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THE

STORY OF SHANGHAI

FROM THE OPENING
OF THE PORT TO FOREIGN TRADE.

BY

J. W. MACLELLAN.

SHANGHAI:
PRINTED AND PUBLISHED AT THE "NORTH-CINA HERALD" OFFICE.

1889.
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THE STORY OF SHANGHAI.
Horea B. Moore,
Shanghai.
PREFACE.

There is not much in the way of history to be written of small Foreign Settlements in China which are not yet fifty years old; but during the short time events have happened in Shanghai which imperilled the existence of the place and the times and fortunes of the inhabitants. And a system of Municipal or self-government has been instituted, which is so well adapted to the community, formed of almost all nationalities, and to its relations to the Chinese Government, that it only requires expansion to meet the wants of an increasing population.

Since the port of Shanghai was opened to foreign trade in 1843, a British Consul has virtually blockaded the port with a ten-gun sailing brig of war, notwithstanding that his country was at peace with China; the native City has been in the hands of one set of insurgents; and other and more powerful armies of rebels were twice repulsed in their attempts to capture the City and the Settlements.

The records of these and less important events are scattered through newspapers, a few books and parliamentary papers, none of which are easily accessible to the general reader. During the last few years I have frequently heard it said that an account of the Foreign Settlements of Shanghai would be very acceptable to the public, and I have endeavoured to supply one.
Preface.

I have fortunately received assistance from old residents, whose memories go back almost to the foundation of the Settlements, and I have made use of every book and other publication which was available to me; as well as of the private advices of firms, to their correspondents at home, before there was a newspaper published in the place, in which public events are recorded. I have to thank all those friends for their kindness, and particularly Père Chevalier for the information about the Roman Catholic churches in Shanghai.

I shall be away from Shanghai when this little book is published; and I am under great obligations to Mr. R. W. Little and Mr. Henry O'Shea for having promised to see it through the press.

J. W. M.

Shanghai, April 1889.
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THE

STORY OF SHANGHAI.

INTRODUCTORY CHAPTER.

The name Shanghai means "Upper Sea." But although the whole of the immense plain which has been formed by the alluvial deposit of the Yangtze has been won from the sea, it is a little more than doubtful whether the City of Shanghai was built on the sea-side. At the same time there are indications that the sea covered the land near the Fêng-wan-shan hills, which are twenty miles to the south-west of Shanghai as the remains of old landing places have been found there. And near Soochow there are ridges in which are large quantities of shells, and tradition says that these were thrown up by the waves of the sea in old times. It is said, also, that Sungkiang, twenty-seven miles to the south-west of Shanghai, and also Taitsang, which is some thirty miles to the west of it, were at one time seaports, and for the matter of that Shanghai now bears the same designation. But it is very likely that in all these instances the communication with the sea was by rivers or canals, just as at London and Liverpool. The river which flowed past Shanghai, when the hamlet which received that name was formed, may have been very wide, or it may have spread itself over a considerable tract of low lying country, as it is said to have done down to the eleventh or twelfth century, near where the Loong-wha pagoda stands. This may have obtained for it the appellation of the "Upper Sea" to distinguish it from the

* Another translation has been given, "Coming up from the sea, because large junks with cargoes for Soochow could get no further, on account of the shallowness of the creek."
"Lower Sea," another hamlet about three miles to the north-east of the Settlement, and which may have been formed by the waters of the Woosung River, or Soochow Creek, which seems at one time to have formed a lagoon that stretched five miles towards Woosung.

I am told that old histories shew that Shanghai obtained its name long before it became a port, and at a time when it was occupied by fishermen and cultivators of the soil. At that period there were two hamlets, one called in the dialect Zong-he, "Upper Sea," or in mandarin "Shanghai," and the other Au-he-piê, "Village of the lower sea," which is still standing* and inhabited by eight families. In the latter instance the word piê, shop, would be appended when shops began to be opened there; the original antithesis would be only Au-he and Zong-he.

Shanghai became of some importance as a place of trade near the close of the eleventh century, when it was made a Customs station and is first mentioned in history, but a native account of the place begins in 249 B.C.† Previously, an ancient town called Tsung-ling, about twenty miles up the Soochow Creek, or Woosung River as it was then called, was the port of Soochow. But the depth of the creek decreasing about that time, the Customs station was removed to Shanghai, which was then in the Prefecture of Hwating. And in the course of the next century and a half the town and neighbourhood of Shanghai so increased in prosperity and population, that in 1366 the town was constituted a district of the same name. Between forty and fifty years after that, a still greater advance took place in its fortunes.

From ancient times the Woosung River had been the highway from the ocean to Soochow, and is shewn by old maps to have been five miles broad in A.D. 780, and three miles wide about two centuries later, but it afterwards greatly contracted and shallowed. In those times the Huangpu‡ was a much smaller river than the Woosung, and after reaching the neighbourhood of the Loong-hwa pagoda it flowed in two streams through Pootung into the river

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* It is known to foreigners as Yangtze-poo.
† Chinese Repository.
‡ In 1300 it was a bow shot across, opposite to the city.
Woosung, some two to three miles from the village of that name. But it is probable that a part of the waters of the Huangpu were lost in a marsh near Loong-hwa. About 1402 a small and ancient canal, called the Van-ka-pang, which had been the only water communication between the two rivers, was enlarged. The effect of this was to draw the Huangpu northwards; it opened out a sufficient channel for itself while it reduced the importance of the Woosung or Soochow Creek. An old map of Shanghai, which is said to have been made in A.D. 1010, shows the disparity between the ancient and present rivers, and also the Van-ka-pang canal to the east of the city of Shanghai. All traces of the canal have disappeared long ago, but it is supposed to have joined the Woosung about where the British Consulate now is. The same map and other records of old times show that there were then large and fortified towns near Shanghai which have disappeared, some of them having been swept into the rivers.

The position of Shanghai made it an admirable entrepôt for the commerce of the northern, southern and central provinces of the Empire. It was the seaport of rich Kiangnan, and the principal emporium for the trade on the Yangtze and with Eastern Asia. But for centuries its people have had the danger to its existence, from the silting up of the river, always before them. Dredging of some kind has been carried on until recent years, when, the place having become a hundred times more important than it ever was in former days, the authorities have allowed the bar at Woosung to increase, the banks of the Huangpu to contract, and the Soochow Creek to dwindle to some ninety yards in breadth, with a very shallow and uncertain channel.

Besides the importance which its position gained for Shanghai, the district around it became celebrated as the seat of a cotton industry after the introduction of that textile in the third century B.C. In the collection of papers on China which bears his name, Du Halde says that two hundred thousand people were engaged in cotton manufacturing in the Shanghai district, and that Sungkiang

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* Traces of the old channel of the Huangpu were forty years ago found at Tung-kow-shi in Pootung, about seven miles E. and N.E. from Shanghai city.—Chinese Miscellany.
furnished the Empire, as well as foreign countries, with quantities
of cotton goods of all sorts, and that those goods were so fine that
when dyed they were taken as the finest serge.* The cotton
goods made near Shanghai still maintain their excellence, and
are exported to other parts of the Empire in considerable quantities.
It is stated in one account of Shanghai that the extension of the
industry in and about Shanghai was materially aided by the good
work of two ladies, one of whom taught the peasant women how
to spin, and the other how to embroider. And at the present time
one of the pleasantest sights to be seen, in a district where there
is almost nothing to delight the eye or taste, is the cotton fields
in bloom or the women and children gathering the pods. And
what tends to prove that before, and for some centuries after the
Christian era, the plain upon which Shanghai stands was only
partially reclaimed, that it was greatly composed of marshland, is
the statement made by an old writer that previous to the intro-
duction of cotton growing the people found it difficult to live upon
the other crops.

Shanghai suffered from 1361 to the middle of the sixteenth
century from the raids of Japanese pirates who, during that time,
frequently harried great parts of Kiangsu and Chekiang. They
laid waste the district of Shanghai in 1543, and in 1552 the walls
of the city were build as a defence against them. The Japanese
came again in 1560, and according to a Chinese account, when
they invaded the country and distressed the villages the manners
of the townspeople became light and vain, and a pretty general
demoralisation took place. Previously, although the manners of
the Shanghai folk had been rude and simple, the district had been
well supplied with musicians and poets; talented and experienced
persons collected in crowds; and the region was famous for its
eminent men, so that it became one of the most celebrated spots
in the south. But another writer says the people of Shanghai
were then fond of emulation, strife and boasting.

* The statements of old travellers that all Chinese were formerly
dressed in silk, rather staggers those who know China and something of her
history. But according to Ibn Batuta, who was in China in the first half
of the 14th century a cotton dress would purchase many silk ones. He
says that were it not for the merchants silk would bring no price whatever.
Introductory Chapter.

The city and district continued to prosper, unknown to Europeans, except the few who read the accounts sent home by the Roman Catholic missionaries, until shortly before the termination of the East India Company's monopoly in China. The Company's factors at Canton were just before then more than usually troubled by the faithlessness and exactions of the mandarins, and one consequence was the despatch of the *Lord Amherst*, in February 1832, from Canton to the northern ports to endeavour to open up trade. Mr. Hugh Hamilton Lindsay, at that time one of the Company's super-cargoes, and afterwards head of the firm in China bearing his surname, and the Rev. Charles Gutzlaff were the mission. The latter gentleman had visited Shanghai in the previous year in a junk, which voyaged from Canton to Tientsin and thence to Shanghai. He had given a glowing description of the commerce of the port, and this led to the despatch of the *Lord Amherst*, which, after visiting Amoy, Foochow and Ningpo, was within a few miles of the entrance of the Woosung on the 20th June, when Mr. Lindsay and Mr. Gutzlaff took boat for Shanghai. They arrived at their destination at half-past four in the afternoon, although the mandarins at Woosung had attempted to stop them.

The account which Mr. Lindsay gives of his reception by the Che-haien and the Taotai, of their bluster and hauteur, of his pressing on them his petition to be allowed to trade, and his determination that he should be received as an equal by the Taotai, and carrying his point, is very interesting. But the mandarins prevented his trading, although the people showed considerable anxiety to do so. Mr. Lindsay and Mr. Gutzlaff went about the city distributing tracts on England and trade and were everywhere well received by the people.

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* I have not found many references to Shanghai in the old books of voyages or reports on China. But Mr. Frederick Pigou, of the East India Coy.'s factory at Canton, in a memorandum drawn up in 1756 drew attention to Shanghai as a place suitable to trade. Sir Jas. Urnston, however, who was Resident of the Company's factory at Canton in 1833, while urging the formation of an establishment at Chusan makes no reference to the advantages of Shanghai as a site for such a purpose. Chusan and Ningpo were the places at which adventurers, including the East India Co., sought to trade in the North of China.
The defences of Woosung were then in a very poor condition. While the Lord Amherst lay at Woosung, troops were being drilled, armed with swords, wicker shields and rusted muskets; and guns were laid on the river bank without tracks or carriages. And if these preparations should not wholly intimidate the barbarians, their discomfiture was to be completed by a peculiarly Chinese artifice, for at some distance from the river the mandarins had caused mud heaps to be thrown up and white-washed, so as to resemble soldiers' tents. The forts and batteries were crumbling away, the guns rusting and their carriages broken down.

But the trade delighted Mr. Lindsay who counted upwards of four hundred junks of from 100 to 400 tons passing Woosung inwards every day for seven days. These were chiefly northern junks with four masts, but later the southern junks came in at the rate of thirty to forty a day. Cantonese seem to have had a good share of the trade, and I find it stated a few years afterwards that the profits were two to three hundred per cent. in a voyage or a year. Mr. Lindsay found commodious wharves and large warehouses at Shanghai.

Three years later the Rev. Dr. Medhurst visited the port on his return from a missionary voyage to Shantung. His account of the place, the officials and the people agrees with that of Mr. Lindsay. The mandarins did everything to get quit of the missionary as they had tried to rid themselves of the merchant, but Dr. Medhurst met them with dignified firmness. Both gentlemen were struck with the knowledge which the officials in Shanghai possessed of their proceedings elsewhere, and of what had recently occurred in Canton. From this it was evident that the doings of the English in China were rapidly communicated to the officials on the seaboard, and probably in other quarters of the Empire. One incident, which occurred during Mr. Lindsay's visit, shews how greatly the Taotai of Shanghai stood in fear of the Viceroy of the Liang-kiang. The Taotai after receiving Mr. Lindsay's petition issued an Edict ordering him away and "throwing back" the petition contumaciously. Mr. Lindsay refused to suffer this affront in silence, and requested that his petition should be forwarded to the Viceroy. The Taotai was alarmed at this and
sent officers to request that his harsh Edict should be returned to him, and he apologised for the expressions in it. The Taotai of course knew that his superior at Nanking would treat the irrepressible foreigner as he himself had done, but it is to be supposed that he was afraid of Mr. Lindsay proceeding up the Yangtze and bearding the Viceroy in his yamén.

After many delays Mr. Lindsay was permitted to visit Shanghai a second time before he left Woosung, but he was only allowed to purchase a few hundred dollars' worth of silks and gauzes; and these were the first transactions which a foreign merchant entered into in Shanghai.
CHAPTER I.

THE CAPTURE OF WOOSUNG AND SHANGHAI.

