced upon China by a series of unequal treaties signed with Western powers during the nineteenth century. The strong position of Western shipping in Chinese and other Asian waters in the nineteenth century was and is still regarded as a symbol of foreign imperialism. The steamship in particular became not only a symbol of modernity in transportation but also a ‘tool of empire’, the ‘spearhead of penetration’ in opening up the Chinese and other East Asian markets or expressing the ‘politics and processes of semi-colonialism’.²

In their study on Western enterprise in China and Japan, George C. Allen and Audrey G. Donnithorne presented a more nuanced picture, emphasising the participation of Western ships in the coastal and river trade of China. Foreign technological superiority in shipping was the main reason for the extensive use of foreign ships as carriers of Chinese-owned goods and which fitted the existing transport requirements of Chinese merchants. In this area, Chinese and foreigners were in close cooperation, resulting in the greater part of the cargoes of foreign vessels engaged in China’s domestic trade being carried on the behalf of Chinese merchants.³ In his study on Hong Kong’s development to global metropolis, David R. Meyer introduced the term ‘trade services’ to define various forms of services provided by well-capitalised firms to unspecialised, small-scale commodity trades, mostly of Chinese merchants, in the nineteenth century. Such trade services, for example those of the British company Butterfield and Swire

¹ L. Hsiao, *China’s Foreign Trade Statistics, 1864-1949*, Harvard University Press, Cambridge, MA, 1974, pp. 239-261: Number and Tonnage of Vessels, 2. Interport Trade [1872-1948].

² F. F. A., ‘Foreign Shipping in Chinese Waters’ in *Chinese Economic Journal*, vol. 8, no. 3, 1931, pp. 249-258; F. Otte, ‘Shipping Policy in China’ in *Chinese Economic Journal*, vol. 8, no. 4, 1931, pp. 346-358; D. R. Headrick, *The Tools of Empire: Technology and European Imperialism in the Nineteenth Century*, Oxford University Press, New York, 1981, pp. 3-14, 43-57, 129-149, 165-179; J. K. Fairbank, ‘Introduction: Maritime and Continental in China’s History’, in *The Cambridge History of China*, vol. 12, J. K. Fairbank (ed), Cambridge University Press, Cambridge, 1983, pp. 20-21; C. Y. Hsü, *The Rise of Modern China*, 6th ed., Oxford University Press, New York and Oxford, 2000, pp. 433-434; A. Reinhardt, ‘Treaty Ports as Shipping Infrastructure’ in *Treaty Ports in Modern China: Law, Land and Power*, R. Bickers and I. Jackson (eds), Routledge, London-New York, 2016, pp. 101-120; A. Reinhardt, *Navigating Semi-Colonialism: Shipping, Sovereignty, and Nation-Building in China, 1860-1937*, Harvard University Press, Cambridge, MA, 2018, p. 8.

³ G. C. Allen and A. G. Donnithorne, *Western Enterprise in Far Eastern Economic Development*, Allen and Unwin, London, 1954, pp. 127-128, 131-132.

after 1880, included a shipping line, shipping agencies for other lines, insurance, sales and banking agencies which provided increasing profits for the firm until 1900. These large gains became possible because most Chinese firms had insufficient capital to specialise in trade services, especially in owning and operating steamships. In contrast to traditional Chinese junks which dominated shipments of inexpensive, bulk commodities,⁴ steamships offered competitive transport for both low- and high-value commodities, sufficient insurance, and reliable timetables almost independent of weather conditions, sea currents, or other natural unpredictability.⁵

In around 1900, the huge capital required for purchasing, running, and renewing fleets of steamships was rarely available in China. The most noteworthy exception was the China Merchants Steam Navigation Company founded in 1873.⁶ The general impoverishment of China and Southeast Asia (pinyin: Nanyang, literally: Southern Ocean), and the insignificant growth of China's economy from 1860 to 1910 resulted in the fact that trade services, or more specifically transport or shipping services, were provided by foreign shipping companies. Since the 1870s, and for many years, the China Navigation Company of Butterfield and Swire and the Indo China Steam Navigation Company of Jardine, Matheson & Co. nearly monopolized coastal steam shipping markets in East Asia. In the 1880s, major German shipping companies, the North German Lloyd and the Hamburg-Amerika Line, began operating coastal steamers in these waters. Furthermore, at the beginning of the twentieth century, Scandinavian and especially Norwegian shipping companies, sent steam tonnage to the Far East adding to already highly globalised Asian shipping markets. Japanese shipping companies increasingly became active in markets after the end of the Sino-Japanese War (1894-95) and even on an increasing scale after the Russo-Japanese War (1904-05). Japanese flags opened up severe competition in establishing several coastal and river shipping lines, operating own ships or chartered vessels under different flags. The main clients of shipping companies, namely low-cost Chinese merchant firms with limited capital, were parts of well-functioning domestic and international social networks of capital in Asia. They competed well in unspecialised, small-scale commodity intra-Asian trades for which regular and irregular transports small and medium-sized steam coasters were chartered.⁷

Such vessels were usually steam tramps capable of picking up freight and passengers at widely scattered ports and transporting them around different regions. These ships were particularly important in bulk trades, such as rice, coal, tea, sugar, beans, grains and others. In

⁴ On Chinese junk shipping, see A. Reid, 'Chinese Trade and South East Asian Economic Expansion in the later Eighteenth and Early Nineteenth Centuries: An Overview' in *Water Frontier: Commerce and the Chinese in the Lower Mekong Region, 1750-1880*, N. Cooke and L. Tana (eds.), Rowman and Littlefield, Singapore, 2004, pp. 28-32; H. S. H. Choi, *The Remarkable Hybrid Maritime World of Hong Kong and the West River Region in the Late Qing Period*, Brill, Leiden-Boston, 2017, pp. 16-56.

⁵ D. R. Meyer, *Hong Kong as a Global Metropolis*, Cambridge University Press, Cambridge, 2000, pp. 100-103.

⁶ On this Chinese shipping company and the general background of shipping in China: K. C. Liu, 'Steamship Enterprise in Nineteenth-Century China' in *The Journal of Asian Studies*, vol. 18, no. 4, 1959, pp. 435-455; K. C. Liu, *Anglo-American Steamship Rivalry in China, 1862-1874*, Harvard University Press, Cambridge, MA, 1956; K. C. Liu, 'British-Chinese Steamship Rivalry in China, 1873-85' in *The Economic Development of China and Japan: Studies in Economic History and Political Economy*, C. D. Cowan (ed.), Allen and Unwin, London, 1964, pp. 49-78.

⁷ A. Feuerwerker, 'The Foreign Presence in China', in *The Cambridge History of China*, vol. 12, J. K. Fairbank (ed), Cambridge University Press, Cambridge, 1983, pp. 203-204; J. Osterhammel, *China und die Weltgesellschaft: Vom 18. Jahrhundert bis in unsere Zeit*, Beck, Munich, 1989, pp. 183-185; Meyer, *Hong Kong as a Global Metropolis*, pp. 100-103. For recent discussions on the importance of Chinese intra-Asian trading networks, see T. Hamashita, *China, East Asia and the Global Economy: Regional and Historical Perspectives*, L. Grove and M. Selden (eds.), Routledge, London and New York, 2008; *Chinese Circulations: Capital, Commodities and Networks in Southeast Asia*, E. Tagliacozzo and W.-C. Chang (eds.), Duke University Press, Durham, NC, 2011; *Commodities, Ports and Asian Maritime Trade since 1750*, U. Bosma and A. Webster (eds.), Palgrave Macmillan, Houndsmills, 2015.

view of the important role of cabotage (coastal trade) by steam tramps, it is remarkable that there seems to be no comprehensive study on the subject and very few case studies to provide a fuller picture.⁸ In this article, two tramp shipping companies and their steam tramp operations in East Asia will be closer evaluated: the Tonkin Shipping Company, an affiliate of the partnership firm of Marty et d'Abbadie based in Haiphong which mainly operated in the wider Gulf of Tonkin region,⁹ and the M. Jebsen Shipping Company which had its fleet based in Hong Kong operating along the China coast and its vicinity.¹⁰ [INSERT FIGURE 1 NEAR HERE. LEGEND: Figure 1. Detail of a map of China, showing the wider Gulf of Tonkin region, early twentieth century. *Source*: The Hundred and Twentieth Report of the London Missionary Society, 1915.]

In the wider Gulf of Tonkin region – the north-western part of the South China Sea stretching between the Red River Delta (also called the Tonkin Delta) of French Indochina and the Pearl River Delta of South China (Fig. 1) -, the two shipping companies embodied Western dominance in shipping in China. It was the maritime region which was, in around 1900, thickly interconnected by a multitude of ships plying between five main ports: Haiphong (Hải Phòng), the shipping hub of Tonkin, with its major rice exporting industry; Pakhoi (pinyin: Beihai) and

⁸ J. Armstrong, 'Coastal Shipping: The Neglected Sector of Nineteenth-Century British Transport History' in J. Armstrong, *The Vital Spark: The British Coastal Trade, 1700-1930*, International Maritime Economic History Association, St. John's, Newfoundland, 2009, pp. 91-102.

⁹ The Tonkin Shipping Company (Compagnie Tonkinoise de navigation) was set up in Haiphong in 1893, as an affiliate of Marty et d'Abbadie founded in 1886 by Auguste Raphael Marty (1841-1914) and Édouard Jules d'Abbadie (1853-1904). In Hong Kong, Marty's trading firm A. R. Marty acted as agent of the Tonkin Shipping Company which, in 1893, purchased two new British-built steamers and, in 1896 and 1898, also bought four used steam tramps and employed them for its ocean-going services. In 1900, the Tonkin Shipping Company won the subsidy contract for the Kwang-chow-wan postal steamer service frequently linking Haiphong with France's leased territory Kwang-chow-wan (pinyin: Guangzhouwan, today: Zhanjiang) located in China's Kwantung Province. Another affiliate of Marty et d'Abbadie was the Subsidised River Shipping Service of Tonkin (*Le service subventionné des correspondances fluviales du Tonkin*), which from 1886 to 1906 employed a fleet of river ships operating on the Red River and its estuaries. In Haiphong, Marty et d'Abbadie had a dockyard and workshops for repairing ships. The history of Marty et d'Abbadie is only sparsely documented; the earliest substantial reference is the special edition of the Haiphong-based newspaper *Le Courrier d'Haiphong: Supplément 1886-1895 au Millième Numéro du Journal*, 24 December 1895, pp. 7-8. Brief overviews of Marty et d'Abbadie's commercial activities in Indochina and China, and also in the local context of Haiphong, are available in R. Dubois, *Le Tonkin en 1900*, Société Française d'Éditions d'Art, Paris, 1900, pp. 288-301; G. Raffi, *Haiphong: origines, conditions et modalités du développement jusqu'en 1921*, unpublished PhD thesis, 2 vols, Université de Provence, 1994, vol. 1, pp. 182-183; V. K. Tran, *L'industrialisation de la ville de Haiphong de la fin du XIXe siècle jusqu'à l'année 1929 (L'invention d'une ville industrielle en Asie du Sud-Est)*, unpublished PhD thesis, Université Aix-Marseille, 2017, pp. 186-192.