The British fleet under Vice-Admiral Sir William Parker, with a military force of some 4,000 men, under Sir Henry Gough, arrived at the Ruggeds on the 29th May, 1842. This expedition had captured the batteries in Amoy harbour, destroyed forts in Sheipoo, taken possession of Tinghai, and therefore virtually of Chusan, bombarded and held Chinhaï, Ningpo and Chapoo. On the 4th of June the fleet proceeded towards Woosung; it anchored at Amherst Island on the 8th, when the Modeste, Pluto and Nemesis were sent to intercept communication inshore. Some days were spent in sounding the channel, and by the 13th a large part of the fleet and twelve transports had reached the mouth of the river safely.

This was the force that was destined to capture Shanghai, and afterwards Chinkiang and Nanking; and it was hoped that these operations would bring about peace between Great Britain and China, and open the port of Shanghai, with others further south, to foreign trade.

The western side of the Huangpu was found to be lined with batteries, mounting 13 guns, between Woosung and Paoshun.

The capture of Woosung was an easy affair. The batteries were silenced in less than two hours, but it was not till half-past twelve o’clock that the troops could be landed. As soon as they were on shore Sir Hugh Gough advanced on Paoshun, towards which the Governor of the province and a large number of troops were understood to have fled. Major-General Schoedde was at the same time ordered to move to the rear of that town, so as to cut off the retreat of the Chinese. When Sir Hugh Gough reached Paoshun he found it already in possession of General
The Capture of Woosung and Shanghai.

Schoedde, and the inhabitants flying in great consternation. The Chinese had made immense preparations for the defence of Woosung, and believed they had rendered it impregnable. They had mounted 175 guns on the different forts, and the defences were generally in excellent order. A large number of armed junks were in the river, and five craft of that kind, newly built and in imitation of steamers, were each propelled by wooden paddle wheels. These vessels when captured were found to be fitted with two paddle wheels on each side, their shafts were of wood, with a number of strong wooden cogs upon them, and they were turned by means of a capstan, also fitted with cogs and worked by men. All the machinery was below, on the 'tween decks. These vessels carried some two, some three newly cast brass or bronze guns, besides a number of large gingals, matchlocks, spears, etc., and great things had evidently been expected of them, as they were all commanded by mandarins of rank. But unfortunately the commanders of the naval forces at Woosung preferred running away to fighting; at the first approach of the British war steamers the Chinese Admiral fled, followed by the others; the officers and crews crowded into sampans and when these were filled flung themselves into the river. Some of the Tartar soldiery showed great courage, sometimes crossing their spears with the British bayonets, but the Chinese generally ran away when the invaders advanced towards them. According to Sir Hugh Gough, the Chinese had between four and five thousand troops at Woosung. Their losses were comparatively small, and did not exceed 200 men, while the British only lost one officer and one seaman killed and three officers and twenty-two seamen and marines wounded. Seven of Her Majesty's ships of war, and six steamers of the East India Company formed the attacking naval force.

A survey of part of the Huangpu was made by the steamers Nemesis and Medusa, on the 17th. About seven miles from Woosung they came in sight of two forts, on either side of the river, one of which fired all its guns at the steamers, but the shot fell short. Soon afterwards, both forts were set on fire by the Chinese and abandoned. The commanders of the steamers
had been ordered by the Admiral not to proceed above this point, and they therefore returned to Woosung. They reported that the deepest channel ran along the left side of the river for about two miles, and then crossed over to the right bank, by keeping which on board there was water enough for a frigate at half flood.*

On the morning of the 19th a column of about a thousand men of the 18th and 49th Regiments, with detachment of the Madras and Horse Artillery, and sappers and miners were despatched overland to Shanghai, under the command of Lieutenant-Colonel Montgomerie, Madras Artillery. At eight o'clock on the same morning the rest of the troops were embarked in the steamers Tenasserim, Nemesis, Phlegethon and Pluto which towed the North Star, Modeste, Columbine and Olio, while Sir William Parker, Sir Hugh Gough, Captain Keppel—who arrived after the capture of Woosung—and other officers were conveyed in the Medusa. This force met with no opposition until it arrived within sight of the city, when a long well-constructed battery, standing where the British Consulate now is, opened fire on the ships, but at such a distance that no harm was done. Sir Harry Parkes, who accompanied the expedition, said at the dinner which the community gave him in 1865, that a Tippoo had afterwards boasted to him that it was he who had fired the guns in this fort, but that he had not stayed to reload them.

Meanwhile Colonel Montgomerie, hearing this firing, pushed rapidly on and unexpectedly found himself under the walls of the city. He advanced to the North Gate, sent some men over the wall to open it, and entered. He found the place almost deserted; the authorities had fled on the previous evening. As soon as the steamers reached the city, the 55th Regiment was landed at a small jetty near the Temple of Heaven, and immediate measures was taken to prevent looting in which the Chinese thieves were very active. The troops behaved excellently, and their conduct did much to restore confidence among the timid.

* A pilot has furnished me with the following information as to the present channels of the river. Steer by the right bank from Woosung to the Point, then cross over. There is seventeen to eighteen feet at half flood in spring tides.
The Capture of Woosung and Shanghai.

natives. The public granaries were opened and their contents distributed, which pleased the people.

On the day on which Shanghai was taken, the river above the city is described as being almost covered with boats full of fugitives, furniture and goods. In order to check this flight two steamers were sent up the river and their captains were also instructed to search for war junks and reconnoitre the country, but no signs of hostile preparations were seen. In a short time the people returned to the city, shops were opened, business went on as before, and the inhabitants only shewed a natural curiosity about the hair, the colour of the eyes and the ways generally of foreigners.

So great had been the preparations for the defence of Shanghai and Woosung that 406 pieces of cannon, 100 being of brass,* were taken at these places, besides the large number which were destroyed with the war junks. Many of the copper or brass guns were of great weight. One was a curious iron gun of Chinese casting, being very small at the muzzle and very large from the middle to the breach. An inscription on it shewed that it was three hundred years old.

On the day after the taking of Shanghai, two steamers, towing two boats, went about thirty miles up the river, and next day the Admiral and some officers reached Sungkiang. There they took the westerly branch of the river, their object being to get to Soochow, but the water shoaled so much that they could only get some eight miles further in the little Medusa. Considering what the British forces had been doing in the provinces of Kiangsu and Chêkiang for several months past, and that the soldiers who had been defeated at Woosung, with the discomfited officials of Shanghai were at Soochow, or near it, this expedition in a small steamer was something more than bold.

It became known afterwards that the smoke of the steamer was seen from the walls of Soochow, and that at a trifling distance beyond where she stopped there were then some junks or boats, laden with silver from the treasury in Shanghai, pressing on to get within shelter of the city walls.

* Sir H. Gough's dispatch.
Sir Henry Pottinger, who was sole British Plenipotentiary to China, had arrived at Shanghai before this little up-river reconnaissance returned. An immediate naval and military expedition to Nanking was then resolved upon. The site for the British Settlement at Shanghai was selected by Sir Henry Pottinger, the Admiral and the General commanding the troops; and Shanghai was evacuated on the 23rd of June, having been in possession of the British four days. It does not seem that there was any bloodshed in the taking of the city.

During the occupation between three thousand and three thousand five hundred troops were quartered in the Tea Gardens, and the remainder in private houses. An account of what took place then says that the soldiers lighted their fires with the handsome wooden ornaments of the Temple in the Gardens, wrapped in satin and silk cloaks lined with costly furs, and waving embroidered fans. In June fans would be more agreeable than fires or furs, so that we may assume that no great harm was done to the Temple or the pawn-shops from which the cloaks had been taken.

Admiral Sir William Parker, whose career in China shows him to have been of the highest merit, took between seventy and eighty sail, including two line of battle ships, up a river whose navigation was almost unknown. The expedition captured Chinkiang, which was defended by the flower of the Tartar troops, who offered a determined resistance, and when they saw that defeat was inevitable, destroyed their women and children in thousands, as their kindred had done at Chapoo, and afterwards committed suicide. The Tartar General, when he saw the day was lost, burnt himself and his family in his house. The city was a Tartar stronghold; the officers and soldiers were on their mettle, while the Chinese do not seem to have done anything beyond looting the Tartar town, when the fighting was over, as they had done the tenements of their own countrymen at Shanghai.

The capture of Chinkiang alarmed the Emperor and his advisers. Ke-ying, a great official, was hurried to Nanking, towards which city the British force proceeded. All their
accustomed acts of diplomatic procrastination were resorted to by Ke-ying and Iipu, a special commissioner and newly-appointed Governor-General of the Liang-kiang, to avoid coming to terms with Sir Henry Pottinger. It was not until three hours of the time when the bombardment, which the British Plenipotentiary had ordered, would have begun, that the Imperial Commissioners offered to meet him.

The treaty was forthwith arranged and subsequently signed on board the Cornwallis and after it was ratified by the Emperor, the ports of Shanghai, Ningpo, Foochow, Amoy and Swatow were opened to foreign trade.
CHAPTER II.

THE FIRST YEARS OF THE SETTLEMENT.

On the 14th November, 1843, Captain Balfour,* who had been appointed British Consul at Shanghai, issued a notification that the port would be opened to trade on the 17th of the same month. He defined the limits of the port to be within the lines formed by Paoshun Point, bearing West, and the battery on the right bank at the mouth of the river below Woosung, bearing S.S.W. The place of anchorage was to be between the Soochow Creek and below the walls of the native city. Mr. Walter Medhurst arrived in Shanghai on the 5th November, with a party of officials, including the Consul, and others, and he has described the city and their reception in it. He says, that the masts of the crowd of junks in the river concealed the city from their view. But it would appear from the observations of others that there had been some falling off in the prosperity of the port, previous to its capture in 1842, at which time warehouses were found empty, jetties falling into disrepair, besides other signs of decadence. The operations of the English in the South, and the certainty of the fleet coming to the North, had probably injured the trade of the port for the time.

On landing, the Consul proceeded to the Yamên of the Taotai, where he asked for a house which he could make his official residence. Such a thing, the Taotai declared, was not to be had in the city, either for love or money. Possibly a building might be found outside the walls, and enquiry should be made about one, but, at present, they were not, really, aware of any being vacant. The Taotai was so convinced of this, that the Consul was obliged to dismiss the subject, and said that he

* Of the Madras Artillery, and subsequently for many years M.P. for Kincardineshire.
would look for a house for himself, and that, if he failed, he should probably pitch his own tent in one of the city temple courts, or perhaps quarter himself on one of the mandarins. The object of the Taotai was to make Shanghai another Canton, by compelling the foreign officials to find accommodation for themselves outside the city, where they would be under surveillance.

Captain Balfour had scarcely left the Yamên, when arespectably dressed Chinese accosted his party and offered them a house, which he was sure would suit them. He conducted them to an excellent residence, which they rented at once. The Consul and his friends were rather puzzled to account for the conduct of this obliging Chinese, but they soon discovered that he was merely the agent of an enterprising merchant in Hongkong, who hoped to secure in this way the British Consul’s influence, and thus obtain a monopoly of the trade. The officials were in collusion with him, for they saw it would be impossible for them to exclude the Consulate from the city. Captain Balfour immediately and somewhat rudely awakened the Chinese from their dreams of monopoly; he informed the landlord that he required privacy, and obliged him to turn a mob of people out of the house, many of whom had doubtless paid for the privilege of seeing the White Barbarians in their every day life. After some difficulty this was done, but the landlord refused to go. He established himself in a small room where he carried on a sort of police office, from which everything that was done in the Consulate was reported to the native officials. He was soon compelled to follow his friends, and the crowd he had admitted to see the doings of the foreigners.

The first difficulties of the new-comers were for food and other supplies, but these were gradually overcome; and their servants were after a time made to understand that it was not necessary for them to “hee haw,” as they carried dishes from the table and trifles about the house; and some filthy habits of theirs were also rectified. Then land had to be acquired for the residences and godowns of merchants, who soon began to arrive. The Consul’s first duty was to have the limits of the Settlement
defined. He claimed as boundaries "lines of country creek and river, which might, if necessary, be rendered easily defensible." These limits were the river on the East, the Yang-king-pang Creek on the South, the present Peking Road, the creek there being known as Lea-kee-chang, on the North, and what is now Fokien Road on the West. The latter remained the limit of the Settlement in that direction until the Taipings came near, and the capture of Soochow, Ningpo and other important places flooded Shanghai with refugees. Then the Settlement went further West. Fokien Road, as the Stone or Barrier Road of the old times is now called, was intended to have the Defence Creek in the West side of it. There was a considerable ditch to the West of the property of the London Mission, and on the other side of this a road which led South to the city and North to the Maloo, forming the line which is now a continuation of the Fokien Road as far as to Louza bridge.