¹⁰ The M. [Michael] Jebsen Shipping Company (Reederei M. Jebsen) was founded in 1878 in Apenrade (Schleswig-Holstein, Germany) by Michael Jebsen (1835-99) and successively transferred its modern fleet of medium-sized merchant steamships to the Far East where the ships were chartered by Chinese and European merchants to transport all sorts of cargoes and passengers between coastal ports in East Asia. The Jebsen steam tramps were especially equipped for shipping bulk goods (rice, coal, wood, vegetables, cattle), with a low draught being able to enter Chinese ports which were mostly very shallow. In 1885, its steamer fleet counted eight ships after all ships had been transferred to Hong Kong; in 1903-1904 the company reached its peak with 17 ships, and in 1913 the company had 11 ships. Starting in March 1895, the principal agent of the M. Jebsen Shipping Company was Jebsen and Co. Ltd. in Hong Kong, owned by Jacob Jebsen (1870-1941; son of Michael Jebsen) and his business associate, Johann Heinrich Jessen (1865-1931). Jebsen and Co. Ltd., having started in 1895 as a shipping agency and general trading company, soon occupied a leading position in the foreign trade of China and Hong Kong. The early years of the M. Jebsen Shipping Company are dealt with in E. Hieke, *Die Reederei M. Jebsen A.G. Apenrade*, Hamburgische Bücherei, Hamburg, 1953; A. von Hänisch, *Jebsen and Co. Hongkong: China-Handel im Wechsel der Zeiten 1895-1945*, Private Print, Apenrade, 1970, pp. 25-41; L. Miller and A. C. Wasmuth, *Three Mackerels: The Story of the Jebsen and Jessen Family Enterprise*, Hongkongnow.com, Hong Kong, 2008, pp. 8-21; B. Becker, 'Coastal Shipping in East Asia in the Late Nineteenth Century' in *Journal of the Royal Asiatic Society Hong Kong Branch*, vol. 50, 2010, pp. 245-302; B. Becker, *Michael Jebsen: Reeder und Politiker, 1835-1899: Eine Biographie*, Ludwig, Kiel, 2012, pp. 165-370.

Hoihow (pinyin: Haikou), the open Chinese ‘treaty ports’, mainly exporting vegetables and cattle to Hong Kong and South China; Canton (pinyin: Guangzhou), the traditional commercial hub of South China and also a treaty port; and Hong Kong, the British crown colony at the mouth of the Pearl River with its important international free port serving as an economic turnstile at the crossroads of intercontinental and interregional shipping routes. One of the most important bulk cargoes frequently transported from French Indochina to Hong Kong was rice. It was produced and harvested primarily in the region around the Mekong delta with Saigon as the main export centre, and also on a smaller scale in the more densely populated regions of Annam and Tonkin, the northern parts of Indochina.

In the 1880s, Marty’s firm in Hong Kong also frequently chartered tramps under the German (including vessels of Jebsen’s fleet) and also the Danish flag.¹¹ The chartering of steam tramps was done on the basis of trip (or voyage) charters or time charters: in the first case, the charterer (or shipper) hired the vessel for only one voyage to carry his cargo at an agreed rate per ton, in the second case, the shipowner provided the crew and all other requirements to operate the ship. The charterer became the disponent owner and was usually allowed to send the vessel in all directions and load it with all kinds of permitted merchandise, the typical feature of tramp shipping. There were no fixed fares for passengers and cargoes but the rates for freight depended on the conditions of the market. Tramping was, as maritime historian Michael M. Miller explains, ‘a constant struggle to position ships where freight was abundant and competitors’ ships were not, where rates therefore were high not low, where voyages contracted would not undercut arrival in time for seasonal trades, where going for a “spot loading” was better than fixing a cargo in advance’.¹²

As research into the operations of the two aforementioned tramp shipping companies in the period from the 1880s to 1914 reveals, routine dealings with Chinese shippers and charterers were conducted on a well-functioning professional basis. Friendly relations were only strained when outside factors became imminent such as political-imperialistic considerations. Such an instance occurred in 1895-96 when, during the Sino-Japanese War (1894-95), the Tonkin Shipping Company exploited the temporary lack of available steam tonnage for rice shipments on the Haiphong-Hong Kong run and attempted to monopolize the coastal steaming routes in the wider Gulf of Tonkin region. Marty’s attempt prompted Chinese shippers in port cities to form a charter syndicate to effectively boycott his ships.

Instead of Marty’s ships, the Chinese chartered steamers of the M. Jebsen Shipping Company. This event resulted in the agreement about joint organization of shipping services between the Chinese shipping company Yuen Cheong Lee and Co. (源昌利) in Hong Kong, owned by the Hainan-born merchant Chau Kwang Cheong (周昆章), and the M. Jebsen Shipping Company represented by Jebsen and Co., paving the way to close cooperation between the firms for many years. Although the French succeeded in squeezing the Qing government to compensate Marty, his business relations with Chinese shippers were ruined for some time. Strong backing by an imperialist power such as France was not necessarily to the benefit of foreign business in China. Marty’s attempt to monopolize the highly-profitable rice shipping route was not to the advantage of Chinese shippers who regarded mutual benefit as destroyed by the unilateral action of the French shipowner.¹³

¹¹ M. H. Bach, ‘Randersskibe på Kinakysten’, *Årbog 2014*, Museum Østjylland (ed), Narayana, Randers, 2014, pp. 53-63.

¹² M. B. Miller, *Europe and the Maritime World: A Twentieth-Century History*, Cambridge University Press, Cambridge, 2012, p. 95.

¹³ B. Becker, ‘France and the Gulf of Tonkin Region: Shipping Markets and Political Interventions in South China in the 1890s’ in *Cross-Currents: East Asian History and Culture Review*, vol. 4, no. 2, November 2015, pp. 560-

A similar incident was the Haiphong shipping boycotts of 1907 and 1909-10 and, in this case, Chinese charterers in Haiphong again formed a charter combine and even founded their own shipping company to effectively boycott a German, a French-Indochinese, and a British tramp shipping company. In consulted consular files, in business correspondences, and likewise in contemporary newspapers, the said events are exclusively referred as ‘shipping boycotts’ or only ‘boycotts’, terms which are also used in this article to characterize these conflicting business interactions. Early local boycotts in China – often called ‘taboos’ in English-language sources – were not directed against the ships of a particular nation, but against those of a particular company. In this respect, such boycotts were different from the well-known greater boycotts used by the Chinese targeting Japan, the United States, and Britain in particular, from the 1840s to the 1930s. The early boycotts can be regarded as the weaponry of one of the most powerful and organized social groups in late Qing China, namely the Chinese merchant guilds. Guild members entered into agreements that involved ceasing to purchase or deal in goods or abstaining to use ships of the boycotted country.¹⁴ A similar practice but with the aim of targeting a specific shipping company can be observed when looking at the 1895-96 boycott in the wider Gulf of Tonkin region. The same pattern was applied in the Haiphong shipping boycotts of 1907 and 1909-10 when boycotting measures of Chinese rice merchants were directed against three European tramp shipping companies after freight rates had been unilaterally increased by them.

Haiphong and the Chinese rice merchants

Haiphong, situated in the north-eastern coastal area of the Indochinese peninsula, is nowadays the third-largest city of Vietnam and a major industrial city. In the mid-nineteenth century, Haiphong was merely a native village with a market located at the confluence of the Song Cua Cam (Forbidden River, in Vietnamese: Sông Cửa Cẩm) and the Song Tam Bac (Sông Tam Bắc) in Lower Tonkin, a region which at the time formed part of Vietnam ruled by emperors of the Nguyen Dynasty. Since the Song Cua Cam is interlinked with the Red River (Sông Hồng), the main waterway of Tonkin, Haiphong was the gateway to Hanoi (Hà Nội) when French military forces entered the region in the 1870s. After the French had occupied Hanoi and other strategic sites of the delta, the treaty of 15 March 1874, among other stipulations, compelled the Vietnamese emperor to make Haiphong a French concession. The village was opened to foreign commerce, a French consul appointed, and a mixed French-Vietnamese customs office set up. A few French export firms were established in the new concession which shipped rice to Hong Kong, but export figures remained on a small scale. At the time, only around 850 Chinese were estimated to reside in Haiphong. The main reason for the weak presence of Chinese merchants – the traditional controllers of Indochina’s rice trading industry – was the commercial policy of the Vietnamese government; between 1876 and 1880, it issued a series of bans on the export of rice from Haiphong. This was to obviously disadvantage the French concession of Haiphong and to favour exports from neighbouring Nam Dinh (Nam Định) which was under its full control.¹⁵

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¹⁴ H. B. Morse, *The Guilds of China*, Longmans, Green, London, 1909, pp. 55-56; C. F. Remer, *A Study of Chinese Boycotts: With Special Reference to their Economic Effectiveness*, Cheng-Wen, Taipei, 1966, pp. 1-20; S. K. Wong, *China’s Anti-American Boycott Movement in 1905: A Study in Urban Protests*, Lang, New York, 2002.

¹⁵ C. de Kergaradec, ‘Rapport sur le commerce du port de Haiphong pendant l’année 1880’ in *Cochinchine française: Excursions et Reconnaissances*, no. 8, Imprimerie du Gouvernement, Saigon, 1881, pp. 261-276; C. Robequain, *The Economic Development of French Indo-China*, Oxford University Press, London, 1944 (the French edition was published in 1939), p. 117; Raffi, vol. 1, pp. 26-118; J. Martinez, ‘Chinese Rice Trade and

Chinese people had migrated to the Indochinese peninsula since earliest times often as a result of population pressure and political upheavals in China. The frequent immigration waves resulted in creating a new Sino-Vietnamese ruling class and in strong influences of Chinese culture and thinking on Vietnam. In the economic sector, the Chinese were active in agriculture and trading benefiting, as Alain G. Marsot explains, “from the greater cultural and commercial sophistication of their mother country, in terms of its very size and greater economic development, compared to the small and scattered societies of Southeast Asia. Furthermore, those Chinese merchants continued to maintain close ties with their families and kinship organisations in China, and in general with the trading communities there, thereby occupying a naturally privileged position as intermediaries between the South China markets and those of Southeast Asia. They were to maintain that position throughout the European period”. What seem to have further contributed to the strong position of the Chinese in Vietnam were certain human capacities, among which flexibility and great adaptability mattered mostly. Compared to the Vietnamese, as Marsot states, “they often shared the qualities of the local people, though to a higher degree perhaps, combining them with greater astuteness, obstinacy and method”. In his doctoral law thesis of 1910, René Dubreuil laid out that “the Chinese indeed behave in Indochina as a kind of germ stimulating production and through that creating wealth”, whereas the Vietnamese “do neither possess the initiative nor the mental curiosity honed by the lure of profit, something that drives the Chinese to searching for new products which are likely to provide them with a profit”.¹⁶

As a result of the Sino-French War (1884-85) and the subsequent treaties with the Vietnamese and the Chinese governments, French control was fully established in Annam and Tonkin. With the constitution of French Indochina, or of the Indochinese Union (in French: Union de l’Indochine française), enacted by decree on 11 November 1887, the protectorates of Annam and Tonkin, with a resident superior at the top, became a part of the new political unit administered exclusively by the French Ministry of Colonies and under the direct authority of a governor-general. Haiphong having served as port of debarkation and supply for the French expeditionary force during the military operations, became the centre of the French navy in northern Indochina. Among the first private companies, founded in Haiphong near the naval shipyard, was the aforementioned partnership firm of Marty et d’Abbadie which developed into one of the pioneering enterprises of colonial Tonkin.¹⁷

With the Sino-French treaty of 9 June 1885, Chinese settlers were granted the right of free entry and commercial operations in Indochina. In the same year, an immigration office and information bureau were set up in Haiphong to tackle the influx of foreigners. With that step, the French continued the practice of the Vietnamese emperors which had given a privileged status to Chinese residents. Following the French occupation of Indochina which established order and security and stimulated economic activity, Chinese immigration was further encouraged, especially from the southern Chinese provinces of Kwangtung (pinyin: Guangdong), Fukien (pinyin: Fujian), and the island of Hainan, to foster commercial relations between Tonkin and South China. Upon their arrival, Chinese immigrants had to be admitted into a congregation (French: congrégation), self-administered Chinese communities based on

Shipping from the North Vietnamese Port of Hải Phòng’ in *Chinese Southern Diaspora Studies*, vol. 1, 2007, pp. 83-86; P. Brocheux and D. Hémerly, *Indochina: An Ambiguous Colonization, 1858-1954*, University of California Press, Berkeley, 2009 (the French edition was published in 2001), p. 85.