It had been originally proposed that the British Government should acquire all the ground within this site, but, instead of this, it was resolved to allow British subjects to purchase such lands as they required, from the Chinese owners. As soon as these proprietors became aware that their properties were wanted by the British, they either refused to sell them, or raised the price enormously. Theoretically all land in China belongs to the Emperor, and some difficulty was at first made by officials about the alienation of the Imperial rights. This was met by the Taotai issuing title deeds which were leases in perpetuity, and compounding for the Land Tax by a settled annual payment, at the rate of about twenty-eight shillings per English acre. On these terms, says Mr. Medhurst, land was then rented, that is virtually bought, from the native proprietors, at rates varying from 50,000 to 60,000 copper cash the mow, the actual market value among the Chinese being from 15,000 to 35,000 cash, or fifteen to thirty-five dollars, the mow. The lands thus purchased are the finest sites in Shanghai, on the river bank or near it, and some of them have since been sold at from 8,000 to 12,000 taels a mow. Even higher prices have been given for land in the most fashionable part of the Chinese quarter.
At that time the site of the Settlement was a morass, or marsh, with firm ground here and there, and intersected everywhere by creeks and ditches. The irregular line of the Nanking Road is due to its following the course of a large creek, which ran from the Yang-king-pang along the present Kiangse Road down Nanking Road to the river. So tenacious was the mud of the place that people who did not take care would leave their boots and shoes in it. A considerable time elapsed before the ground was put in order, drained, the creeks and ponds filled up, and the building yards by the river cleared away. Meanwhile the British Consulate was within the city, and merchants lived in houses by the river side, close by Namtao. This situation was very convenient; it was close to the quarter where the principal native merchants lived, and lighters could come to the river doors of the houses. Life in the city or at Namtao cannot have been pleasant, at all events in winter, if the following experience was a general one. Mr. Fortune says that in 1843 he lived there in a bank or Government shroff office; the bedrooms were miserably cold: "often in the mornings we would find ourselves drenched with rain; and if snow fell, it was blown through the windows and formed 'wreaths' on the floor." Such a condition of affairs would startle modern dwellers in the comfortable houses in the Settlement, but old residents, who had lived in Namtao, used to affect to look back with regret on the days they had spent there. In 1845 one visitor said that some houses were building; and two years later another saw the outlines of a European town in Shanghai. All or nearly all the residents must have come to live in the Settlement by 1849, for on the 6th of April of that year a meeting was held to consider the means by which a church could be erected. Before then public worship had been conducted in the British Consulate, in the city, generally by the Rev. W. H. Medhurst, D.D. This meeting resolved to build a church, which was not to cost more than six thousand dollars; the ground, which is the present Cathedral compound, having been sold to the building committee of the Church, at a nominal price by Mr. T. C. Beale, then a partner in Messrs. Dent, Beale & Co. On the completion
of the Church fifty pews were to be offered for sale at two hundred dollars each, and the buyer of each pew was to pay fifty dollars a year, to form a fund for the maintenance of a clergyman. The pew-holders were to elect six vestrymen, to whom, and their successors, the Church was to be conveyed in trust for ever "to be used for the worship of Almighty God according to the forms and discipline of the Church of England." The vestrymen were to procure the conveyance to themselves of the Church lot and the parsonage, and the clergyman was to be obtained through the Church Missionary Society. The building of the Church was soon proceeded with. The foreign population of the Settlement was then something over a hundred, of whom seven were ladies, and twenty-five mercantile firms were in business in the Settlement.

Several Missionary societies had established themselves here by that time. Dr. Lockhart appears to have transferred the London Mission from Chusan to the Settlement before the port was formally opened. He arrived on the 5th of November, 1843, and Dr. Medhurst followed on the 23rd December, while further accessions came in the next year. Until 1846 the Missionaries lived in the city, but in that year Dr. Medhurst purchased the present site of the London Mission for the sum of one thousand and eighty dollars. A chapel, residences, a hospital, and a printing house were built there; the Mission continuing to use the chapel in the city. The Church Missionary Society and the Episcopal Church of the United States opened in 1845; the Seventh Day Baptist and the Southern Baptist Convention of the United States, represented by the Rev. Dr. Yates and his wife, in 1848.

Foreign missionary bodies were not alone in endeavouring to do good in Shanghai, for in 1846 a hospital for Chinese was established, by funds contributed in Shanghai and at home.

Other churches were soon built, for on the 21st November, 1849, the Roman Catholic Bishop of Nankin, De Besi, laid the foundation stone of the Cathedral at Tung-ka-doo, and though it will anticipate some events in connection with the church
here, I think it as well to give here a short sketch of its progress and extension within, and near, the Settlement. Father Lemaitre, of the Society of Jesus, arrived here from Europe while Captain Balfour was Consul, and Bishop De Besi employed him to negotiate with the mandarins for the restitution of a church and houses within the city, which the Catholic Church had formerly possessed. There was no French Consul as yet in Shanghai—the treaty with France having only recently been concluded in 1844,—but Captain Balfour and the Danish Consular Agent, Mr. Calder, gave the Father every assistance in their power. They accompanied him to the Taotai, and presented to that official a definite demand for the restitution of the properties in the city. The Taotai at first positively refused this; the church he said had been changed into a pagoda more than a hundred years before, and it could not therefore be restored. Negotiations went on for several months, until at last, the Taotai gave the Bishop as a compensation for the old church three lots of ground. One is at Tung-ka-doo, and second is outside the North gate, and the third within the city, and is called by the people Sa-pi-long. These have been very valuable compensation for the church that was turned into a pagoda, a century and a half before.

Bishop De Besi then resolved to build a Cathedral for his diocese, and after some consideration chose Tung-ka-doo as the site for it, close to the pagoda of Ta-pé-ko.

The plans of the Cathedral were made by Father Nicholas Massa, in the Ionic style, but it was completed under the superintendence of Father L. Hélot, S.J. The building was to have been very high and to have many windows, but the original design could not be carried out from want of funds. The foundation stone was laid by Bishop De Besi, on the 21st November, 1847, just before he left for Europe, with great ceremony in the presence of an enormous crowd of Chinese. St. Xavier is the patron Saint of the Cathedral.

On Palm Sunday, 1853—falling that year on the 20th March—the Cathedral was blessed with great solemnity by
Bishop F. Xavier Maresca, successor to Bishop De Besi.*

Besides the missionaries, M. De Montigny, the French Consul, Count Kleczkowski, the interpreter, and a number of Europeans and Chinese, Christian and pagan, were present. It was feared that some disorder would take place, and therefore Captain de Plas, of the French man-of-war Cassini, landed some men to preserve order. But everything passed off quietly. There were very few Christians living near the Cathedral when it was building; but now—1849—there are 2,916 of them in the district.

On the 20th July, 1848, the acting magistrate of Shanghai issued a proclamation informing the people that land at Sic-ka-wei had been sold to the Roman Catholic Bishop, on which it was intended to erect a church and other buildings. And, as the Bishop was then collecting artisans and materials, the people were cautioned against interfering with the work or workmen. Sic-ka-wei derives its name from having been the family residence of Sui-kwang-ki who was converted to Christianity by Matthew Ricci; assisted that Father in translating mathematical works into Chinese; was prime minister, or what is the nearest equivalent thereto in China, during the Ming dynasty; and is buried at Sic-ka-wei.† His grand-daughter Candida is one of the glories of the Roman Catholic Church in China. She converted her husband; built thirty churches; enabled the missionaries to build ninety more and forty-five oratories; she founded four brotherhoods; had above a hundred and thirty religious works translated, and maintained a large number of children.

The foundation stone of the Church at Sic-ka-wei, which is dedicated to St. Ignatius, was laid on the 23rd March, 1851, and four months later Bishop Maresca, assisted by his coadjutor, Bishop Celestine Spelloi and two other Bishops, dedicated the building, on the feast day of the saint. Close to this church

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* Its length is given in the North-China Herald of 19th March, 1853, as 210 feet, and its breadth 100 feet, and it is said that its cost was 330,000; less than it would have been in Europe. On the altar was a very fine carving of Christ in the Tomb, the work of none the Fathers at Sic-ka-wei.

† The house of Sui in the local dialect.
there are three others; one is the boys' orphanage, another is the convent of the nuns, of the "Helpers of Souls in Purgatory," and the third belongs to the Carmelite nuns.

In 1850 a small chapel was built near the North Gate of the city, for the native converts, of whom there were a good number living in the Settlement, and foreign Catholics. After a while, the number of Catholics increased, and this chapel became too small and otherwise insufficient for the congregation which met in it. The foundations of the present Church of St. Joseph were laid in the latter part of 1859, and the building was completed and blessed at the feast of the Assumption in 1862. The Church is the finest in the Mission in this part of the world. A good number of Protestants, both foreigners and Chinese, subscribed to the fund for the erection of St. Joseph's.

A Church was established in Hongkew some years ago, chiefly for the accommodation of the Portuguese, who live in considerable numbers in that part of the Settlement. At first a godown was fitted up for the public worship, but a year or so afterwards ground was purchased and the erection of a Church was commenced on the 12th June, 1874, which was dedicated to the Sacred Heart of Jesus, and blessed, on its completion on the 23rd June, 1876.

The Catholics have also a large Church in Pootung and another, with a monastery, at the Hills, about twenty miles away.
CHAPTER III.
THE TSING-PU AFFAIR—EARLY MUNICIPAL WORK.

In March 1848, Dr. Medhurst, Dr. Lockhart and Mr. Muirhead were attacked and ill-treated by a mob of grain junkmen at Tsing-pu, some thirty miles from Shanghai. These gentlemen were distributing tracts when the junkmen endeavoured to take more than their fair allowance of the books. The missionaries retreated from this mob, and continued their work in another part of the town. But as they were passing out of its East Gate they met another and very excited crowd of the same kind of men. One of the ringleaders carried a heavy iron chain, with which he severely beat Dr. Lockhart as he lay upon the ground, on which he had been thrown; others had swords, poles, bars and other weapons. Dr. Lockhart was rescued by his two friends, and they all ran towards their boat, which was moored five miles away, but they were overtaken when they had run about a mile, and were severely beaten with hoes, and clubs and hacked at with blunt swords, "until all power of resistance was subdued."* They were also robbed of their spectacles, watches and everything the mob could lay hands upon.

This outrage was entirely the work of the Shantang grain-junk crews, who at that time annually visited this and neighbouring provinces in great numbers and were rough and turbulent. It was reported that there were 20,000 to 40,000 of these men in Kiangsu when this attack on foreigners took place, and that from 12,000 to 15,000 of them were out of employment, because the government were going to send a large quantity of the tribute rice to Tientsin by the sea route. These unemployed junk crews had been committing piracy and robbery about Tsing-pu and the officials thereabouts had been feeding hundreds

* Blue Book, Insults in China.
of them in the hope of keeping them quiet. The inhabitants of 
Tsing-pu and the authorities there behaved very well and showed 
great sympathy with the missionaries. 
Mr. Alcock heard of this outrage on the following morning, 
and at once despatched Mr. Harry S. Parkes to Tsing-pu. There 
was then no British man-of-war in port, and consequently the 
Consul did nothing for a few days. But when the brigs *Chiltern* 
of 16 and the *Espiegle* of 12 guns arrived, he officially informed 
British subjects that as he could get no redress for this affair, 
by the surrender of the worst offenders, he had given the Taotai 
fourty-eight hours in which to produce ten of the worst of the 
mob. And until that was done no Customs duties would be 
paid on British ships. On the same day he made a personal 
and similar communication to the Taotai who said he had done 
everything in his power. Mr. Alcock having communicated 
his action to the other Consuls, these gentlemen approved of it, 
and remonstrated with the Taotai, who made use of their good 
services to obtain an extension of time from Mr. Alcock, in which 
to produce the Tsing-pu ringleaders. 

On the following day Mr. Alcock notified all British ship-
masters then in port that they must be prepared to leave their 
anchorage for the protection of national interests, and all British 
residents that they must be ready to meet all contingencies. 
There were then eleven hundred seagoing junks in Shanghai, 
laden with tribute rice, and the Taotai ordered their captains to 
drop down the river past the gun brigs by twos and threes, but 
a notification from the British Consul followed, forbidding the 
owners of the junks, or their captains, from moving them from 
their anchorage off the city. Mr. Parkes carried this notification 
on board the junks. Mr. Alcock said in his despatch on the subject 
that the bad faith of the Taotai had obliged him to take this 
step. Some junks did endeavour to get past the *Chiltern* and 
*Espiegle*, but a shot across their bows brought them to, while a 
midshipman was rowed to others that were dropping down 
stream and ordered them to stop, which they did. 

On the 19th it was found that the *Espiegle* had left the 
port, and excitement rose to a high point. It was not known
till some days afterwards that she was bound for Nanking with
despatches for the Viceroy, under the charge of Vice-Consul
Robertson with Mr. Parkes as interpreter.

Mr. Alcock was then blockading the port of Shanghai with
a 16-ton sailing gun brig, and his Consulate was within the walls
of a city where there were probably three or four thousand
Chinese soldiers, and, what would have been a much more serious
force to meet, the crews of the sea-going junks. There were
also large numbers of turbulent Fakien men always living near
Shanghai at that time, who would have poured in upon the little
Settlement on the first signs of disorder. But doubtless the
Taotai was much more afraid of the junkmen and the Fakienese
than the English Consul was.

The officials then produced two men who they said were
leaders of the Tsing-pu mob, but they were not identified as
having been leaders of it.

The Épíègle took ten days to sail to Nanking where the
Viceroy received the bearers of the despatches with every
courtesy. He at once replaced the Taotai of Shanghai by Wu—
better known to foreigners as Sam-qua, formerly one of the
hong merchants at Canton—and joined with him in the
investigation of the affair, the acting judge of Kiangsu. The
Viceroy censured the Shanghai Taotai for having "erred and
failed in the discharge of his duties."