¹⁶ R. Amer, *The Ethnic Chinese in Vietnam and Sino-Vietnamese Relations*, Forum, Kuala Lumpur, 1991, pp. 5-9; A. G. Marsot, *The Chinese Community in Vietnam under the French*, Edwin Mellen, San Francisco, 1993, pp. 22-34 (the quote: 32), 136-137 (the quote: 137); R. Dubreuil, *De la Condition des Chinois et de leur Rôle économique en Indo-Chine*, Saillard, Bar-sur-Seine, 1910, pp. 1-20, 111-112 (the quote: 111).

¹⁷ Robequain, pp. 3-13; Raffi, vol. 1, pp. 158-190; Brocheux and Hémerly, pp. 76-80.

dialect and/or the province of origin in China.¹⁸ In Vietnam, the number of Chinese rose from 44,000 (1873) to 142,000 (1910) but in northern Vietnam, the Chinese did not become nearly as numerous as they did in the south (1910: 22,000 Chinese in Tonkin of which 2,000 were people of mixed Chinese-Vietnamese origin called Minh-Huong; French: métis),¹⁹ something that was largely due to the overpopulation of the Tonkin and Annam deltas and the subsequent relatively little export of the agricultural production, one of the greatest economic interests of the Chinese. In Haiphong, the number of Chinese increased from 5,300 (1902) to 8,532 (1913) holding in the latter year a share of fifteen percent of the local population.²⁰

Immediately after the occupation of Tonkin, the French authorities set up customs depots in Haiphong, Hanoi, and Nam Dinh and, in November 1884, decreed that all rice exported from Tonkin should be channelled through Haiphong and that overseas shipping of rice should be limited to the period from December to March each year when rice was available in larger quantities.²¹ With the restriction of rice exports to only Haiphong as the prime outlet, this contributed enormously to the development and prosperity of the town and helped to transform its harbour into the major port of Tonkin (Fig. 2).²² [INSERT FIGURE 2 NEAR HERE. LEGEND: FIGURE 2. The port of Haiphong, around 1900. *Source*: Private Collection Bert Becker. In the early twentieth century, the port had undisputedly become the most important commercial outlet of Tonkin, being well connected to its hinterland by river shipping services and railway lines, and also overseas by coastal and ocean-going shipping links. Rice exports from Haiphong profited from the long period of political peace and stability in Asia which only ended with the outbreak of the Second World War. Increasing the prosperity of the port were the frequent water regulation and improvement works in the Red River delta, the

¹⁸ The Chinese congregations in Vietnam originated from the system of self-administered ‘bangs’ created in 1787 to allow the Vietnamese emperors to directly and indirectly control Chinese settlers. Chinese officers, called ‘bang truong’, and chosen by members of the ‘bang’, were held responsible by the Vietnamese authorities for the good behaviour of their ‘bang’ members and for the payment of taxes. The French renaming ‘bangs’ in ‘congrégations’ maintained the system; in Hanoi and Haiphong, two Chinese congregations, Canton and Fukien, were legally recognised by the French authorities. The heads of the congregations played a central role in the fields of public order and taxation and also in social and cultural activities. However, congregations were not permitted to engage themselves in commercial activities. – Dubreuil, *De la Condition des Chinois et de leur Rôle économique en Indo-Chine*, pp. 27-30, 33-40; Q. D. Nguyen, *Les Congrégations Chinoises en Indochine Française*, Recueil Sirey, Paris, 1941; Marsot, pp. 104-111, 114; R. Amer, ‘French Policies Towards the Chinese in Vietnam: A Study of Migration and Colonial Responses’ in *Moussons: Social Science Research on Southeast Asia*, vol. 16, 2010-2, pp. 57-62, 68-71.

¹⁹ Amer, p. 62 (table 3: number of Chinese in Vietnam 1879 to 1937 by regions), and p. 65 (table 6: number of Minh-Huong/métis in Vietnam 1908 to 1944).

²⁰ After the creation of the protectorates of Annam and Tonkin, Haiphong saw a steady rise in population, mainly of Vietnamese people. The total number of Haiphong’s population was 15,100 (1890), 18,325 (1902), and 55,811 (1913). While from 1890 to 1902, the percentage of the Vietnamese inhabitants rose from 58 per cent to 65 per cent, the percentage of the Chinese fell from 37 per cent to 29 per cent, and the percentage of the Europeans rose from four per cent to five percent. In 1913, the Vietnamese held a share of 81 per cent of the local population, the Chinese of 15 per cent, the Europeans of three per cent. There was also a very marginal group consisting of only 72 people in 1913 (Raffi, vol. 2, p. 338, table 15: Population of Haiphong 1890-1929: the latter group is listed as “diverse”) which may have been Minh-Huong not born in Haiphong, Hanoi, or Tourane; Minh-Huong born in these cities had the nationality of their fathers, according to the decree of 1883 of the governor-general of Indochina. – Amer, pp. 64-65.

²¹ In Annam and Tonkin, there were usually two rice harvests per year (in June and in November) but due to the overpopulation of these regions and changing weather conditions, the rice supply varied and often left only the autumn harvest suitable for exporting. – G. Dauphinot, ‘Le Tonkin en 1909’ in *Bulletin Économique de l’Indochine*, vol. 79, July-August 1909, p. 268; Inspection Générale des Mines et de l’Industrie, *L’Indochine Économique*, Imprimerie d’Extrême-Orient, Hanoi, 1931, p. 19.

²² Infrastructural measures aimed at supporting large-scale trading included the construction of a three-kilometre-long canal cut through the town, an exclusively European port situated on the Song Cua Cam and a Chinese port on the Song Tam Bac. – Raffi, vol. 1, pp. 163-169, 173, 182-220; Martinez, p. 87; Tran, pp. 85-133.

construction of modern and steam-driven rice mills, the availability of sufficient and efficient steam shipping tonnage for bulk transportation of rice, and last but not least the installation of telegraphs for fast orderings of rice shipments (Fig. 3).²³ [INSERT FIGURE 3 NEAR HERE. LEGEND: FIGURE 3. Haiphong centre with Boulevard Paul Bert and the Cathedral, around 1900. *Source*: Private Collection Bert Becker.

Rice was the French colony's greatest export produce whose production was divided among a very large number of Vietnamese peasants. In the early twentieth century, exports from Haiphong were dominated by local Chinese merchants, most of them Cantonese, essentially assuring the commercial flourishing of the port. In 1901, there were 23 Chinese rice merchants listed in the official records of Haiphong, except one all located in the Rue Chinoise (Chinese Street; Fig. 4), in close proximity to the Chinese port.²⁴ Their dominant position in the local rice trading industry was highlighted in early 1903 in an article in *The Hongkong Telegraph* which was critical of the French Indochinese government's position towards the Chinese in Tonkin: 'It can be fairly maintained that the organisation of Chinese rice buyers and shippers in Tongking [Tonkin] is one of the best in the East, and the real commerce of that place, both import and export, depends mainly on the enterprise and industry of the Celestial [Chinese].' The writer praised the 'proverbial integrity of the Chinese merchant' in Tonkin, concluding with the statement that 'for truly they are the strength of the land, this hard-working uncomplaining race'.²⁵ [INSERT FIGURE 4 NEAR HERE. LEGEND: FIGURE 4. The Chinese Street in Haiphong, around 1920. *Source*: Private Collection Bert Becker.

From 1897 to 1900 – a period of relatively good rice harvests – 122,000 tons of rice on average were exported from Haiphong, while at the same time Saigon exported 722,000 tons; Saigon's rice export was generally five to six times higher than that of Haiphong and this pattern continued until the 1930s. With catastrophic weather conditions destroying large quantities of rice in Tonkin between 1902 and 1906, exports from Haiphong reached their

²³ In 1898, the total number of ocean-going ships entering the port of Tonkin was 297, of 328,467 net register tons, in the same year, Saigon counted 458 vessels, of almost 1.2 million tons, and Hong Kong with 11,058 ships of more than 13 million tons. In 1913, Hong Kong counted almost 21,867 vessels, of almost 23 million tons, while Saigon's number of vessels had increased to 583, with 1.7 million tons, and Haiphong with 377 ships, of 487,139 tons. These figures demonstrate that despite Haiphong's economic development, it could not reach the levels of Hong Kong and Saigon, its neighbouring port cities in South China and Indochina. - Raffi, vol. 2, pp. 494-496.

²⁴ The Chinese in French Indochina were prohibited from engaging in any industry which directly competed with French investments. Therefore, they mainly engaged in the fishing sector, in trading and in industries related to rice. In Haiphong, in 1905, 270 Chinese and 147 Europeans held 'patents' (trading licences); of the 1,657 licences issued for Vietnamese most were in retail trades. - Raffi, vol. 2, p. 337; Martinez, p. 89; Amer, p. 72. - For general aspects of Chinese rice trading, see *Economic Handbook of the Pacific Area*, F. V. Field (ed.), Doubleday, Doran, New York, 1934, pp. 548-549; V. Purcell, *The Chinese in Southeast Asia*, Oxford University Press, Kuala Lumpur, 2nd ed., 1965, pp. 190-199; A. J. H. Latham, 'From Competition to Constraint: The International Rice Trade in the Nineteenth and Twentieth Centuries', in *Business and Economic History*, second series, vol. 17, 1988, pp. 91-102; R. E. Elson, 'International Commerce, the State and Society: Economic and Social Change' in N. Tarling (ed.), *The Cambridge History of Southeast Asia*, vol. 3, Cambridge University Press, Cambridge, 2007, pp. 119, 169-171. - Recent works on rice exporting from French Indochina and the important functions of various Chinese merchant houses and their cooperative and also competitive business relations with French colonial enterprises include: K. Vorapheth, *Commerce et Colonisation en Indochine (1860-1945): Les Maisons de Commerce Françaises, un Siècle d'Aventure Humaine*, Les Indes Savantes, Paris, 2004, pp. 84-94; P. Brocheux, *Une Histoire Économique du Viet Nam 1850-2007: la Palanque et le Camion*, Les Indes Savantes, Paris, 2009, pp. 79-81; G. Sages, 'Scaling the Commanding Heights: The Colonial Conglomerates and the Changing Political Economy of French Indochina' in *Modern Asian Studies* 49, 5 (2015), pp. 1487-1489, 1494-1501; C. Goscha, *The Penguin History of Modern Vietnam*, Penguin, Milton Keynes, 2017, pp. 162-164. - For the Hong Kong rice merchants, see D. Faure, 'The Rice trade in Hong Kong before the Second World War', in *Between East and West: Aspects of Social and Political Development in Hong Kong*, E. Sinn (ed.), Centre of Asian Studies, Hong Kong, 1990, pp. 216-225.

²⁵ *The Hongkong Telegraph*, 3 January 1903: 'The Chinese in Tongking'; re-published and translated in French in *Revue Indo-Chinoise*, 16 February 1903: 'Les Chinois au Tonkin', pp. 143-144.

bottom point in the latter year, with only 60,600 tons exported, the lowest figure since 1896. Most rice exports went to Hong Kong which further enhanced its superior position as the prime distribution centre in the South China Sea. Economically-speaking, Haiphong, to a large extent, entirely depended on its connections with Hong Kong.²⁶

With their dominant position in the Haiphong rice trade, the Chinese rice merchants also controlled the bulk of rice shipments which were conducted by shipping hongs, often in combination of trading and shipping under the same firm. These Chinese shipping hongs arranged transport which made them comparable to freight forwarders in other parts of the world, as Michael B. Miller laid out when evaluating the business operations of Butterfield and Swire in Asia: 'The range of services' of Chinese hongs, 'from banking to documentation, was so comprehensive that few shippers were prepared to save on commissions and negotiate directly with foreign shipping companies'.²⁷ In this way, hongs located in major trading centres provided business services and connections when commanding shipments from Haiphong to Hong Kong and other destinations. These services enhanced their already powerful economic position inside the local Chinese community of Haiphong and among other rice traders.

The first Haiphong shipping boycott (1907)

Compared to the often relentless competition in other shipping markets of the Far East, the situation of the shipping market in the wider Gulf of Tonkin region was in some way privileged with, until early 1907, the firms of Jebsen and Marty sharing between themselves almost the entire traffic.²⁸ By a kind of tacit agreement, the freight and passage prices of their steam tramps were more or less equal which avoided ruinous competition against each other.²⁹ Such an agreement between tramp shipping companies was somewhat similar to the conferences among liner companies in overseas shipping running to a fixed schedule in a particular trade. However, since steam tramps usually 'did not ply one regular route but rather worked whatever cargo and route was available, making mutual pricing a nightmare', tramp conferences 'were unlikely to succeed', explains maritime historian John Armstrong.³⁰ In this light, the tacit agreement between Jebsen and Marty was a special case but it certainly avoided a ruinous price war. Whether the existing situation was to the disadvantage of Chinese merchants chartering the

²⁶ Raffi, vol. 2, pp. 334-335, 604, 633; C. Fourniau, *Vietnam: Domination Coloniale et Résistance Nationale (1858-1914)*, Les Indes Savantes, Paris, 2002, pp. 646-647; Brocheux, p. 79.

²⁷ Miller, p. 90.

²⁸ In 1902, a total of 336 vessels called the port of Haiphong, of which 156 flew the French flag, 97 the German flag and 27 the British flag; the 56 others were unidentified and probably consisted of local junks and other small carriers. In 1905, German ships, with 92 calls, dominated the port of Haiphong, compared to 86 French and 29 British calls. Even in the following year, when rice exports reached their ten-year low, the German flag had again the upper hand with 105 calls, while the French fell back to 84 ships calling and the British to only 19 ships calling Haiphong. - Raffi, vol. 2, pp. 456, 603.

²⁹ Diplomatic Archives of the Foreign Ministry [Affaires Étrangères Archives Diplomatiques, Paris, France]: AEAD, Correspondance politique et commerciale, 1896-1918, Nouvelle Série: Chine, vol. 548: René Teissier-Soulange (in charge of the French Consulate in Hong Kong) to Foreign Minister Stéphen Pichon (Paris), 24 April 1907. *The Hong Kong Telegraph*, of 17 April 1909, reported on this agreement as follows: "It is a matter of little moment to the ordinary reader whether a written compact was entered into between the two foreign firms as to the freight rate to be maintained. To the shipper and the consignee, however, it was well-known that such an understanding existed and for the three years that the French and German firms ran steamers in friendly rivalry their uniform charge was one of 25 cents per picul."

³⁰ J. Armstrong, 'Conferences in British Nineteenth-Century Coastal Shipping' in J. Armstrong, *The Vital Spark: The British Coastal Trade, 1700-1930*, International Maritime Economic History Association, St. John's, Newfoundland, 2009, p. 77.

ships of Jebsen and Marty, or instead helped to preserve stable market conditions with two competitors still in the field, remains an open question.

The expectation that serious competitors would not emerge proved to be wrong with the sudden appearance of the China Navigation Company, the shipping arm of Butterfield and Swire, at the time generally regarded as the most powerful shipping company in East Asia.³¹ Until then, the firm was mainly active in northern China where it competed with Japanese shipping companies for lucrative freights. Since company papers of that specific business during this period are not available,³² the concrete reasons for the firm's decision to send its ships to southern China remains uncertain. However, two factors certainly played an important role: First, by mid-1907, the worst recession in decades had hit the world's shipping industry severely affecting shipping companies operating in East Asia when falling freight rates increased competition among them. Second, in September 1906, the Japanese government had initiated the merger of four Japanese shipping companies operating on the Yangtze River (pinyin: Chang Jiang) into the newly formed firm Nisshin Kisen Kaisha (Japan-China Steamship Company) which soon dominated the Yangtze business. The appearance of this strong competitor had severe consequences for Butterfield and Swire, as business historian William D. Wray explicates, because 'it seems to have greatly reduced their profits, which were already heading downward as a result of the depression. Between 1907 and 1910 the China Navigation Company [of Butterfield and Swire] did not earn enough to cover depreciation charges on its fleet and could not pay a dividend'.³³ Contemporary observers speculated that the increasingly stronger position of the Japanese flag after the end of the Russo-Japanese War (1904-05), which brought other flags out of business, and also the expectation of Butterfield and Swire obtaining higher profits in this new market triggered the decision to open up a new shipping service between Hong Kong, Hoihow, and Haiphong. Beforehand, in April 1907, the British firm officially informed Jebsen & Co. about the planned step and asking for confidential information about the German firm's freight tariffs which it received. At the time, Jebsen and Marty had fixed the freight rate on rice at 25 cents per rice bag (equivalent to one Chinese picul or 82 kilograms) and also granted the shippers the return commission of ten per cent on the amount of the freight to be paid at the end of every year.³⁴

As a result of Butterfield's approach, both companies set up a temporary contract for identical lower rates for their rice shipments, namely the reduction from 25 cents to 20 cents per rice bag. With a decrease of 20 per cent, the British firm obviously expected to quickly find sufficient transports, to place itself firmly into the rice shipment market in the Gulf of Tonkin,

³¹ In 1872, Butterfield and Swire, a well-established British trading house in China, founded the China Navigation Company which soon became the major shipping company in Far Eastern waters. On its history: S. Marriner and F. E. Hyde, *The Senior John Samuel Swire, 1825-1898: Management in Far Eastern Shipping Trades*, Liverpool University Press, Liverpool, 1967; Miller, pp. 88-93. In the consulted French, German, and British consular files, the shipping company is exclusively referred as Butterfield and Swire or only as Butterfield, a modus operandi which is also used in this article.

³² The Swire Archives kept by the School of Oriental and African Studies (SOAS) of the University of London do not contain any relevant papers on such aspects.

³³ W. D. Wray, *Mitsubishi and the N.Y.K., 1870-1914: Business Strategies in the Japanese Shipping Industry*, Harvard University Press, Cambridge, Massachusetts, 1984, pp. 378, 388-394 (the quote: 393); E. S. Gregg, 'Vicissitudes in the Shipping Trade 1870-1920', in *The Quarterly Journal of Economics*, vol. 34, no. 4, 1921, p. 613.

³⁴ Federal Archives, Berlin [Bundesarchiv, Berlin, Germany]: BAB, Auswärtiges Amt (AA), R901-12970: Consul Hans von Varchmin (Pakhoi) to Chancellor Bernhard Prince von Bülow (Berlin), 18 June 1906; BAB, AA, R901-17970: Consul Hans von Varchmin (Pakhoi) to Chancellor Bernhard Prince von Bülow (Berlin), 3 November 1906; AEAD, Chine, vol. 548: René Teissier-Soulange (in charge of the French Consulate in Hong Kong) to Foreign Minister Stéphane Pichon (Paris), 24 April 1907; BAB, AA, R901-17972: Johann Heinrich Jessen, *Bericht über den Stand der südchinesischen Küstenfahrt* [Report on the situation of coastal shipping in South China], 3 October 1907.

and to keep away the much-feared competition of Japanese shipping companies.³⁵ However, the new agreement was another step into a full-scale shipping conference after Jebsen agreed to the deal, fearing a ruinous price war with the British company should he with his smaller firm not consent. The agreement was valid until Marty had decided whether he wanted to join it or not. Although the Frenchman was considered as relatively unfit for business and almost at the end with his firm, Jebsen feared if Marty was pushed out of business in this market, France would replace his firm by a stronger rival which, with the help of French subsidies, would be able to drive Jebsen out of the market, especially when the French would combine with the British.³⁶

After this agreement with Jebsen was made and Marty had agreed to join it, the British shipping company officially announced that it would launch the new service, beginning in early June 1907.³⁷ The joint agreement worked smoothly but the relatively low freight rate of 20 cents per rice bag, as agreed between the three companies, negatively affected Marty and who suffered from increasing losses. Marty's firm worked less economically than Jebsen and Butterfield, the latter two possessing larger and more modern fleets of steamships which provided them with higher flexibility and more profitable businesses.³⁸ However, any additional agreement such as the number of ships which each firm was permitted to put on the service, was not made.