As soon as the despatch of the Épíègle to Nanking was
known at Soochow, the provincial judge was despatched to
Tsing-pu, with peremptory orders to seize the offending junk-
men, and he soon appeared in Shanghai with ten of them. Two
of these men were identified by the gentlemen who had been
assaulted as having been among the worst of the mob, and the
whole ten were sentenced to one month's cangue, "prior to any
proceedings that might be taken against them." But as the
criminals were plentifully fed with dainties while on exhibition,
it is not likely that any further proceedings were contemplated
or taken against them.

Matters being so satisfactorily arranged, Mr. Alcock
withdrew his blockade and the Chinese Commissioners proceeded
to make themselves pleasant on board H.M.S. Chiltern and at the London Mission, both of which they visited. But the judge characteristically attempted to report the Tsing-pu affair as "a quarrel between foreigners and grain junkmen," a designation he was promptly obliged to alter.

The sails of the immense fleet of junks were spread as soon as it was known they were free to go to sea, but in a few minutes they were all aback. It turned out that the crews refused to sail, because they were not allowed to carry cargo on their own account and to land it free of duty at Tientsin, as former sea-going grain loaded junks had been allowed to do. The men had not stipulated for this, but, taking it as a matter of course, they had chartered their vessels at low rates of freight in anticipation of the gains on their private duty free cargo; but the officials had at the last moment intimated that all Customs dues would be exacted at Tientsin; which meant either the loss or the confiscation of the crews' ventures. On hearing of this second detention of the grain fleet, the Governor came with all speed from Soochow and arranged matters, when the junks proceeded on their voyages.

Mr. Alcock was blamed by Mr. Bonham, who succeeded Sir John Davis as Superintendent of Trade just after the first advice of what was being done here reached Hongkong. He considered that a Consul went beyond his powers in acting as Mr. Alcock had done without reference to him. Mr. Bonham was a weak person, even for a Colonial Governor, and besides, his predecessor had just received a despatch from Earl Grey, then Secretary of State for the Colonies, peremptorily forbidding any offensive operations being taken against the Chinese without the previous sanction of Her Majesty's Government. The audacity of Mr. Alcock's action secured its success. As he said in one of his despatches, in the boldness and decision lay the safety of his measures. He had to deal with a Taotai who was incompetent, who trusted to the usual chicanery of his class and who was probably afraid to use vigorous measures against the junkmen at Tsing-pu.
Mr. Bonham changed his mind about Mr. Alcock's policy when it was completely successful. He praised it to Lord Palmerston and that lusty statesman approved it. Mr. Alcock acknowledged, in a despatch to the Superintendent of Trade, that he had departed from his instructions as a Consul, but in so doing had acted up to their spirit.

Mr. Alcock's colleagues, the Consuls of France, the United States and Belgium heartily supported him, and, when everything was over, addressed a letter to him complimenting him on his brilliant success. And the majority of foreign residents, by letters and in public meeting, expressed the same feelings.

Two hundred dollars were paid to the three missionaries, as compensation for the articles of which they had been robbed.

Some restrictions were placed on British and American subjects going trips into the country in consequence of the Tsing-pu affair, but only for a time.

M. de Montigny opened the French Consulate in the course of 1848, and before long he had secured the so-called Concession for his countrymen.

For in June 1849, Lnh, the military Intendant of Soochow, Sungkiang and Taitsing, issued a proclamation in which he constituted the French Concession of Shanghai. It stated that he had received a communication from M. de Montigny, the French Consul, informing him that Ki-ying, the Imperial Commissioner and Governor-General of the two Kuang, and Lagrene Imperial Commissioner (sic, in French copy of the treaty) had, after due deliberation, agreed that all Frenchmen coming to reside at the five open ports should be permitted to rent houses and factories, and also ground on which they could build houses, churches, hospitals, almshouses, colleges, and set apart cemeteries. This had been reported to the Emperor, who had been pleased to confirm those privileges by Edict.

After receipt of this communication from the French Consul, the Intendant met M. de Montigny and agreed upon a site for a Concession or Settlement. It was to be between the city and the Yang-king-pang; bounded on the west by the Temple to the God of War and the Canton Assembly Rooms,
and from the Yuen-ho to the east of the Yang-king-pang. It was also stated that if this ground should be found insufficient further deliberations might be held to provide for such exigencies as might arise from time to time.

Immediately on this Concession becoming known, Mr. Griswold, the United States Vice-Consul, who had offended the British Consuls and the Taotai by hoisting his national flag within the British Settlement, protested against the French getting separate ground for a Concession, on the principle that the grant of exclusive rights and privileges was one of the worst features of Chinese policy. Nothing came of this protest, which was referred to the respective plenipotentiaries.

This was the beginning of the so-called French Concession in Shanghai; but little use seems to have been made of it during the next two or three years.

The only noticeable event which occurred in 1850 was the falling in of the roof of the newly built Trinity Church, on the morning of the 24th of June. There had been a storm of thunder, lightning and rain on the previous day, during which a water spout was said to have broken over the roof, just in the centre of the beam, the span of which was very wide, and so injured it that the deluge of rain caused the walls of the Church to bulge out and give way. The repairs, which cost more than the original building, were undertaken at once, and the Church was re-opened for public worship on the 4th of May, 1851.

Trade was then increasing so much that a meeting of merchants was called this year to devise means to place a tug steamer on the river. The North-China Herald was established in 1850, the first number being issued on the 3rd August, under the Editorship of Mr. Henry Shearman. I note also that an attempt to open direct communications with the Emperor of China was made by the Hongkong Government in the Autumn.

It became necessary to frame some sort of Municipal body very early in the existence of the Settlement, and it is stated, somewhat vaguely as to date, that soon after 1843 a Committee of Roads and Jetties was formed, and a tax levied, on Imports and Exports, to pay expenses. The Committee had only to deal
with the making of roads and jetties. It is said that Consul Balfour insisted that the roads of the Settlement should be 25 feet wide, and that that breadth was mentioned in the original leases. But the first Committee of the Roads and Jetties, or those who elected them, thought 25 feet much too wide. What do we want more than a road, they asked, broad enough to ship a bale of silk by? But after a hard fight, a compromise of 22 feet was agreed to. How many hundreds of thousands of taels would a more liberal spirit have saved succeeding generations? It is said that down to 1850 the annual revenue of the Committee of the Roads and Jetties did not exceed twelve hundred dollars, but this is I think under the mark, as in 1853 it amounted to nearly five thousand dollars.* Taxation was very light in the early days of the Settlement, and it is probable that until refugees flocked in, after the capture of the city by the Triads, it was only a small levy on goods and exports, and that afterwards and down to nearly the Taiping times, it was one per cent. on houses and a quarter per cent. on land.† Whether this be true or not, there is no doubt that taxation was extremely light in the early days of the Settlement. The only expenditure incurred by the Committee of the Roads and Jetties was on these objects, and drainage, for which they borrowed $3,000 at ten per cent. per annum. The drainage scheme of the Committee was a very modest affair. They proposed to make a main sewer of 2,891 feet, or 263 chang, which would cost $17 per chang or $4,471, and a branch sewer of 6,121 feet, or 556 chang, at $7 per chang or $3,891, the whole cost of the scheme being estimated at $8,363.‡

The report says that the debt of the Settlement for this, and previous drainage operations, and the purchase or building of jetties, would amount at the beginning of the year to $11,000, and a carefully prepared plan for the repayment of this sum was appended to the proposals of the Committee. From this it seems

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* $2,164.21 from an assessment of $1 per mow on land and $2,379.49 from wharfage dues. In this year Gibb, Livingston & Co.'s jetty was purchased for $131.63.
† Report Landrenters' Meeting, 1886.
‡ The dollar was then the currency of the place, and its exchange value about that time was 4/9 to 5/1 or so.
that the annual excess of the assessment for roads and jetties, over the expenditure, would be $2,750, which would be applied to the reduction of the debt, so as to extinguish it by the 1st of January, 1858. It appears that in 1852, which was a year of great prosperity, "when new buildings, of a private or commercial character, were springing up on every side;" that the revenue of the Committee of Roads and Jetties was taken at $5,000, and their expenditure at $8,000, including a repayment of debt of $2,000. The balance in hand was $3,000. These Municipal operations were undertaken at the end of nine years' trading here, when the commerce of the port had reached $4,299,192 in imports, and $10,402,750 in exports. But to the imports the value of the opium and treasure has to be added.

There are no means of ascertaining the value of these articles, but as exchange was irregular and occasionally high during this and the previous year—ranging from about 4/6 to 5/1 1/2 per dollar—we may infer that they were insufficient to balance the trade of the port. Barter of various imports against tea and silk was much resorted to then and afterwards. The dollar referred to was the old Carolus or pillar dollar, and sycce silver was then, and for years subsequently, only an article of import or export, and formed no part of the currency.

It may be accepted as evidence of the healthy and active state of affairs this year, that it was necessary to postpone the autumn races; people were too busy, and would not enter ponies; a condition of matters which has not again occurred in Shanghai. But at that time mercantile establishments were on a small scale, and, when a pressure of business came, principals and clerks had to work very hard. This was a great earthquake year in Shanghai. The first occurred at 10 p.m. on the 16th December, when bells rang, lamps swung, clocks stopped, pictures were detached from walls, and some cornices came down. Residents fled from their houses for a few minutes, and the city was greatly alarmed. The shock lasted 45 seconds, passing from S.W. to N.E.,† but nothing serious happened. Two other, and

* North-China Herald.
† The earthquake of the 16th was felt at Ningpo.
slightly, shocks took place on the 27th and 29th of the same month.*

The Settlement required additional drainage in 1852, and the Committee of Roads and Jetties which was elected in that year prepared a scheme for the purpose. But at a special meeting of Landholders—as they are called in the Herald—this scheme was shelved, by an amendment which stated that Landowners were not prepared to sanction any expenditure in a scheme of drainage, which would not be carried out by competent persons. The Committee thereupon resigned; but at another special meeting, held a week later, the amendment of the previous meeting was ordered to be expunged from the minutes, and the Committee were requested to withdraw their resignations, which they did. It appears that many of the most important Landowners were not present or represented at the first meeting, and that the Committee resigned in a pet, because, as they said, the meeting “had affirmed their incompetency to conduct a system of drainage either with or without professional assistance.”

The Bund lots were pretty well built upon by 1850, but its appearance has been much changed in the meantime. The Bund itself was then only twenty-five feet broad; it began about Russell & Co.’s property, beyond which, to the South was first a small native village, next to which and close to the Canton Road, was a large Chinese hong and godowns, after that a wood yard, where the Club now stands. Between that and the Yangkong-pang was a space in which was a low wooden building, where Mr. Hiram Fogg carried on a ship-chandlery and general mercantile business. The end of these premises jutted over the river, and their front was supported on long piles, and steps, like a ship’s gangway ladder reached down to the water, for the convenience of those who went and came in boats. On the southern end of the Bund the house now occupied by Messrs. Brand was built in 1850 or before, further North was the Custom House, and beyond it Messrs. Dent’s house and on the corner of

* I have been told that it was soon after these earthquakes that the last dwellers at Namtao came into the Settlement.
what is now Peking Road the first E-wo hong was then standing. It was taken down in the following year and the present house erected in its place. There are therefore only two houses and the Custom House now on the Bund which were in existence thirty-nine years ago. But the Custom House of those days wanted the two wings which the building now has; these were built about 1857. The British Consulate was building towards the close of 1851, when its foundation were just beginning to appear above the ground.* There was no bridge then, or for four or five years afterwards, over the Soochow Creek, passengers being ferried across. But this would not much matter, as there was only one bungalow in Hongkew,† and a small building which Mr. Dowson, who was making the Old Dock, put up for his own accommodation. There was a small and wretched village between the creek and where the American Mission houses were afterwards built. Broadway was a narrow path, on which it was possible to walk when the tide was not too high. There was for some years after 1850 a bamboo copse, wherein woodcock were to be found in their season, just on the North side of the Hongkow creek.

Two years later there was no French Concession between the city wall and the Yang-king-pang, or "foreign boundary creek," as that space was all, from the North Gate to the river, a Chinese suburb. In this, and within the grounds of the present Consulate, M. de Montigny, the French Consul, resided in 1852 in a house somewhat like a modified Chinese house, but surrounded by a compound of some extent. At that time there was no Bund bridge over the Yang-king-pang, but there was one near the line of Szechuen Road—thence once called Bridge Street—another was at Honan Road, and a third at Fokien Road. The last-named was always known as Taylor's Bridge, because an American missionary built a small church there, on the French side, which is still standing, behind the French Municipal Buildings.

* Built by Mr. Hethington, an American gentleman, in 1848. He died in 1848, and is said to have been the first foreign resident who died in Shanghai.

† Address by the Rev. Dr. Nelson, Shanghai 1870.
The mails arrived at that time in opium clippers, and probably other sailing vessels, at irregular intervals, and the speed with which they were carried may be guessed from a statement in one of Sir Rutherford Alcock’s despatches, in which he congratulates himself on having received a reply from Hongkong in the unusually short time of six weeks.