Freight rates during 1907 remained on the relatively low basis which had been agreed between the three companies resulting in continuously low profits. Obviously on Marty's initiative, on 10 November 1907, the three firms set up a new joint agreement on the revised uniform freight rate of 25 cents per rice bag. It actually brought back the rate to the same level before Butterfield, some months earlier, had entered the market. However, Chinese rice shippers in Haiphong regarded this decision as an unacceptable price increase of 20 per cent and immediately decided to boycott the ships of the three firms. The first one affected was the *Singan* of Butterfield and Swire which on 20 November 1907 was not receiving any freight and lay idle in the port of Haiphong; shortly after the same fate hit vessels of Jebsen and of Marty. *The Hong Kong Telegraph* when reporting on the incident and its background was convinced that tactics of 'eminent practical common sense' adopted by Chinese rice merchants in Haiphong would 'certainly go to show their determination to fight the Conference'.³⁹ The newspaper also made known that the Shun-Tai rice company at Haiphong, through their Hong Kong agents Po Hing Tai, had instead chartered in Hong Kong two steamers under the

³⁵ The National Archives, Kew, UK: TNA, Foreign Office (FO): FO 228-1729: G. W. Pearson, Acting Consul (Kiungchow), to Sir John Jordan, British Minister (Peking), 13 May 1909.

³⁶ Such hopes were indeed expressed in an article titled 'Against the Germans' published in June 1907 in the Haiphong press. Referring expressively to the 'Entente Cordiale' - the Anglo-French entente of 8 April 1904 - the writer stated that thanks to this agreement, France in the Far East had to the least to fear from Britain whose successful struggle with Germany would also be beneficial and helpful for France. *Le Courrier d'Haiphong*, 5 June 1907: 'Lettre d'Hoihow: Contre Les Allemands'. This newspaper of which, in 1886, Marty was one of the founders, was the mouthpiece of the French community of Haiphong representing its members' specific views and opinions, with an emphasis on promoting local business interests. One of its frequently repeated issues was to fight the project of replacing Haiphong as main port hub of Tonkin with another nearby location. - G. de Gantès, *Coloniaux, gouverneurs et ministres: L'influence des Français du Viet-Nam sur l'évolution du pays à l'époque coloniale 1902-1914*, unpublished PhD thesis, 2 vols, Université de Paris VII Denis Diderot, 1994, vol. 2, pp. 271-273.

³⁷ AEAD, Chine, vol. 548: French Minister Edmon Bapst (Peking) to Foreign Minister Stéphane Pichon (Paris), 10 June 1907.

³⁸ Political Archives of the Foreign Office [Politisches Archiv des Auswärtigen Amts, Berlin, Germany]: PAAA, Deutsche Botschaft in China (Peking II), Peking II-1174: Consul Dr Rudolf Walter (Pakhoi) to Chancellor Bernhard Prince von Bülow (Berlin), 25 June 1907; Jacob Jebsen (Hong Kong) to Consul Hans von Varchmin (Pakhoi), 13 February 1908.

³⁹ *The Hong Kong Telegraph*, 28 November 1907: 'Hong Kong Shipping Firms Boycotted: Steamers tied up at Haiphong: Rice Import Retarded'.

Norwegian flag,⁴⁰ the *Fritjof* and the *Dagny*, offering rice shippers the cut-rate price of 19 cents per rice bag. However, with high demand for rice in Hong Kong, large stocks of rice in Haiphong, and only a small number of steamers available for such shipments, it seemed clear to observers that the boycott would only last for a few weeks.⁴¹

Furthermore, with the Chinese employing Norwegian steamers, it became obvious that the major Japanese shipping company Nippon Yusen Kaisha (N.Y.K.) had appeared as powerful competitor in the market. In 1907, 136 entries of Norwegian ships sailing from Southeast Asian ports were registered in the port of Hong Kong, of which 44 were of those four Norwegian steamers chartered by the N.Y.K.; 77 entries into Hong Kong came from South Chinese ports. According to P. Tournois, administrative mayor of Haiphong, in his later report on the incident, the N.Y.K. had offered to provide to the Chinese the entire tonnage for their exports to China and imports to Tonkin; in such case the Japanese company may have been incited to establish itself in Tonkin.⁴² However, the severe business recession and also strong competition seem to have affected such expansionist plans: the N.Y.K. line from Hong Kong to Bangkok which had been launched in May 1906 soon faced huge losses due to rivalry from the North German Lloyd. This situation finally resulted in the decision taken in December 1907 to withdraw from the line bringing about a temporary end of the N.Y.K. activities in Southeast Asia.⁴³

At about the same time, in the first days of December 1907, a joint conference of concerned shipowners and principal rice merchants was held in Hong Kong in which both sides tried to find an amicable solution to the crisis. *The Hong Kong Telegraph* reported that ‘no definite settlement could be reached, although it was apparent that there would be no disinclination on the part of owners and shippers alike to meet each other half way’. With the compromise finally ‘arrived at as the only practical solution of the problem in order to remove the deadlock’, as the newspaper informed, the three shipping companies agreed to reverse the price increase which ended the Chinese boycott of their vessels. Thus, the freight rate on rice was again fixed to 20 cents per rice bag, with business returning to usual in December 1907.⁴⁴

⁴⁰ Norway, an independent European state after the dissolution of the Swedish-Norwegian union in 1905, possessed by 1880 a merchant marine with the third greatest tonnage in the world, a position which was slightly maintained for a hundred years. By 1902, most of Norwegian ships calling at Asian ports were steamers in intra-Asian trades which developed into the most important sector; the most visited ports were Hong Kong, Bangkok, Shanghai, Singapore, and Saigon, all of them situated at the South China Sea. In 1907, Norwegian steamers were predominantly present in Bangkok where they came second after the German flag. - E. von Mende, *Die wirtschaftlichen und konsulären Beziehungen Norwegens zu China von der Mitte des 19. Jahrhunderts bis zum 1. Weltkrieg*, unpublished PhD thesis, Universität zu Köln, 1971, pp. 218-219. Hsiao, pp. 239-261, with the numbers and tonnages of Norwegian vessels operating in intra-Asian trades from 1872 to 1946. S. Tenold, ‘Norwegian shipping in the twentieth century’ in *International Merchant Shipping in the Nineteenth and Twentieth Centuries: The Comparative Dimension*, L. R. Fischer and E. Lange (eds), International Maritime Economic History Association, St. John’s, Newfoundland, 2008, pp. 59-60; C. Brautaset and S. Tenold, ‘Lost in calculation? Norwegian merchant shipping in Asia, 1870-1914’ in *Maritime History as Global History*, M. Fusaro and A. Polónia (eds), International Maritime Economic History Association, St. John’s, Newfoundland, 2010, pp. 207, 217-221.

⁴¹ *The Hong Kong Telegraph*, 28 November 1907; AEAD, Chine, vol. 548: René Teissier-Soulange (in charge of the French Consulate at Hong Kong) to Foreign Minister Stéphen Pichon (Paris), 2 December 1907.

⁴² National Archives of Overseas Territories [Archives Nationales d’Outre-mer, Aix-en-Provence, France]: ANOM, Gouvernement-Général de l’Indochine (GGI), vol. 19298: Report of Administrative Mayor P. Tournois (Haiphong), 13 October 1909.

⁴³ Wray, pp. 379-380.

⁴⁴ *The Hong Kong Telegraph*, 9 December 1907: ‘Haiphong Shipping Boycott: Probable Compromise: Conference of Owners and Shippers’; AEAD, Chine, vol. 548: Vice-Consul Joseph Beauvais (Hoïhow) to Foreign Minister Stéphen Pichon (Paris), 26 December 1907. - As French export statistics show at the end of 1907, this year was a turning point after a series of bad harvests and low export numbers in previous years. With 165,956 tons of rice shipped from Haiphong, it signalled the beginning of a period of good and even very good harvests. The French flag with 170 calls again dominated the port of Haiphong, while the German flag was registered with

The first Haiphong shipping boycott of 1907 demonstrated that Chinese rice shippers reacted sharply to what they regarded as unfair business practices. Their reaction certainly became even stronger under the negative perception of being confronted with the powerful combination of three shipping companies united in a conference. The boycott seemed to be effective but was short-lived because of compelling economic reasons which forced Chinese shippers to withdraw from their punitive action. However, the lesson repeated from the 1895-96 incident – the boycotting of Marty's ships -, namely that the practice was a strong economic weapon when other steam tramps were available for charter and creating alternative shipping options.

The second Haiphong shipping boycott (1909-10)

In 1908, the route between Hong Kong, Hoihow, and Haiphong was frequently served by six to eight Jebsen, two to three Butterfield, and two Marty steamers. The Haiphong port authorities registered 82 entries of British ships in that year, the highest number ever and a clear reflection of the strong position of Butterfield in the market.⁴⁵ However, after their failed attempt to increase the freight rate, the firms again faced low profits on the run, in particular Butterfield whose profits were always less than Jebsen's and sometimes even lower than Marty's. Confronted with such a negative trend, on 23 March 1909, the British firm initiated in Hong Kong a conference with its two rivals in which it was agreed that the freight rate on rice shipped on the Haiphong-Hong Kong run should be increased to 26 cents per rice bag. The decision resulted in an increase of freight rate of more than 23 per cent.⁴⁶

Additionally, it was agreed that each of the three firms should put only a certain number of ships on the line to avoid an oversupply of tonnage. The step was obviously directed against Jebsen who often put a large number of ships on the run to secure for himself the lion share of the market. Therefore, Jebsen was only permitted to regularly employ six ships, and occasionally another two more (which the firm used for shipments of emigrants ('coolies') to Dutch East India);⁴⁷ Butterfield was allowed to have four ships on the run, and Marty was permitted to employ all three ships of his fleet and to charter another one, if needed. The three shipping companies were confident that the Chinese rice shippers in Haiphong, whether they liked it or not, would with some reluctance accept the increased freight rate when facing both the coming rich rice harvest of spring 1909 and also the difficulty of employing alternative steamers for their rice shipments.⁴⁸

Such hopes were frustrated promptly. 'No sooner was this announced than the rice exporters in Haiphong began to show their old-time resentment', reported *The Hong Kong Telegraph* on 17 April 1909. The paper even speculated on the motivation of the Chinese merchants: 'Encouraged also, probably, by the success of their 1907 campaign, the Chinese dealers took up the gauntlet and presented quite as bold a front as they did eighteen months

123 calls; the first appearance of Butterfield in the market was reflected in 58 ships flying the British flag, compared to merely 19 vessels in the year before. - Raffi, vol. 2, pp. 456, 602, 604, 633.

⁴⁵ Raffi, vol. 2, pp. 456, 602.

⁴⁶ PAAA, Peking II-1175: Consul Dr Peter Mercklinghaus (Pakhoi) to Chancellor Bernhard Prince von Bülow (Berlin), 27 April 1909.

⁴⁷ These Chinese emigrants ('coolies') were mostly free migrants leaving voluntarily for Dutch East India to work on the tobacco plantations of Northern Sumatra. For the distinction between 'coolie trading' and free emigration of Chinese labourers, see E. Sinn, *Pacific Crossing: California Gold, Chinese Migration, and the Making of Hong Kong*, Hong Kong University Press, Hong Kong, 2013, pp. 50-53.

⁴⁸ PAAA, Peking II-1175: Consul Dr Peter Mercklinghaus (Pakhoi) to Chancellor Bernhard Prince von Bülow (Berlin), 27 April 1909.

ago.⁴⁹ For the new boycott, six large rice trading firms based in Haiphong formed a syndicate or charter combine and subsequently set up the firm of Lien Yi Chinese Steamship Company (聯益華輪公司) which initially chartered in Hong Kong three Norwegian steamers on trip charter and on time charter the *Victoria* under the Swedish flag for \$5,000 per month. The Chinese combine had collected around \$100,000 from its member firms which gave them the chance to offer a cut-rate price of ten cents per rice bag, a considerable decrease of over 61 per cent of the price fixed by the three firms. According to information from Jebsen, the minimum price to make such shipments profitable was 12 cents per rice bag.⁵⁰ On 14 April 1909, the journal *L'Avenir du Tonkin*, after questioning a Chinese merchant about the case reported that the current low selling price for rice was one of the reasons for rejecting the increased freight rate. Informing about the founding of the Chinese combine called 'Société du riz' (Rice Company) in the article which was charged with chartering steamers for shipping imports and exports of Chinese merchants in Haiphong, the paper was afraid of possible negative consequences for the French flag should the number of chartered vessels flying the Chinese flag would increase in the port of Haiphong.⁵¹

The initiator of the Lien Yi Chinese Steamship Company was the major Chinese rice merchant Tam Sec Sam (譚植三), the founder and owner of the rice company Shun-Tai (順泰) headquartered in Hong Kong with a branch in Haiphong, of the company Chu Ho (聚合) in Nam Dinh, of the Pao Hing Tin Ore Company (寶興錫礦公司) in Mengtze (the Chinese treaty port in Yunnan Province near the border of Tonkin), and of the company Pao Hing Tai (寶興泰) in Hong Kong. Tam, who also served as president of the Chinese Chamber of Commerce in Haiphong, frequently called meetings with other major local Chinese rice merchants to discuss boycotting measures.⁵²

⁴⁹ *The Hong Kong Telegraph*, 17 April 1909: 'Hong Kong Shipping Firms Boycotted: The Haiphong Rice Trade: Grain Importers Fight Shipowners'.

⁵⁰ PAAA, Peking II-1175: Consul Dr Peter Merklinghaus (Pakhoi) to Chancellor Bernhard Prince von Bülow (Berlin), 27 April 1909; Consul Dr Ernst Arthur Voretzsch (Hong Kong) to Chancellor Bernhard Prince von Bülow (Berlin), 11 May 1909.

⁵¹ *L'Avenir du Tonkin*, 14 April 1909: 'Le Boycottage des Chinois'. This newspaper sold in Hanoi and in Haiphong was the mouthpiece of the French rural settlers (in French: colons) in Indochina carrying "racist aspersions on the indigenous peoples, impractical suggestions designed to forward the interests of their readers, and castigations, justified or not, of metropolitan and colonial policies and personalities". - J. F. Laffey, 'Imperialists Divided: The Views of Tonkin's Colons before 1914' in *Histoire Social/Social History*, vol. 10, no. 19, 1977, p. 93.

⁵² Tam Sec Sam (譚植三) came from Sunwei, Kwantung Province in south-eastern China, mainly an agricultural region. Later relatives brought him to Macao, the Portuguese territory in the Pearl River Delta, where he made a living for many years by selling rice and grains. When travelling overseas, Tam also visited Indochina and Siam to study rice production in these regions. He later moved to Haiphong to engage in the Tonkin rice trading industry which provided him with sufficient funds to purchase large tracts of land. After Haiphong was made a French concession (1874), Tam profited from rising land prices and became wealthy which helped him to occupy a leading position in the business sector of the rising port town. When increasing numbers of Chinese immigrants from Sunwei, Kwantung Province, moved to Haiphong, Tam was supportive of their integration and initiated for that purpose the local Chinese Chamber of Commerce which provided material support to Chinese immigrants along with the funding of medical services; he was therefore thrice-elected as its president. A capable leader of the Chinese community in Haiphong, Tam was apparently very popular among Chinese residents of Haiphong and enjoyed a good reputation. His Shun-Tai rice company (順泰) was headquartered in Hong Kong. From there, it exported at least 1.5 million rice bags mainly to Japan. - Wen Xiongfei 溫雄飛, *Nanyang huaqiao tungshi* 南洋華僑通史 [A Complete History of Chinese Immigrants in Nanyang], Dongfang yinshuguan 東方印書館,

On 9 May 1909, after having questioned a number of rice merchants, *L'Avenir du Tonkin* published a lengthy article on the boycott. According to information of the newspaper, Haiphong's mayor had enquired with the head and the sub-head of one of the Chinese congregations who guaranteed him that the boycott would not exist and that the Chinese charter combine had not obliged Vietnamese rice farmers to exclusively sell rice to this syndicate. Nevertheless, the journal urgently called on the government-general to provide more support to Marty's shipping company strongly warning that the French flag would entirely be driven out of Indochina as a result of the current economic struggle of the Chinese rice merchants.⁵³

However, despite such fears, from the beginning, three major factors worked against the Chinese combine in Haiphong: First, at their meeting on 23 March 1909 in Hong Kong, the three firms had agreed that in case a similar boycott such as the one in December 1907 occurred, they would immediately dispatch their ships after unloading at Haiphong so that they could find other profitable businesses and would not lay up them at this port. For example, to compensate for lacking rice shipments, Jebsen instructed his vessels to load other cargoes such as coal and cement shipped from Haiphong and Hongay (Hon Gay), the site of coal mines at the Tonkin coast operated by a French-Indochinese firm - to Hong Kong and Canton. They also entirely withdrew ships from the run and transferred them to shipping markets in northern China where high freight rates were available.⁵⁴ Second, the *Victoria* had been chartered during an unusual lull in freight markets which soon ended so that in May 1909 the charter rates for comparable ships increased by more than ten per cent. Such an increase would make chartering ships costlier for the charter syndicate and result in lower profits for them. Third, the steamers chartered by the Lien Yi Chinese Steamship Company returned to Haiphong without being able to find any considerable cargoes in Hong Kong or Hoihow. Local Chinese shippers in these ports continued loading on vessels belonging to the three firms. *The Hong Kong Telegraph*, on 23 April 1909, also hinted to this problem: 'There is the question of return cargoes to be weighted, for if the entrants in the trade have to bring their vessels back to Haiphong in ballast the venture may prove to be an exceedingly costly one for them. Therein lies the power of the three shipping firms against whose interest the boycott has been instituted.' Consequently, the actual freight rate of the Lien Yi Chinese Steamship Company for the round trip increased to around 15 cents per rice bag.⁵⁵

In June 1909, the boycott was in full swing after the Haiphong rice shippers time-chartered the *Victoria* under the Swedish flag for three months and the *Fri* under the Norwegian flag, along with (on trip charter) the *Landrat Scheiff* of the German trading firm Siemssen and Co. in Hong Kong. The Chinese position was hardened by the fact that freight rates of shipping markets in northern China tended to fall so that shipments from this region to Hong Kong became less profitable for the boycotted shipping companies. Therefore, the rice shippers were not prepared to enter into any agreement but instead time-chartered another Norwegian

Shanghai, 1929, pp. 261-262; Yan Qu (嚴璩), Yuenan youlijiji 越南遊歷記 [Travel Notes in Vietnam, 1905] in Fujian shifan daxue lishixi huaquiaohsi ziliao xuanjizu 福建師範大學歷史系 (The History Department of Fujian Normal University) (eds.), *Wanqing haiwai bijixuan* 晚清海外筆記選 [The Selection of Overseas Journals in the Late Qing Dynasty], Haiyang chubanshe 海洋出版社, Beijing, 1983, p. 58.

⁵³ *L'Avenir du Tonkin*, 9 May 1909: 'Chronique de Haiphong: La Boycottage des Chinois'.

⁵⁴ PAAA, Peking II-1175: Consul Dr Peter Merklingshaus (Pakhoi) to Chancellor Bernhard Prince von Bülow (Berlin), 27 April 1909; *The Hong Kong Weekly Press*, 10 May 1909: 'The Shipping Boycott: Serious Situation at Haiphong'.

⁵⁵ PAAA, Peking II-1175: Consul Dr Peter Merklingshaus (Pakhoi) to Chancellor Bernhard Prince von Bülow (Berlin), 27 April 1909; *The Hong Kong Telegraph*, 23 April 1909: 'The Hong Kong-Haiphong Rice Shipping Trade'; PAAA, Peking II-1175: Consul Dr Ernst Arthur Voretzsch (Hong Kong) to Chancellor Bernhard Prince von Bülow (Berlin), 11 May 1909.

steamer, the *Fritjof*. Facing the ongoing boycott, Jebsen and Butterfield decided to lower their freight rate to ten cents per rice bag and even granted a return commission of ten per cent on the amount of the freight at the end of every year. It was clear to the firms that with this cut-rate price, any profit was hardly achievable; however, they hoped to undercut prices and to finally defeat the rivalling ships of the Chinese charter combine.⁵⁶

Such hopes seemed to pay off when Shun-Tai and two other rice trading firms decided to leave the charter combine and to again provide freights to vessels of the three shipping companies. With the withdrawal of Shun-Tai it became obvious that profitability particularly mattered for the company. This decision of the major Chinese rice company resulted in an angry reaction: in August 1909, Shun-Tai received an anonymous threatening letter, written in Chinese, accusing the firm of destroying the boycotting union and being a traitor. Although Tam Sec Sam was not mentioned by name in this letter and other subsequent correspondence but only referred to under the name of his company, it was doubtless him who was targeted. The letter with its French translation were channelled to Marty who took the opportunity to directly approach Governor-General Antony W. Klobukowski about the matter. Hinting to the fact that the note was set up by the Chinese of the boycott society (in Marty's letter called 'la société de boycottage'), the French shipowner regarded the document as clear proof that a Chinese boycotting company really existed having the intention to severely harm the three shipping companies. It is obvious from Marty's wording that the government-general had not made its own enquiries into the matter, something that seems to have been promised by the governor-general, as *L'Avenir du Tonkin*, of 9 May 1909, reported.⁵⁷ The more Marty was trying to make the events publicly known when announcing that he had sent another copy of the letter to the prosecutor of the French Republic in Haiphong. With such initiative, he hoped, as he said in his accompanying letter, to prompt a serious investigation into the actions of the boycott society and to have the French authorities ending the boycott.⁵⁸

With Governor-General Klobukowski handing over the case to Resident Superior Jules Simoni, this highest French official in the protectorates of Annam and Tonkin informed the prosecutor-general and also charged the administrative mayor of Haiphong with urgently investigating into the matter.⁵⁹ Mayor P. Tournois acted promptly questioning the receiver of the threatening letter who declared not to have any fears and to consider the message merely as intimidation attempt; nevertheless, the mayor initiated a discreet surveillance by secret police agents to better protect this Chinese merchant. He also contacted the head of the Canton congregation in Haiphong who he suspected of being interested in the boycott society warning that he held him politically responsible for any actions of the members of his congregation. After collecting sufficient information from different sources, Tournois set up a lengthy report going on for six pages, with extra page listing fifteen members of the Chinese society, in which he described in detail the events between June 1907 and late September 1909. He concluded his account stating that this particular case did not constitute a boycott in the true meaning of the term and consequently could not constitute an offence according to the penal code. Furthermore, he pointed to the fact that the threatening letter to Shun-Tai had been anonymously and was not taken seriously by the receiver. Therefore, Tournois advised the shipping companies to take suitable measures to combat their opponents in the field of free

⁵⁶ PAAA, Peking II-1175: Consul Dr Peter Merklingshaus (Pakhoi) to Chancellor Bernhard Prince von Bülow (Berlin), 21 June 1909.