For several years after that time, indeed, until the Elgin treaty allowed steamers with opium on board to bring it into port, the mails for mercantile firms were taken charge of by the captains of the receiving-ships at Woosung, to whom they were addressed, and who sent them by pony express to Shanghai. Perhaps twenty ponies were sent off with letter bags for the firms in Shanghai who employed their captains to receive their mails. The boys who rode them took things easily till they neared the bridge over the Soochow Creek, when that had been built, but when they got across it they came yelling and shouting at headlong speed along the Bund, and other streets, throwing off their letter bags at the doors of the houses to which they were addressed. The arrival of the mail, the news that the flags were up on the receiving-ships at Woosung, furnished the strongest excitement in the ordinary life of the first sixteen or seventeen years of foreign residence in Shanghai. And every mail at that time and almost until the introduction of telegraphs, Messrs. Dent and Jardine, and occasionally other firms, sent away their own steamers from Hongkong, which anticipated the arrival of the mail in Shanghai. These steamers anchored in Yang-tsze bay, a messenger with their owners’ mail and Hongkong letters was despatched overland and the firm had from one to two days in which to operate before the community received its despatches by the P. & O. steamers.

Residents led, for the most part, very quiet lives in these early days. In 1852 there were few wives of foreign merchants, and some few years afterwards a ball at which thirty gentlemen and nine ladies were present were described in almost ecstatic terms. In those times ladies gave a half, a third and sometimes a quarter of a waltz to each partner. Marriage was as a rule discouraged by the “heads of houses,” and it was known to be
The Tsing-pu Affair—Early Municipal Work.

"common" if not "statute" law* that no member of such firms should marry during his connection with it. In a community in which young bachelors formed the majority, there was a good deal of humour and independence of character displayed, and none of that deference to the two "big houses," which characterised Hongkong, was shown in Shanghai. It was rather the other way.

The Government of China was in sore straits in the year 1852. The Taipings were threatening the great cities in the valley of the Yang-tze, and were approaching the tea and silk districts which supply Shanghai with its chief exports. Amoy was captured by the Triad Secret Society in May; bands of robbers were at the same time ravaging the northern parts of Kuang-tung; and the city of Canton was environed by large bodies of insurgents in August. Yeh-ming-chen, the Viceroy who was afterwards taken to Calcutta, first shewed his blood-thirstiness in Canton then, and so great was his alarm, and poor his means of defence, that he applied for help to the British authorities in Hongkong. The condition of the Empire, everywhere, was so bad that the fall of the Manchu dynasty was anticipated by foreigners generally.

* Dr. Nelson's address.
CHAPTER IV.

THE TRIADS IN THE CITY.

Early in 1853 a rumour spread in the city that Hankow had been taken by the Taipings, and although Hankow is far from Shanghai, a panic ensued. In March business was suspended, Nanking was then besieged by the rebels, who were also reported to have a large fleet near Woosung. When Nanking and Chinkiang fell, the native tea and silk men fled from Shanghai, taking goods or anything they could get in payment of the sum which foreigners owed them. The native bankers at the same time refused to give the ordinary facilities to their customers, and therefore duties could not be paid or ships cleared.

Mr. Alcock then took on himself the collection of the Customs' duties, and to receive in place of the money due for them various securities. The arrangement had only lasted one month, when it was terminated by its author.

Matters were so bad in the province of Kiangsu that the Governor twice entreated the foreign Consuls that their men-of-war in Shanghai should be sent to Nanking to help him. Nevertheless the fortifications of Shanghai were almost totally neglected.

Sir George Bonham, Her Majesty's Plenipotentiary to China, arrived in Shanghai at the end of March, and was followed a few days later by Colonel Marshall, United States Commissioner, in the frigate Susquehanna. This ship was of 2,500 tons, and the largest steamer that had entered the port up to then. Both these gentlemen went to Nanking in pursuit of information about the rebels.

Matters appeared so threatening in the province, and the authorities in the city so incapable, that Sir George Bonham authorised the formation of a Volunteer Corps for the defence of
The Triads in the City.

the Settlement. The Americans appointed a committee, consisting of Messrs. E. Cunningham, W. S. Wetmore, and H. H. Warden, who were to consider matters. But a sufficient number of Volunteers not coming forward, a "Committee of Co-operation" was formed, consisting of British and Americans. A meeting of all the Consuls and residents of every nationality was afterwards held at the British Consulate, at which it was stated that temporary measures of defence had already been taken in the shape of earthworks.) One speaker suggested that the Settlement should be surrounded by a "ring fence," from Taylor's Bridge, at the end of Fokien Road, on the Yang-king-pang to near Louza village on the Soochow Creek. The Volunteers forthwith began drilling morning and evening under the command of Captain Tronson, of the 2nd Bengal Fusiliers.

The peace of the Settlement remained undisturbed for some months, but the city and its neighbourhood were infested by bands of thieves, Taotai Wu, or Sam-qua, who had purchased his rank, doing nothing. And on Easter Day during this period the American Church of Our Saviour in Hongkew was opened for public worship.

Apparently to the surprise of foreigners, as well as official and other Chinese, the city of Shanghai was on the 7th September, 1853, captured, or quietly taken possession of, by the Triad Society, aided by Canton, Fokien, Ningpo and other disaffected and disorderly people. Sam-qua, Taotai, remained unmolested in his house for some days, protected by his fellow provincialists, the Cantonese, but Mr. Caldecott Smith and Dr. Hall visited him and persuaded him to leave the city. But when they proposed that he should be lowered from the walls in a basket, he would not, until one of them had preceded him in that way.

Wu, or Sam-qua, took refuge in Messrs. Russell & Co.'s house, then the American Consulate, which greatly exasperated the Fukiense against all foreigners, and he remained there for several weeks. The Chi-bien and a few soldiers were killed by the insurgents, and the Custom House on the Bund was plundered and demolished. The day after they took possession of the
city the insurgents fought fiercely among themselves about the
division of their booty, and fights were afterwards of constant
occurrence, all the time they were in the city. Paoshun and
Kahding were captured by bands of the same insurgents, soon
after Shanghai was taken by them. As soon as they were in
possession of the city, the insurgents opened communications
with the rebels in Nanking, desiring to join forces, but the
Taipings would have nothing to do with them; on theological
grounds and because of the use of opium, it was said:

Captain Fishbourne, of the Hermes, took prompt measures
for the defence of the Settlement, and thus prevented any attack
on it by the insurgents.

Mr. Alcock, and the United States Vice-Consul,* now
notified their merchants that duties must be paid to them, or
promissory notes for them and securities given, or they would
not clear British or American ships. But the majority of
merchants were of opinion that as the Chinese Government
could not fulfil its part of the treaty obligations, and could not give
the slightest protection to anyone in Shanghai, they were not
bound to pay duties to it. Mr. Alcock replied to this, that the
capture of a seaport on the coast of a vast empire could in no
sense abrogate a solemn treaty entered upon between the sover-
eigns of Great Britain and China. "It therefore remained to
him to see that the rights of the Chinese Government did not
suffer." The United States Vice-Consul took his stand on
Article II. of the treaty with his country:—"That citizens must
pay duties according to tariff." Sir George Bonham and Colonel
Marshall supported the opinions of their Consuls.

But the Consuls of other nations informed Messrs. Alcock
and Cunningham that they had no information of a Custom
House being in existence in Shanghai, and would not recognise
the expedient of paying duties to foreign officials. The French
Consul intimated that he would clear ships of his nationality
without calling on them to pay duties, and the Consuls of other
nations, who were all merchants, took the same line.)

* Mr. E. Cunningham was an American merchant in Shanghai, and
was acting as Consul, against his own interest.
The Triads in the City.

The Taotai made two attempts to take away the reproach of their being no Custom House at the port. In the first, he sent a mandarin to establish himself among the ruins of the old Custom House, but this officer was driven away by the guard from H.M.S. Spartan, which was stationed there. In the second, he intimated that duties would be received on board a junk moored in the river, and Mr. Cunningham told his countrymen to pay their duties on board that junk; but they replied that they could not find her.

In January 1854 the United States Vice-Consul notified that he would allow ships of his nationality to sail without requiring payment of their duties, so long as ships of other nations were allowed to do so. But Mr. Alcock was made of more obstinate stuff, and held out until the Taotai, being pressed for money, allowed a Bremen ship to clear on payment of only part of duties. Then Mr. Alcock permitted the John Wood to sail, without requiring her duties. But previous to this the Taotai established a Custom House on the north side of the Soochow Creek. The merchants were, however, too much for him, and the Consuls; all the American and some of the British firms sent their tea and silk to Woosung to be shipped there. That was illegal, but nevertheless two American vessels carried away full cargoes of tea on which no duties had been paid.

Sir John Bowring, who succeeded Sir George Bonham in 1854, upheld Mr. Alcock, but Lord Clarendon, Secretary of State for Foreign Affairs, instructed him to return all the promissory notes and securities for duties which British merchants had given. Sir John did not do this; he directed Mr. Alcock to return only the notes which had been given between the 7th September, 1853, when the city was taken by the insurgents, and the 9th February, 1854, when a Custom House was temporarily established on the north side of the Soochow Creek. The promissory notes given after the last date were retained until February 1855, and the notes of American merchants were returned to them during that year, when Mr. Murphy had become Consul.

Everything connected with this dispute exhibited a curious state of affairs. Mr. Alcock and the United States Vice-Consul attempting to coerce their countrymen, other Consuls fighting for their own hands, and Sam-qua, Taotai, taking anything he could get in the way of duties, and Sir John Bowring disregarded the positive orders of Lord Clarendon.

The position of the Chinese officials at Shanghai led the Consuls of Great Britain, France and the United States to propose that the Custom House of Shanghai should be placed under foreign management, and this was done in July 1854. An Inspector was chosen by each of the Treaty Powers; Mr. Thomas Francis Wade, resigning the Vice-Consulship at Shanghai, to represent Great Britain; M. Arthur Smith, of the French service, France; and Mr. Lewis Carr, of the United States Consular service, represented his countrymen. Mr. Wade only held his post for about a year, when his place was taken by Mr. H. N. Lay, of the British Consular Service. This was the beginning of the Imperial Foreign Customs Department, for the plan worked so well in Shanghai that it was soon extended to the other open ports.

To return to affairs in the city and neighbourhood. The Triads, and their allies, some of whom called themselves The Small Sword Society, and who appear to have been all nick-named Red Caps by the Imperialists, held Shanghai for seventeen months. Their chief leader was Low, a Cantonese who had been a sugar broker, and who had established the Triad Society in Shanghai a few years before. He was an emaciated opium smoker, but was reported to be a man of capacity and resolution but the most active spirit among the insurgents, if not their actual leader, was Chin A-lin, who had been horse-boy to Mr. Skinner, a partner in the firm of Messrs. Gibb, Livingston & Co. Another leader had been a green-tea broker in Shanghai. Their principles, or, if they had none of these and they certainly shewed none, the bond of union among them, was hatred of the Manchu dynasty. So far they agreed with the Taipings, but the captors of Shanghai had apparently no desire to interfere with the prevailing forms of religion, which the Taipings were
sworn to overthrow. The movement against the Manchus seems at first to have been regarded by foreigners in Shanghai as a patriotic outbreak among the Chinese.

As soon as Shanghai was in possession of the insurgents, all the inhabitants fled, who could do so. Lew visited the Settlement in state next day, and called on the Consuls, but was not officially received by them. A fleet of the Imperial junks came down from Sungkiang on the 10th and bombarded the eastern part of the city, but without doing much harm to the insurgents. The crews were landed and set fire to the eastern suburb, burning twelve hundred houses and carrying off an immense deal of plunder. The Soochow Creek was crowded with these junks for a mile or more; the Imperial camp was on the old race course, within the Defence Creek, and the lawlessness of the rabble which was congregated there soon brought about trouble with the foreign residents. For instance, a large number of them stole into the Settlement at dusk one evening, in single file, and attempted to carry off some guns which coolies were taking from Messrs. Gilman, Bowman & Co.'s, in Kinkiang Road. A few Volunteers prevented this and saved the guns, while the half dozen marines and sailors, who formed a guard at the Church, drove the main body of the invaders out of the Settlement. Sam-qua, ex Taotai, applied soon after to Mr. Alcock for the names of all Chinese in his employment, and that of British residents, that he might know the traitorous among them—a request that was contemptuously refused. He stated at the same time that the city was to be attacked immediately. Accordingly, on the 6th December a steamer which he had purchased, and a large fleet of war junks, full of soldiers, made a great demonstration against a mud fort, which the insurgents had erected above the city. Many guns were fired, flags waved, stink-pots thrown, and gongs beaten, but all this did but little damage to the insurgents. The Imperialists, however, succeeded in burning the south-eastern suburb.

But though the insurgents had on this occasion proved themselves better fighting men than the Imperialists, they were soon to encounter a much more powerful opponent.
Some Fokienese insurgents arrested two catechists near the South-east Gate, and it was said subjected them to some torture, besides detaining them. The Catholic Bishop sent a priest to demand their surrender, but this was refused, whereupon the insurgents said they were threatened with an attack of a French fleet. M. Edan, then French Consul, thereupon intimated to his colleagues that he had demanded reparation from the insurgents for the seizure of the catechists, and that he might be obliged to take hostile measures. The excitement which this caused in the Settlement was allayed when it became known that the French demands had been complied with, at the instance, it was said, of some Englishmen who visited the insurgent chief in the city. In order to satisfy the honour of France, M. Edan required that the chief of the Fokien insurgents should come to the French Consulate, and be punished with fifty blows at the foot of the flag-staff.

On an early day the Fokien leader, accompanied by a dozen of his officers, and guarded by French soldiers, to prevent their being captured by the Imperialists, appeared at the Consulate. The Consul received them at the foot of the flag staff, Admiral Laguerre being present, where the Fokienese leader expressed his readiness to be punished. The flogging was remitted, and the insurgent struck his head nine times on the ground, while the Consul told him that any insult to the French nation would be immediately resented.

About this time Sir John Bowring and Admiral Stirling, the French authorities and the Imperialists tried to get the insurgents to give up the city and offered them an asylum elsewhere. But these negotiations, which were separately carried on, came to nothing.

The Imperialists put their chief trust in mining the city walls, the insurgents were more dashing. But it was suspected at the time that the fights between the two hosts which took place in the open country were pre-arranged affairs, for the Imperialists would tell friendly foreigners when they were coming off and whether it would be worth while to go and see them. The Imperialists mined under the city meat on one
occasion and blew down a large part of the wall, only to find that
an inner wall had been constructed, which barred their way.
When one breach was made in the wall a writer, who witnessed
the scene,* said that by the explosion of these a wall of fire
occupied the place of the demolished wall of brick and earth.
Fire arms were dispensed with; both sides fought with the
weapons which pirates used, that wound and kill by burning.
The Imperialists suffered greatly, as they were crowded together,
and were at last driven away into a fort which the insurgents
took, held for a little, and then evacuated. Upon this the
Imperialists gallantly charged the dismantled place and captured
it. On another occasion the Imperialists mined under the moat
to the city wall, a great part of which was blown down by the
explosion of their mine. But as the insurgents had been aware
of what was going on, they had constructed an inner wall which
confronted the attacking force, as it rushed into the breach.
Another day the Imperialists placed sufficient gunpowder in a
mine to blow up the whole city, but the insurgents came out,
drove them away, and carried off the powder of which they were
much in want at the time.

The Imperialists suffered punishment for their repeated
attacks on foreigners and outrages in the Settlement, when, on
the 4th of April, 1854, the Shanghai Volunteers, accompanied
by men from H.M.S. Encounter and Grecian, and the U.S.
sloop-of-war Plymouth, marched out and attacked their camp
on the old race course. The whole force amounted to about
300 men, and a field piece from the Encounter, while the Taotai
had stated that there were 10,000 soldiers in the camps. The
Captains of the ships-of-war led their men, and the Volunteers
were commanded by T. F. Wade, then H.M.'s Vice-Consul in
Shanghai. The British and American Consuls accompanied
their columns. The American seamen took the left part of the
ground and were first exposed to a fire from the camps, which
in return were shelled by the Encounter's field piece. The main
body of the British, meanwhile, moved forward to attack the
camps, but were obliged to make a détour, and while they were

* Dr. Yates, in the North-China Herald.
doing this the shelling began to drive the Imperialists out of their quarters. A large number of them, however, gathered behind the most northerly camp, and these, as the attacking force came into view, discharged a cannon at them, which killed a sailor of the *Encounter* and wounded several others. As the Volunteers and sailors rushed forward, the Imperialists fired a volley of musketry at them, but they crossed the ditch and captured the camp. The Americans were unable to cross the creek, from want of ladders, and, when the camps were in the hands of the British forces, they fell back to defend the river, when the Imperialists were assembling in great numbers. The march back to the Settlement, after firing the camps, was accomplished without loss, as the fire from the field piece checked the Imperialists.

This affair, known to history as the battle of Muddy Flat, occupied only two hours in all; it was successful in the object which Mr. Alcock had in view; but was unfortunately attended with some casualties to the foreign forces. The Volunteers had three men wounded, two of whom died a few days afterwards and the other lost a leg; the *Encounter* and *Grecian* had each five men wounded and the Americans one killed and four wounded, most of them seriously. The foreign community of Shanghai thanked Captains O'Callaghan of the *Encounter*, Keane of the *Grecian*, and Captain Kelly of the *Plymouth*, for the prompt and decisive measures which they took for the defence of the Settlement, and the British community presented a service of plate to Captain O'Callaghan.

The British Government approved of Mr. Alcock's action, but it has been impugned, on the one hand by those who saw in it only his "unreasonable haste and imperiousness,"* and on the other hand by a few who had debilitated their judgment by long admiration of everything Chinese. Such action as Mr. Alcock took was absolutely necessary if the Settlement was to be preserved, not only from outrage, but very possibly from

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* Autobiography of Mr. R. B. Forbes, formerly a partner in Messrs. Russell & Co., who forgets that the U.S. Consul concurred with Mr. Alcock.
destruction. The mandarins had no authority over the rabble which filled the camps, and which was composed of the worst specimens of cruel, vicious, cowardly and utterly lawless men.

By the end of autumn the state of the city had become very gloomy; nine-tenths of the inhabitants had fled, and the policy of taking the place and handing it over to the Imperialists was discussed. If this was done the insurgents were to be deported to Formosa. The insurgent chiefs were said to be quite willing to surrender the city to the Treaty Powers.

But the French now interfered. A few months after the occupation of the city by the insurgents, the Imperialists erected a wall between the city and the French Concession. This was done to prevent the insurgents coming on the Concession to sell their plunder and purchase supplies. A sort of market had been established on both sides of the Yang-king-pang, where a lively business was carried on by the insurgents, and of this the Imperialists bitterly complained. The building of that wall was approved by the Consuls of Great Britain and the United States; indeed, the Minister of the latter Power extended it on the north side of the Yang-king-pang, but the British authorities would have nothing to do with continuing it further, whereupon the Imperialists did so.

The French Admiral Laguerre had evidently been watching his opportunity to interfere with arms on the side of the Imperialists. I think also that Mr. Alcock was willing that this should be done, as the insurgents were now utterly demoralised. The French Admiral found his opportunity when the insurgents erected a mud fort or battery between the city and the wall which I have mentioned, somewhere near what is now the Rue Touranne. He immediately ordered its removal, threatening, if this were not done by its builders, to do it himself. The insurgents treated these orders with contempt, and the Admiral sent a party of sailors to destroy the fort. A collision ensued; shots were exchanged; some rebels were killed and one Frenchman mortally wounded. Admiral Laguerre at once declared the city in a state of siege, and on the 9th December, H.I.F.M.'s ship Colbert, of 6 guns, opened fire on it. The
The Story of Shanghai.

bombardment continued for two hours; the insurgents did not return the fire. On the following day the frigate La Jeanne D'Arc, of 44 guns, anchored near the Colbert, but the bombardment was not renewed. The next step taken was the despatch of a vapouring letter from the French Consul to Mr. Alcock in which complaint was made that insurgents went to and from the British Concession and the city. Mr. Alcock immediately called a meeting of British Land-renters and impressed the duty of absolute neutrality on them. But when he proposed that the Land-renters should erect a wall round the whole Settlement, they unanimously resolved that such measures should be undertaken by the representatives of the Treaty Powers. At this meeting a letter was read from Sir James Stirling, the British naval commander-in-chief on the station, in which he informed the community that the time was limited in which he would allow a guard from Her Majesty's ships to protect the Settlement, which he thought should be done by the Chinese! Thus the meeting had the British civil authority recommending it to build a wall to keep out the Chinese mandarins and their men, and the naval commander-in-chief saying that to these same Chinese the protection of the Settlement should be entrusted. Sir James Stirling's letter gave great dissatisfaction to the British community, and in replying to a remonstrance which was addressed to him, he endeavoured to explain it away.

It would appear that the efforts of the British and American Consuls restrained the French Admiral from further operations against the insurgents, until the 6th of January. About half-past six on the morning of that day a cannonade was commenced from a battery in front of the French Consulate, and within an hour a practicable breach was made in the city walls. Two hundred and fifty French sailors and marines were landed and ascended the breach, "supported" by fifteen hundred Imperialists, and covered by the fire of the two men-of-war in the river. A desperate struggle took place in the breach; the French behaved with great bravery and coolness, and the Imperialists with their usual cowardice. Finally, the Imperialists were driven back and the French, finding themselves unsupported, were compelled
to retire within their lines, with a loss of forty-five officers and men killed and wounded. The insurgents then came out of the city and drove away the Imperialists. Mr. Alcock seems to have approved the action of the French as he followed the storming party into the breach.

On the night of the 17th, or the morning of the 18th February, 1855, the insurgents stole away from the city, which they had previously fired. Their flight was in the direction of Si-c-ka-wei, and they were pursued as soon as the Imperialists heard of their escape. Those who were taken were of course beheaded, and the Imperialists occupied Shanghai on the 18th. They at once began to butcher all the people they found in the city, and even opened coffins and beheaded the dead. Immense mounds of heads and headless bodies were everywhere about the city and suburbs, and the unfortunate people who were found alive were ruthlessly pillaged. One unlucky wealthy man had been compelled to pay three hundred thousand taels to the insurgents, and the Imperialists now made him pay two hundred thousand more for having complied with these demands.

Many of the insurgents were sheltered in the British Settlement until means were found to send them away to other places, but three hundred of them, who had surrendered to Admiral Laguerre, were given up by him to the Imperialists. Many captives were beheaded in the belief that they were Lew and Chin-a-lin, but both escaped, and the ex horse-boy was afterwards a prosperous merchant in Siam.

* The killed were at first buried at Tung-ka-doo, then in the French cemetery, and were transferred in 1888 to the cemetery on the English side.
† Scarth's *Twelve Years in China.*
CHAPTER V.

THE TAIPING TIMES AND AFTER DISASTERS.

During the occupation of the city by the Triads, some ten to twenty thousand Chinese, mostly bad characters, had come to live in the Settlement. This made the first change in the quiet-going place. Chinese, except those who were original owners of land, were not allowed to hold real property or houses within the limits, or indeed to reside within them except as employés of foreigners. But those who had come within the Settlement were allowed to remain, and their numbers do not seem to have decreased down to the time when the presence of the Taipings near at hand greatly augmented them.

The growth of the Settlement necessitated an extension of the Municipal institutions, which had hitherto been represented by the Committee of Roads and Jetties, and for a temporary purpose, the Committee of Co-operation, both consisting of three members. Therefore, at a meeting of Landrenters held on the 22nd July, 1854, a Committee of seven members was chosen, which was shortly afterwards named the Municipal Council.

Affairs were quiet in Shanghai during the next few years, but the commercial disasters of 1857 checked its prosperity for a time, and the war with China affected business for a few months. Lord Elgin, Her Majesty's Special Envoy to China, arrived in Shanghai on the 26th March, 1858, and received an address from British merchants on the 29th, and left in the Furious for the Peiho on the 10th April. Succeeding in his mission to the north, he returned to Shanghai and left for Japan on the 31st July, and after concluding a Treaty with the Tycoon he revisited Shanghai and spent some weeks, arranging the
The Taiping Times and After Disasters.

tariff of the new Treaty with China. Mr. Lawrence Oliphant* gives some pleasant vignettes of Shanghai in those old quiet
days, while abusing its malodorous fields, hot sun by day and
chilly nights in unwholesome September. He describes people
"riding or gyrating daily on the race course, as though they
were being lounged. Those who prefer gossip to exercise
frequent the Bund, a broad quay which extends the whole length
of the Settlement, and which is crowded with Chinese porters
all the morning, and sprinkled with European ladies and
gentlemen in the afternoon. The harmony and hospitality of
Shanghai make it infinitely the most agreeable place of residence
in China to the mission."

There was a slight outbreak among the coolies on the 2nd
September, 1859. These disturbances were caused by rumours
that foreigners were kidnapping Chinese and sending them on
board a French ship, which was lying at Woosung, taking in
coolies for the West Indies. Some of the Chinese on board this
ship had risen, and some were shot while attempting to escape.
A large mob of excited coolies set upon a man, whom they
supposed to be a kidnapper, and nearly beat him to death with
bamboos; and on the Reverend Mr. Hobson and Mr. H. N. Lay
interfering, the latter was stabbed and his companion obliged to
seek refuge in a carpenter's shop, till the police came. The
opening of Japan to foreign trade, in this year, gave a consider-
able impulse to the commerce of Shanghai, as for some few years
supplies of goods for that kingdom were chiefly obtained from
Shanghai.

But the approach of the Taipings in 1860, their capture of
important cities and towns in this province and Chêkiang, made
Shanghai a place of refuge for thousands of terrified Chinese.
The rich city of Soochow was taken, after scarcely any resistance,
on the 29th June of that year, and refugees poured into
Shanghai, the Creek being crowded with craft of all descriptions,
among which were many large and handsome family boats full
of men, women and children with their servants, and such things
as they had been able to carry away from their houses.*

* In his narrative of Lord Elgin's Mission.
Preparations for the defence of the Settlement were commenced soon after Soochow had been captured. A Volunteer force was enrolled—the old corps which had done so well some years before had been disbanded;—barricades were erected at all the streets which crossed Honan Road, and the Volunteers kept guard at them day and night, while the Taipings were near. There was not only danger to the Settlement from the rebels without, but there was danger from within, as the place swarmed with bad and desperate characters, both foreign and native.

July passed without any rebels being seen near Shanghai, but on the 18th of August many fires were blazing to the westward. The Kestrel, H.M. gunboat, and the French steamer Hongkong were sent with communications for the rebels at Sungkiang, but before they got to Ming-hong, twenty miles up the river, the Taipings had occupied the buildings of the Jesuits at Sic-ka-wei, which they made their head-quarters. From thence they advanced on the city, and endeavoured to enter the West Gate. They received a warm reception from the English and Indian soldiers who were posted there, and at the South Gate. Until evening the Taipings swarmed about the country near the city, hiding behind graves, beds of rushes, and tops of trees. That night all the houses outside the walls, which would have given shelter to the rebels, were burned down.