⁵⁷ *L'Avenir du Tonkin*, 9 May 1909: 'Chronique de Haiphong: La Boycottage des Chinois'.

⁵⁸ ANOM, Gouvernement-Général de l'Indochine, vol. 19298: Translation of an anonymous letter received by Shun-Tai, August 1909; Auguste Raphael Marty (Haiphong) to Governor-General Antony W. Klobukowski (Hanoi), 7 September 1909.

⁵⁹ National Archives Centre No. 1 [Centre des Archives Nationales No. 1, Hanoi, Vietnam]: VNA1, Résidence Supérieure au Tonkin, vol. 22476: Resident Superior p. i. Jules Simoni (Hanoi) to Prosecutor-General (Hanoi), 18 September 1909, and to Administrative Mayor (Haiphong), 18 September 1909.

competition.⁶⁰ The Haiphong mayor's point of view was shared by Simoni who accordingly advised the governor-general and the prosecutor-general.⁶¹ Since the consulted files do not contain any statement of Governor-General Klobukowski, it seems that the case was regarded as settled.⁶²

After the Shun-Tai rice company had left the Chinese charter combine, the Lien Yi Chinese Steamship Company was reorganised with a capital of \$300,000. In August and September 1909, the firm once again time-chartered the *Victoria* (for \$4,500 per month) and the *Fritjof*. Jebsen countered this by frequently sending one of its vessels to Haiphong just before the chartered steamers called port which resulted in getting around 1,500 rice bags (very little compared to several thousand bags before) for a freight rate of ten, nine, or even only eight cents per bag. The extremely low freight rates could partly be compensated by other shipments, mainly of cattle on the Hoihow-Hong Kong run which was almost monopolized by Jebsen. Its strong position in this export trade enabled the firm to hold on and to severely undercut the freight rates of ships chartered by the Chinese combine. Another factor worked against the Haiphong syndicate: due to rice harvests being spoiled by heavy flooding in the summer of 1909, there was a profound fall in rice shipments and which caused the government-general of Indochina to issue an export prohibition on rice.⁶³ This led to the two chartered vessels of the Lien Yi Chinese Steamship Company to only ship around 8,000 rice bags from Haiphong to Hong Kong. Furthermore, Jebsen put strong pressure on cattle exporters in Hoihow to make sure that none of the combine's ships could load any livestock at this port.⁶⁴ The shortage of available cargo led to severe financial losses for the charter combine which seemed to crumble when a number of smaller Haiphong rice merchants met with Jebsen's comprador Chau Yue Teng (周雨亭) to discuss the serious situation.⁶⁵ The *South China Morning*

⁶⁰ ANOM, Gouvernement-Général de l'Indochine, vol. 19298: Report of Administrative Mayor P. Tournois (Haiphong), 13 October 1909.

⁶¹ ANOM, Gouvernement-Général de l'Indochine, vol. 19298: Resident Superior p. i. Jules Simoni (Hanoi) to Governor-General Antony W. Klobukowski (Saigon), 18 October 1909; VNA1, Résidence Supérieure au Tonkin, vol. 22476: Resident Superior p. i. Jules Simoni (Hanoi) to Prosecutor-General (Hanoi), 3 November 1909.

⁶² The legalistic position of the French authorities towards Marty's approach which helped them to escape any further investigation into the actions of the Chinese rice merchants should also be seen before the background of the earlier attempt of Marty to win support of the government-general against alleged intrigues of Chinese merchants in Haiphong. Nine years before, in November 1900, the shipowner sent a long declaration to Governor-General Paul Doumer complaining about unfair competition and generally accusing Chinese merchants in Tonkin of frequently operating 'secret coalitions and societies' with the goal 'to ruin the well-established companies which since long assisted our country [Tonkin] in its commercial expansion'. Explicitly referring to the incident of 1895-96 when Chinese shippers in Hoihow and Pakhoi boycotted his ships after setting up a charter syndicate, Marty, in his letter to Doumer, strongly requested 'to take necessary measures to block their attempts'. The expert report on the issue was issued by M. A. Frézoule, director of customs and public companies (French: Douanes et Régies), stating that there was indeed a Chinese coalition aiming 'to exploit an entire trading sector to the exclusive profit of their congregation'. However, he regarded this combination as 'a purely commercial operation'. Therefore, Frézoule was against restrictive measures calling those 'a constraint to the development of trade' and recommended to only assist Marty with granting to his ships 'all favours compatible with the regulations'. Since the file does not contain a reply of Doumer, Frézoule's verdict certainly settled the case. VNA1, Gouvernement-Général de l'Indochine, vol. 3158: Auguste Raphael Marty (Haiphong) to Governor-General Paul Doumer (Saigon), 20 November 1900; M. A. Frézoule, Director of Customs and Public Companies of Indochina (Hanoi), to Governor-General Paul Doumer (Hanoi), 10 December 1900.

⁶³ PAAA, Peking II-1175: Consul Dr Peter Mercklinghaus (Pakhoi) to Chancellor Theobald von Bethmann Hollweg (Berlin), 21 September 1909, and 26 January 1910.

⁶⁴ Jebsen and Jessen Historical Archives (JJHA), Aabenraa, Denmark: JJHA, PS 1502: Michael Jebsen [called 'Magge', the younger brother of Jacob Jebsen] (Hong Kong) to Jacob Jebsen (Apenrade), 27 October 1909.

⁶⁵ JJHA, PS 1502: Michael Jebsen (Hong Kong) to Jacob Jebsen (Apenrade), 9 October 1909. - Chau Yue Teng (周雨亭) (1872-1933), son of Jacob Jebsen's business associate Chau Kwang Cheong (周昆章) (-1908), was born on Hainan Island, and from about 1882 educated in an English school, the Diocesan Boys' School in Hong Kong.

Post, published in Hong Kong, commented on the behaviour of the Chinese merchants as follows: ‘Although they are now losing heavily as a result of an ill-conceived commercial move, they are continuing in order to “save face” with their own nationals.’⁶⁶

When rice harvests of late autumn 1909 proved to be abundant and the official export prohibition was lifted, the Lien Yi Chinese Steamship Company time-chartered not only the *Victoria* and the *Fritjof* but also the *Fri* and continued boycotting the three firms.⁶⁷ According to Michael Jebsen, ‘the Chinese had again declared war on us which will cost them the most. [...] The endurance of the Chinese in this fight is admirable although they lose money with every voyage’.⁶⁸ As he further noted, members of the Chinese combine had meetings in Hong Kong almost every evening in which two merchants of the bigger Chinese rice trading companies still pushed for the continued boycott of the three firms. Although smaller shareholders of the charter combine were dissatisfied with financial results achieved, they were suppressed by the power of the two major companies. Facing this situation, Jebsen kept to his extremely low cut-rate price of ten cents per bag which secured him small shipments from rice shippers which had not joined the charter combine. By January 1910 – according to information of the German consul in Pakhoi – the members of the Chinese combine had lost \$30,000 to \$40,000 as a result of the boycott and only kept going in order to save their face in the hopes of finally winning the fight.⁶⁹

Such hopes seemed to be in vain when in April 1910, the *Victoria* was re-chartered on time for the even higher rate of \$5,000 (previously \$4,400) because of generally increasing charter rates. Fearing again substantial losses, the Chinese were careful enough to refrain from also chartering the other two Norwegian steamers. With only one vessel it was clear that the expected abundant rice shipments could not be realised and that profits were in danger. Along with drained financial resources, these three factors together sufficiently motivated the Chinese to back down.⁷⁰ However, with their powerful actions the Chinese merchants were able to achieve from the European shipping companies more advantageous conditions than before the boycott.

The agreement of 10 May 1910

In May 1910, and with the agreement of Butterfield and Marty that he should take the lead in joint negotiations, Johann Heinrich Jessen, the co-owner of Jebsen and Co., paid a personal

He later joined his father’s shipping company Yuen Cheong Lee and Co. (源昌利) in Hong Kong, and in 1901 became the first comprador of Jebsen and Co., before the company was wound up during the First World War. - *Gazetteer of Wenchang, vol. 30: Biographies* 文昌縣志, 2000, p. 956; Chau Yue Teng (1872-1933); B. Becker, ‘Western Firms and Their Chinese Compradors: The Case of the Jebsen and Chau Families’ in *Meeting Place: Encounters Across Cultures in Hong Kong, 1841-1984*, E. Sinn and C. Munn (eds.), Hong Kong University Press, Hong Kong, 2017, pp. 106-130.

⁶⁶ *South China Morning Post*, 1 September 1909: ‘Items from Tonkin Papers’.

⁶⁷ The Haiphong port statistics for 1909 clearly reflected the boycott, especially of the British and German ships, showing the relatively low total number of 333 ships entering the harbour of which 146 were French (a slight increase to the year before), 75 German (the lowest number since 1896), and 43 British (which number dropped by almost half from the year before). Rice exports had considerably dropped to the total amount of 175,225 tons (of which 53,585 tons were exported to France and her colonies), compared to the previous year when 250,359 tons were shipped (of which 29,665 went to France and her colonies). - Raffi, vol. 2, pp. 602, 633.

⁶⁸ JJHA, PS 1502: Michael Jebsen (Hong Kong) to Jacob Jebsen (Apenrade), 27 October 1909.

⁶⁹ *Ibid.*; PAAA, Peking II-1175: Consul Dr Peter Mercklinghaus (Pakhoi) to Chancellor Theobald von Bethmann Hollweg (Berlin), 26 January 1910.