Next morning a bombastic proclamation from the Taipings was found posted in the city, calling on the people to join them. They had worked their way round almost to the French quarter. The French then fired the houses and warehouses between their Concession and the city walls, burning an immense quantity of valuable property in the most wanton and useless manner. This conflagration burned for several days and until after the Taipings had retired from the neighbourhood of Shanghai. While the rebels were near the city a heavy fire was kept up on them from the walls, and soldiers and marines fired on them from several out-looks which had been erected thereabouts, and towards the Settlement.

On Monday the rebels advanced in great force along the paths which ran parallel with the city walls; each soldier
carrying a flag. They continued their march to the English Settlement, and actually placed some flags within two hundred yards of the old race course. But a few shots and shells made them retreat. During the previous night the despatch-boat *Pioneer* had gone up the river to above the city, from whence she threw 13-inch shell among bands of the rebels who were between Sic-ka-wei and Shanghai. And about one o’clock H.M. gunboat *Nimrod* begun to fire shells from off the Bund, at parties of them which were advancing towards the Settlement in a line with the present Bubbling Well Road. She continued this for two hours, when these rebels retired, but the *Pioneer* fired until evening, when the rebels returned to Sic-ka-wei.

That was the last time the Taipings troubled Shanghai during that year; on Tuesday they kept quiet, and on the following day Mr. Forrest, then interpreter to the Consulate, rode to their camp, accompanied by an orderly named Phillips. Mr. Forrest was the bearer of a letter to the rebel chiefs, in which they were told that the city of Shanghai was under the protection of the British and French, and that they could not be permitted to enter it. He was civilly received a short distance from the Taiping head-quarters, and invited to visit the leaders; but he declined to do this, and leaving his despatches with the officers at this out-post, rode back to the Settlement. This was a plucky ride, considering the treatment the rebels had received from foreigners during the previous few days.

On the next day Mr. Forrest, accompanied by his officers, returned for the answer to the letter. They found only a few ill-clad soldiers at the rebel camp; and later in the afternoon some gentlemen riding that way discovered that the rebel host was represented by a few straw stuffed figures. The Taipings had retreated into a safer districts, but their reply to the letter which Mr. Forrest had caused to them was received by the foreign authorities shortly afterwards. It was in their usual high flown style, and it asserted that they had been invited to come to Shanghai by foreigners, who assured them they would be welcomed. This may have been the case, as there were many hot-headed, unwise, but honest supporters of the Taiping cause.
in the Settlement besides a large number of utterly unscrupulous men who were interested in the illicit trade in arms.

There was some anxiety, but little excitement in the Settlement during the time when the Taipings were near. Some merchants and foreign banks and wealthy Chinese placed their treasure and valuables on board steamers, tug-boats and the opium receiving-hulks, and others who did not do this hired guards of seamen and others to protect their premises. The different ways in which occasions that were presumed to be alarming were met by foreigners and Chinese was significant of their national characters. Once, after it had been arranged that a certain signal would be made in case of seeming danger, so that the women and children might be taken on board the men-of-war, a great disturbance—firing of gingsals, beating of gongs, and shouting—was heard in the direction of the city, just after dinner. The residents who were unmarried hastened to the Bund, armed with every conceivable weapon; married men brought their families there, and all calmly awaited the result. It was soon found that the clamour arose from a fight between some of the junk men, and as soon as this was known, people returned to their houses.

But the frequent panics among the natives were fearful things. As an instance of them: one day an alarm was given in the Maloo that the rebels were at the Bubbling Well, and almost in an instant, crowds of Chinese in that quarter, and the adjacent alleys, fled towards the Bund. Women and children were trampled to death in the mad flight; men who were carrying off silver and other valuable left them in their chairs and joined the shrieking, terrified flood of fugitives. Many when they reached the Bund rushed into the river and several were drowned.

While the British and French were defending Shanghai against the Taipings, their allied forces were attacking the forts of the Imperial Government on the Peiho, which were taken on the 21st of August.

The year 1861 saw a great increase to the commerce of Shanghai from the opening of the Yangtze to foreign trade, as
far as Hankow. Teas were bought cheaply at that port and at
Kinkiang; imports were sold at all the newly opened ports in
large quantities and at favourable prices; new articles of trade
were also discovered. Both foreigners and Chinese entered
largely into the new field of business and a demand for steam
tonnage on a very large scale soon sprung up. To meet it, all
kinds of vessels—some of the earliest types of paddle wheels—
were bought and placed on the river. Chinese merchants in
many cases became joint owners with the foreigners who managed
these crafts, and, as many of the steamers were nearly useless,
the results were in most cases unsatisfactory. Other mercantile
firms ordered suitable steamers in Great Britain and America,
and in a short time travelling on the river and coast could be
accomplished with as much comfort as in any part of the world.
And so promising did this branch of the business of the port
seem that Messrs. Russell & Co. were able to found the Shanghai
Steam Navigation Company in 1862 with a capital of a million
taels, which was subsequently increased to a million and a
quarter, and ultimately to a million eight hundred and seventy-five thousand, although it was an unregistered Company and
the liability was unlimited. This was the first great shipping
enterprise in which foreigners and Chinese were associated. It
built in America many fine steamers to ply on the Yangtze and
on the coast. It had a very chequered career, was unfortunate
in many ways, and, as we shall see, was finally purchased by the
Chinese.

In this year the Inspector Generalship of Customs was
established, Mr. H. N. Lay being appointed to the office by a
Decree of Prince Kung, dated the 21st of January.

For more than a year the Taipings did not reappear in the
neighbourhood of Shanghai. It was rumoured from time to
time that they were near at hand and considerable disquiet was
felt in the Settlement in autumn. This was increased when
Ningpo was taken early in December, almost without a struggle,
Hangchow attacked and Chefoo taken. At length the rebels
made their appearance unexpectedly at Woosung on the 11th of
January, 1862.
The Story of Shanghai.

On the capture of Ningpo becoming known in Shanghai the Volunteers met and formed a corps of Mounted Rangers to act as scouts in the country districts. In a few days a good number of Rangers were enrolled, and Mr. Panmure Gordon, with whom the suggestion of forming the corps originated, was actively engaged drilling the recruits and their horses, who were soon afterwards changed for the more useful native ponies. This corps, which now numbered some twenty men, was of great service to Sir James Hope in his expedition against the Taipings in 1862 and the following year.

Very alarming rumours became current in the Settlement soon after the rebels appeared at Woosung. The terrified Taotai reported to the Consuls that eighty thousand “long haired men” —as the Taipings were called—were coming from Soochow and other cities in that direction. This horde, he said, to be transported by boats; another large body was on the march from Hangchow, and a third was approaching via Woosung. The artillery of the rebels was soon heard firing at the Pootung side, apparently four or five miles away. Another band, advancing towards the Settlement, captured two towns between Woosung and Shanghai, and at night the skies to the north and west were red with conflagrations.

On the 13th January four mounted rebel scouts appeared at the Stone Bridge and murdered two women, and a day or two afterwards a considerable force of them were at the same place. The Settlement was already full of refugees from Ningpo, Soochow and other cities, but it was obliged to receive the stream of fugitives which now poured in. *So great was the influx of strangers into Shanghai, that the cost of living had increased about 400 per cent. in 1862.*

Sir James Hope arrived in Shanghai on the 15th January and at once took the defences of the Settlement in hand, in which he was assisted by a Committee of residents. There were only 850° men of the Punjaub N.I., † 1,000 French troops, and a

* In the course of the Spring H.M.’s 67th, 99th and 5th Bombay N.I. Regiments arrived, and the fleet was also reinforced.
† The graves of many of these Indian soldiers and men from other English regiments lie under the East side of the City Wall.
small force of Volunteers in Shanghai. The naval force was also small, and consisted of H.M.S. Impérieuse, the flag-ship, one steam-sloop of war and two gun-boats.

The rebels were prevented taking the field by a heavy fall of snow, early in January, which lasted fifty-eight hours and covered the Settlement and country to the depth of three feet in many places. Their reinforcements which was coming by the creeks, and those which were marching by land, were delayed, and the force at Woosang was ordered to fall back on Nanking.

The Admiral and the residents took advantage of this delay; the ordinary vocations of almost all foreigners were suspended for a time, and by the end of January the defences were complete.

There were two lines of defence to the westward. On the inner, the Honan Road, wooden barricades strengthened by earthworks, were erected as in 1860; and a stronger and new one was placed in the Maloo, with smaller ones at the lanes leading from the lines, while a half battery of artillery was stationed on the centre of this line of defence. The outer line was from the Soochow Creek to the City, and on it the Defence Creek was made or greatly deepened and widened. On that line large earthen mounds were constructed at short distances from each other; the first of them being near the Soochow Creek, and from it there ran southward a parapet of mud seven feet high, six feet wide at the top, and seven feet at the bottom, and guns were planted on it at every favourable spot. The entire length of this parapet was three-quarters of a mile, and it was considered that six hundred men, with a cannon, could hold it against any force the Taipings could bring.

The Taotai offered to defray the cost of the defences, but his offer was refused, from dislike on the part of the community to allow him to have anything to do with the Settlement, beyond collecting his dines in it; and a similar offer from the principal Chinese bankers was also declined.

The snow had disappeared from the country by the middle of February, and the Taipings took the field again, and the commanders of the foreign forces at once began active operations against them. I may mention a few of these.
One time the French cleared out, with shot and shell, a large body of rebels who had attacked a village opposite the city, with the object of seizing a number of junks which were lying there and making a bridge of boats of them, over which they could march to the attack of Shanghai. On another occasion a party of British and French marines and blue-jackets supported Ward, with six hundred of his disciplined Chinese in an attack on a large intrenched village in Pootang, and some four or five miles down the river. Flushed with these successes, the Taotai at once began executing bands of Taiping prisoners in the city. The next important enterprise was against a large village inland, and opposite to Ming-hong, which 370 British and French sailors and marines captured. During March and April the allied forces and Ward’s men were actively engaged, and the Mounted Rangers did good service. Two great camps of stockades were taken early in April at Wong-ka-dza and Lu-ka-dong—places between Chepoo and Ya-ki-town; and in these operations, besides 842 British and French sailors and marines, 991 soldiers of British and Indian regiments, under Stavely, were engaged. In the first of these engagements Admiral Hope was wounded in the leg. Chao-pu, Kau-ding, Tseng-pu, Nan-jao and Cho-lin, all fortified places within short distances of Shanghai, were taken in rapid succession before the end of April; and in May Captain Roderick Dew, of H.M.S. Encounter, with his sailors and some of Ward’s force, recaptured the city of Ningpo for the Imperialists.

Admiral Protet fell at Nan-jao; while directing the attack he was shot through the breast and died at half-past six on the same evening, the 17th May. His remains were brought back to Shanghai and lay in state for a few days in a Chapelle ardente in the hospital, previous to being interred in a tomb in the grounds of the French Consulate. The obsequies took place on the 26th May, when the ships of war in port fired minute guns.

*Ward was an American soldier of fortune who had led a roving life. He had apparently some idea of founding an Empire in the East, when he came to China, but in the meantime he had drilled, and commanded, a force of Chinese. They were known after this as “The Ever Victorious Army.”*
in the morning. The Consuls, the officers of the British, French and Russian men-of-war and the officers of the English Regiments, all in full uniform, with many foreign residents, assembled at the French Naval Hospital at half-past seven a.m. From thence the body was borne to St. Joseph's Church, where the Taotai and many mandarins were present while a grand martial mass was performed. Admiral Prolet's services to China were recognised in the Peking Gazette of the 11th June, 1862, in which Li Hung-chang, then FutaI or Governor of this province, was commanded to appoint a Taotai and a Prefect to present the Emperor's "sacrifice to the manes of the departed officer." Therefore, on the morning of the 7th of August, the Taotai, and some fifteen officials, of good rank, went to the French Church and there listened to a mass, similar to that which had been performed at the obsequies of the Admiral. A large number of French officials and H.M.'s Consul and Vice-Consul were present. The Edict having been read aloud by the "District Magistrate of Chang-chow, Reader of the Imperial Will," an oblation, or sacrifice, was performed. What the nature of the sacrifice was is not stated. A statue of the Admiral was placed in the grounds of the Municipal Hall, and unveiled on 6th December, 1870.

The successes of the allies roused the Taipings to greater exertions. A large force was sent from Nanking, under the command of one of their boldest and most successful leaders, the Chung-wang, or Faithful King. Kading was abandoned by the allies; the troops, which had been holding it, falling back on Shanghai; and Tsing-pu was destroyed by Ward before he left it. These events caused great alarm again among the Chinese in the district near Shanghai, and immense crowds hurried into the Settlement.