⁷⁰ PAAA, Peking II-1175: Consul Dr Peter Mercklinghaus (Pakhoi) to Chancellor Theobald von Bethmann Hollweg (Berlin), 6 June 1910.

visit to Haiphong to meet the rice shippers. In a personal letter, his partner Jacob Jebsen who was in Germany at the time, wished him 'favourable impressions' in Haiphong deploring that 'this good business is so entirely ruined'. According to Jessen's later report to the German minister in Peking, he had succeeded in convincing the Chinese to give up the boycott and to again provide their rice shipments to the European steamers.⁷¹ The agreement of 10 May 1910 between the three shipping companies and six Haiphong rice shipping companies representing another 12 rice exporting firms, thus 18 'rice hong's' – as they were called in the agreement – fixed freight rates on rice at 22 cents per bag on which the three firms granted the shippers the return commission of five per cent ordinary and another five per cent extraordinary, altogether ten per cent in all on the amount of the freight to be paid at the end of every year. Compared to the price fixed in March 1909 which had ignited the boycott, it resulted in a more than 15 per cent decrease in the freight rate on rice, which was obviously sufficient for the Chinese shippers. The three shipping companies attached conditions to the extraordinary return commission of five per cent which was treated as kind of extra rebate when, for example, rice exporters refrained from shipping on ships other than those belonging to the three firms. The most important clause was that the rice shippers promised not to charter any other steamer or steamers for the Haiphong-Hong Kong run while the agreement was in force. They also agreed that a restricted number of steamers of the three firms should operate on the run so that competition was less and freight rates could be maintained on the same level. Only when rice exports accelerated, more ships could be put on the run. Since Jebsen was permitted to occasionally operate two extra steamers to his already strong fleet, it was his firm who kept the lion share in this market.⁷²

On the one hand, the Chinese rice shippers could feel like winners of the boycott, having achieved a more than 15 per cent decrease in the freight rate on rice. On the other hand, the charter combine – with their invested capital used in the chartering of ships – had actually suffered direct financial losses while the three boycotted shipping companies firms had not lost their own capital but their profits.⁷³ Therefore, both sides had suffered, making it a moot point to speak of winners or losers. *The Hong Kong Telegraph*, in April 1909, had already brought it to the point when commenting: 'Whatever the outcome of the present struggle may be, one thing is certain – that it demonstrates the capabilities of the Chinese to make a stand for themselves when they consider their interests assailed – whether rightly or wrongly.'⁷⁴ In the end, it was Jebsen who had defended his strong market position after Butterfield had consented to only put two ships on the run in return for Jebsen's promise to commission Butterfield with the dockyard works of four of his steamers in Hong Kong. Marty's active fleet had already been reduced to only three ships after the French shipowner, in August 1909, had chartered his steamer *Hailan* to another French firm in Indochina.⁷⁵ These facts resulted in Jebsen's even

⁷¹ JJHA, A01-01-300: Jacob Jebsen (Apenrade) to Johann Heinrich Jessen (Hong Kong), 28 April 1910; PAAA, Peking II-1175: Johann Heinrich Jessen (Hong Kong) to German Minister Arthur Count von Rex (Peking), 30 May 1910.

⁷² JJHA, B10-02-0086: *Memorandum of Agreement*, issued in Haiphong, 10 May 1910 (copy of translation). This document seems to be the only remaining evidence of the agreement. In its last sentence, it is stated that the 'agreement is made and signed by either party in four copies, one copy for each of the THREE COMPANIES and another one copy for the Rice Hong's'.

⁷³ PAAA, Peking II-1175: Consul Dr Peter Mercklinghaus (Pakhoi) to Chancellor Theobald von Bethmann Hollweg (Berlin), 6 June 1910.

⁷⁴ *The Hong Kong Telegraph*, 17 April 1909: 'Hong Kong Shipping Firms Boycotted: The Haiphong Rice Trade'.

⁷⁵ JJHA, PS 1502: Michael Jebsen (Hong Kong) to Jacob Jebsen (Apenrade), 9 October 1909; PAAA, Peking II-1175: Consul Dr Peter Mercklinghaus (Pakhoi) to Chancellor Theobald von Bethmann Hollweg (Berlin), 23 August 1909.

larger share in the run which was in future even more dominated by his steamers. However, the low freight rate on rice as agreed in May 1910 had resulted in lesser profits for the firm.⁷⁶

The second Haiphong shipping boycott of 1909-10 demonstrated that, in the rice shipping trade between Haiphong and Hong Kong, Chinese shippers facing joint agreements (conferences) of foreign tramp shipping companies on freight rates, were principally prepared to accept such arrangements when there were no other competitors available. Consensus broke when shipping companies unilaterally increased freight rates to a level which was seen as unfair by shippers. In the highly globalised world of the early twentieth century, it was not difficult for the Chinese shippers to find other European shipowners willing to charter ships to them. Boycotting the concerned shipping companies and forming a rivalling charter syndicate or charter combine or even a shipping company were powerful tools which shippers used to apply pressure upon tramp shipping companies. Such reaction in the form of boycotting was regarded as a punitive action by European shipping companies, as contemporary sources clearly make evident. However, boycotts, as demonstrated in this case study, needed huge capitals on the side of shippers to charter ships and to put them on a run. Without sufficient experience and expertise in the shipping business, this proved to be extremely costly and was threatened by financial losses, especially because shippers had almost no opportunity to engage their chartered ships in trades or shipping markets dominated by other tramp shipping companies. Yet, if carried out long enough, boycotting proved to be an effective means to push for reductions and better arrangements with shipping companies.

Conclusion

In the period from the 1870s until the Second World War, Chinese economic power in Southeast Asia grew rapidly in terms of both volume and diversity. Chinese merchant houses provided a range of international shipping and other services. These services formed part of a wide variety of commercial activities ranging from banking to documentation, insurance, domestic and external trade. In French Indochina's main ports Saigon and Haiphong, Chinese rice merchants were in control of the bulk of rice shipments, the major export product of Vietnam. Their presence was due to the long history of Chinese immigration to neighbouring regions of the South China Sea which had resulted in making Chinese traders prominent in all trade's ports along Southeast Asian coasts. When France took over control in central and northern Vietnam – Annam and Tonkin - in the mid-1880s, Chinese merchants forming an integral part of local Vietnamese societies constituted a local commercial power handling local retail trade and often served as concessionaries and middlemen vis-à-vis the Vietnamese people. In contrast to the Vietnamese, however, Chinese merchants displayed similar business practices as Western foreigners, and there was presumably a comparable mentality among Chinese merchants in their drive for success.

In the late nineteenth and early twentieth centuries, East Asian rice shipping markets were dominated by foreign tramp shipping companies taking the largest share of ocean-going and river shipping activities. Foreign flag vessels moved around two-thirds of the coastal trade between open or treaty ports on the Chinese coast and also between Chinese port cities and ports in Southeast Asia. Although this trade by foreign vessels had been imposed upon China by the Western imperial powers it was also the foreigner's technical superiority in shipping on the existing transport requirements of the Chinese traders which explains the dominance of foreign shipping in China and in surrounding regions of Southeast Asia. Therefore, the participation of Western ships in regional trades was to a large extent to the

⁷⁶ JJHA, A01-01-301: Jacob Jebsen (Apenrade) to Gustav Diederichsen (Hamburg), 20 November 1912.

mutual interest of foreign shipowners and Chinese merchants prominent in almost all ports-of-call in China and in Southeast Asia. As statistical numbers frequently demonstrate, the greater part of the cargoes of foreign vessels were shipped for the account of Chinese merchants active in domestic and coastal trades.

The study of the organisation and conduct of coastal and river shipping businesses sheds some valuable light on the relations between Chinese and foreign enterprise in the period up to the Second World War. Since shipping markets in China and also in surrounding Southeast Asian regions were entirely open to competition, Chinese traders in port cities had the liberty to charter ships or load cargoes of all kinds on ships under all flags. Chinese shippers employed foreign steam tramps in order to safely and efficiently ship goods around the region. The organisation of shipping services was the field in which Chinese and foreigners were used to cooperate closely, as archival files make evident. In this business, tramp shipping companies rivalled each other in offering their services to Chinese shippers. Yet, they also made agreements on freight tariffs, so-called conferences being tools to avoid ruinous competition or even freight wars between them. In this respect, competition was limited in the interest of keeping several firms in the market and to avoid monopolies which were resented by concerned parties, shipping companies and shippers, alike. This form of cooperation was, in the early twentieth century, also existing in the rice shipping trade between Haiphong and Hong Kong. The important trade in a life-sustaining product was managed both by Chinese traders in French Indochina and Hong Kong who controlled sourcing and distribution, and European tramp shipowners who provided the means of carriage. In normal business years, the two cooperated to their mutual benefit, and this cooperation made possible the relatively smooth flow of surplus Indochinese rice to Chinese markets. However, when Europeans sought greater gain at the expense of their Chinese suppliers, the Chinese traders struck back with boycotts. Consulted consular and business correspondences clearly reveal that such large-scale conflicts were rather unusual events, and therefore the more they were carefully recorded and commented by consuls and shipowners, something that tends to give a wrong impression of the reality over a long period of time.

When, in 1895-96, Auguste Raphael Marty, owner of the French Tonkin Shipping Company based in Haiphong, attempted to monopolise coastal steam shipping routes prompting Chinese rice shippers to form a syndicate that effectively boycotted his ships. Despite the fact that the French government was able to get a considerable compensation payment from the Chinese government for the French shipping company, ruthless competition, as displayed by Marty destroyed for many years his business relations with Chinese traders. Imperial force majeure, not economic performance decided the outcome of this business struggle backed by France as imperial power. In this case, the Chinese were forced to back down.

In the years to come, the unequal imperial power relations of the West with China increasingly underwent changes. The decade and a half following the Sino-Japanese War (1894-95) proved to be a very turbulent era in China, in which the old intellectual, social, and economic order increasingly altered and the new one became more and more visible. The Boxer Uprising of 1900 was a strong warning call to imperial powers that anti-imperialism and nationalism in China was on the rise. Another token for the awakening of national sentiments was a public discourse started by Chinese nationalist activists on shipping rights recovery with focusing on eradicating foreign shipping power in Chinese waters and replacing it with self-sufficient Chinese shipping companies. In 1908, a new generation of small private Chinese shipping companies strongly committed to shipping nationalism emerged mostly operating on small inland rivers. Financed by Chinese capital and flying the Chinese flag, the operations of these firms provided arguments for shipping autonomy when demonstrating that China could fulfil its own shipping needs without foreign involvement.

The discourse of shipping rights recovery went hand in hand with similar efforts in other arenas such as railway or mining signalling the begin of a new anti-imperialist era in China.⁷⁷ These developments made clear that economic instead of political means were employed by the Chinese in their struggle against foreign domination.

In light of the general paucity of data on imperial relationships of Chinese with foreign businesses, this article mainly employing seldom used French and German archival documents, intends to provide a more nuanced story of the range of business interactions between European tramp shipping companies and Chinese rice merchants. At first glance, in these years preceding the Chinese Revolution of 1911, the pattern of the 1895-96 boycott seemed to repeat and at this time the struggle of the Chinese was even with three foreign companies instead of only one, something that should have triggered concerned imperial governments – France, Germany, and Britain – to actively support their respective national shipping companies. Although, in 1909-10, the Chinese merchants went a step further in setting up their own shipping company by chartering vessels under other European flags, their action did not provoke the intervention of Western powers. Even the French colonial power in Indochina was not prepared to back claims of the French Tonkin Shipping Company against Chinese traders in Haiphong. From consulted government files, it becomes obvious that French and German officials regarded the boycotts as purely economic struggles in which they saw no reason to intervene. In contrast to the boycott of 1895-96, the incidents of 1907 and 1909-10 displayed a different scheme of Sino-foreign business interaction clearly reflecting profound changes in the dynamics of imperial power and Chinese reaction. In the latter case, although the Europeans prevailed in the final struggle, the Chinese shippers won concessions from them. It makes evident that in those years when imperial relations between the West and China underwent profound changes, power struggles still did occur but not along an imperial power axis. Economic, not imperial force majeure determined the outcome of the struggles.

⁷⁷ Reinhardt, *Navigating Semi-Colonialism*, pp. 16-19, 183-187.