The rebels again appeared within sight of the Settlement in August, and the smoke by day and illumination of the sky by night proclaimed their ruthless progress. The condition of affairs in Shanghai during autumn may be imagined from the fact, that, besides hundreds of thousands who were housed in

* North-China Herald, 9th April, 1862.
some way or other, there were then ten thousand refugees living in the old race course. And one writer affirms that in an afternoon stroll he saw from forty to fifty thousand men, women and children, encamped in that neighbourhood and adjacent to it.* The change which the events between 1860 and the time I am writing of had made in the Settlement is well shown by the following. In 1859 there were some 20,000 Chinese in the Settlement, but this number had grown to at least 500,000,† and one speaker at a meeting of Landrenters put them at 700,000, which is probably an exaggeration. It is no wonder that cholera, fever, dysentery and other diseases afflicted the Settlement in 1862, killing large numbers of the residents; decimating the naval and military forces and committing terrible ravages among the Chinese.‡

A great expedition of 4,000 English, French and disciplined Chinese, with twenty guns and ten mortars re-captured Kahding at the end of October, after a brave resistance by the Taipings. In this affair Admiral Hope and General Staveley commanded the British, and General Burgevine,§ the disciplined Chinese or Ever Victorious Army, in place of Ward, who had been recently killed at Tsz-chee, about twenty-five miles from Ningpo. Li Hung-chang and Burgevine continued to be very active in the field after this, the former with conspicuous success; while a large force of Chinese, under two French officers, recaptured many important places in Chêkiang from the rebels.

So far as Shanghai was concerned there was henceforth no ground for anxiety on account of the rebels, whose power was being broken everywhere. But it required the military genius of Colonel Gordon, to compel the rebels to take refuge in their last stronghold at Nanking.

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* North-China Herald, 30th August, 1862.
† Speech of the Chairman of the Municipal Council at the meeting of Landrenters on 15th April, 1863.
‡ The heat was so great in 1862 that hostilities were suspended for some months.
§ In Ward’s time the disciplined Chinese force was a mere rabble officered for the most part by rowdies. Burgevine was a man of better class than Ward, having studied for the Artillery at West Point.
When Admiral Hope went home, at the expiry of his command, in November, the leading merchants in Shanghai presented him with a letter expressing their thanks for his exertions in restoring tranquility to this province. It was mainly by his policy that the thirty miles radius, round Shanghai, within which the rebels were prohibited from coming, was established, and the excellent roads into the country were made.]

Early in 1863 General Bussewilde, after a quarrel with the Government banker in Shanghai, who would not furnish the pay of the Ever Victorious Army, marched with a small body-guard through the Settlement and obtained the money. This high-handed action caused a good deal of excitement at the time and Bussewilde was shortly afterwards dismissed. After an interval Colonel Gordon, R.E., was appointed to the command. The mandarins had tried to place a certain Li-ai-dong—a good soldier—and our old friend Wu Sam-qua, in command of the force, but the officers and men refused to obey them.

The Lay-Osborne fleet arrived in China this year, and for having exceeded his instructions, Mr. Lay was dismissed from the Chinese service, and Mr. Robert, now Sir Robert Hart, was appointed to succeed him.

The Mixed Court was established about the middle of this year, in premises within the British Consulate grounds.

It shows how the number of firms not British had increased, that the style and title of the Chamber of Commerce was changed in 1863 from the Shanghai British to the Shanghai General Chamber of Commerce.

In 1863 a memorial to the Governor of Kiangsu was presented by a large number of merchants, requesting authority to construct a line of railway from Shanghai to Soochow, which was at once refused. Another proposal for the line to Woosung was negatived about the same time. A London Company afterwards proposed to make a line from the neighbourhood of the bridge over the Soochow Creek, thence, following the driving road, to Woosung, thence by Kahding, Taitsan and Quinsan to the east gate of Soochow. This was to be at first a single line.
The cost was estimated at Tls. 1,760,000 for the 62 miles, to which Tls. 380,000 was to be added for termini, iron bridges, &c., making a total of Tls. 2,140,300; and receipts were put down at Tls. 282,510 a year; expenses at Tls. 108,400, leaving net profits of Tls. 174,110, or 7½ per cent. per annum.¹

The inflated prosperity of Shanghai received its deathblow when Colonel Gordon captured Soochow on the 27th November, 1863. But no one seems to have seen that that event would have any effect in the fortunes of the Settlements. Their residents believed that the Chinese who had taken refuge among them, so thoroughly appreciated foreign ways, and the safety and protection they had received, that they would not return to their own cities. It was not until the houses in almost whole streets were empty, and rents had fallen fifty per cent., that foreigners saw the fallacy of the hopes with which they had deluded themselves. The Chinese who returned to Soochow soon showed how little foreigners understood them. There were rumors abroad among the natives in that city, in 1864, that foreigners were to be allowed to live and trade in it, and a petition was prepared to Li Hsien-chang against this. It was therein stated that the Chinese who had lived in Shanghai had been subjected to the annoyance of being obliged to attend to sanitary regulations, such as keeping the purlicus of their houses free from filth, and clean enough to satisfy the police inspectors. Other innovations on the ancient unclean habits of the Chinese people were referred to, and fears were expressed that if foreigners came among them they would give trouble in these matters. So much for Chinese appreciation of Western comforts and sanitation.

The French troops, which had taken part in the operation against the rebels, were withdrawn early in the year, owing to disturbances in Saigon.

At the beginning of 1864 we find the residents of the Settlement congratulating themselves on the improvement in the conditions of the place, compared with what it had been in the winter of 1861-62. At the latter time the streets were crowded with people, many of whom lay down at night with the
certainty of death before the morning. Since then houses had been built to accommodate all the refugees, and means had been found to ameliorate the conditions of the poorer people. Suffering and starvation did not now intrude themselves on notice.

The Budget of the Municipal Council for 1864-65 was passed on the most extravagant scale. It is sufficient to say that it was proposed to expend Tls. 457,000, as against Tls. 239,000 in the previous year. The Council, and the community, still believed that the exceptional prosperity of the place would not only continue but increase. Recklessness had now culminated in Shanghai.

The proposals of the Council alarmed the great landowners; and Sir Harry Parkes informed the Landrenters that the new taxes which had been proposed could not be raised without the consent of the Taotai, who had already objected to two of them. Ultimately the estimate of the Council for Police purposes was cut down one half, and to enable it to defray its liabilities a loan of Tls. 90,000 was allowed; to be guaranteed by several mercantile firms; the Municipality having no credit at the time.

Trade was unsatisfactory, on the whole, in 1864,* but the speculative mania continued. The condition of the Settlement had become scandalous; Sir Harry Parkes stated, at a meeting of Landrenters, that out of 10,000 Chinese houses on it there were 668 houses of ill-fame—that is one in sixteen—not including opium shops, while of tea houses and other places of entertainment, there was abundance of vice, which he said, was quite unrestrained. The Settlements continued to be infested by foreign and Chinese scoundrels, who committed all kinds of outrages.

It was when all prudent persons foresaw evil days, for Shanghai, and that these were near at hand, that the Times published a leading article in which it gave a glowing picture of the trade of the port and the prosperity of the Settlement. It said that the present El Dorado of commercial men seemed to:

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* The Customs duties paid at Shanghai in 1864 were 20 per cent. less than in 1863.
be China. And of Shanghai it stated that some years before there was "an undeveloped Settlement called Shanghai, the land whereof was of such minute value that a merchant could easily attach a deer park to his house." An exaggerated description of one or two spacious compounds which then existed. And, following this, was an account of the port in 1864: "Sir Frederick Bruce has just reported that in three years the import trade of Shanghai had risen from thirteen to twenty-seven millions; • • • the decks of the steamers are now crowded with Chinese passengers, and their holds are filled with produce, destined, not for foreign export, but for Chinese consumption. Surely Shanghai was an Elysium to the imagination of penniless young plodders who have mastered the art of book-keeping and learned to calculate exchange." A great number of adventurers, and seekers for fortune, came to Shanghai in the autumn of that year, only to be bitterly disappointed.1

The Shanghai Club and the General Hospital were opened in this year.1 The Club had been a long time building, its design and furniture were extravagant and it was destined to misfortune, before it attained its present safe position. Its architecture has been described as "the true debased and carpenteresque style." The Royal Asiatic Society was resuscitated in 1864, after three years dormancy, and the first Debating Society was established.

The effects of the speculative trading of the previous two or three years were shown by the failure of some large firms in the spring of 1865. The Volunteers found themselves in difficulties in the autumn, owing to a large demand being made upon them for the cost of rifles, guns, uniforms and general equipment which their former commandant had purchased.1 Also the men did not attend drill, and the numbers on the roll had fallen off, but, instead of disbanding, the corps elected Sir Edmund Hornby, the Chief Justice, to the command, and resolved to maintain the force.

1One good thing, at least, was done this year by the Municipal Councils of the Settlement and the French Concession, i.e., the closing of the gambling houses, which had been doing so
much harm. The Chinese authorities had long urged that this step should be taken, and early in the year the Municipal Council for the Settlement drove the proprietors of the houses away. These men took refuge in the French Concession; the Council of which was ultimately, but only in deference to public opinion, obliged to close the gambling dens.

H.B.M.'s Court for China and Japan was established this year. The foundation stone of the Masonic Hall, on the Bund, was laid, with great ceremony, on the 3rd March. Towards the close of this year a well meant, but premature, undertaking was perforce, abandoned. Mr. E. A. Reynolds had erected a telegraph to the Kintoan beacon with which he proposed to make known the movements of shipping at the mouth of the river. The country folk tore down the posts, and petitioned the Taotai that they should not be erected again, as they spoiled the Fung-shui. One man had already sickened and died, they said, without any apparent cause. These views were adopted by the Taotai in a letter to the British Consul, in which he said that no compensation would be claimed, nor would the posts be allowed to be put up again.

Much attention was given in 1866 to Municipal affairs which were improving, to the taxation of the Chinese who lived within the Settlement, and new or modified Land Regulations were framed and sent to Peking.

It was the general opinion in the Settlement early in this year that Shanghai, and the China trade generally, had surmounted the depression of 1865, but unfortunately these hopes were not realised. "Black Friday," and other as ominous days, occurred in London, and in a short time six out of the eleven foreign banks which had branches in Shanghai suspended payment, and others were crippled.

Most of the Joint Stock Companies which had been formed in Shanghai since 1862 disappeared into liquidation or changed owners in these gloomy times. And the depression from which trade, and all enterprise, suffered was increased when the house of Dent & Co. found itself unable to meet its engagements. It had occupied a foremost position since the opening of the
The Story of Shanghai.

China trade to private merchants, and its partners had been identified with some of the most stirring events in Canton, before the war of 1841.
CHAPTER VI.

THE NEW AND PRESENT SHANGHAI.

Affairs in the Settlement improved in 1867 and we are told that life in it was pleasanter, as the residents cheerfully met the altered times and sought their pleasure and recreation in quieter ways than formerly. Gardening and floriculture became a pretty general passion, and there would have been a flower show if the ladies’ committee could have agreed upon where it should be held.

The Public Gardens, on what was then called the Consular mud-flat, were making this year and were handed over to the Municipal Council on the 8th of August, 1868. People began to build houses on the Bubbling Well Road, and to live there. Considerable additions were made to the public buildings in the Settlement; a new Theatre, a Mixed Court, a Seaman’s Chapel at Poontung were built, and the Masonic Hall was opened. Gas had been introduced into the Settlements and the French side late on the previous year, and its use was increasing, and the better lighting of the streets, the greater efficiency of the police, and the diminution in the size of compounds led to the disappearance of the watchmen who perambulated round the houses and other premises at night, looking for thieves with a lantern and striking a piece of large bamboo loudly at intervals, as they still do in Chinese towns and cities. These were all signs of vigour; but, on the other hand, the Volunteers at last succumbed to the indifference which had been weakening the spirit and

* The mud-flat was originally caused by the sinking of a small brig or other vessel there, in the early days of the Settlement. The wreck was not raised and mud rapidly accumulated. An old resident told me that he has often rowed between the wreck and the then line of the Bund.
numbers of the corps, since the close of the great rebellion. But it cannot be said to have completely died out, as a Rifle Corps sprang from it. Again, the Shanghai Club, which, with the Church, was the most striking example of the extravagant ideas that prevailed among the community a few years before, now fell into such serious difficulties that it was closed in August, and only reopened on the 1st October, on a new basis.

In 1867 the buildings for the Arsenal at Kan Chang Miau—the Elevated Effulgent Temple, which is known to us as the Kiangnan Arsenal—were commenced. A few years before, just after the close of the rebellion, Li Hung-chang ordered the establishment of an arms factory, or foundry, in Shanghai, and a machine shop in Hongkew was purchased for the purpose. These premises had become too small, and therefore some six acres of ground, about three miles above the city, were acquired, and the fittings and other material removed to the new premises as soon as they were completed.

From a little factory for repairing rifles and casting guns, shot and shell, this establishment has grown into an immense arsenal and dockyard, capable, if worked to its utmost capacity, of supplying ships and war material of every description. It has a yard for wooden ship-buildings where two frigates and half-a-dozen gunboats, large and small, were built and fitted out; an iron ship-yard with costly and ponderous machinery capable of building modern ironclads of large size, but from which only a miniature ironclad, nicknamed by foreigners the Terror of Western Nations, and two iron gunboats, have as yet been launched. There is a Marine Engine Department, which has already supplied the engines of the ships that have been built at the Arsenal and repaired the engines of many others. There is a large dry dock which can take in ships of nearly 400 feet in length, and which has already done most efficient service for the Chinese navy. Sometimes there have been four or five steamers waiting their turn to be docked. Going back from the river

* The corps owed Tls. 300, and the members resolved to sell as many rifles as would make up this sum, and to call for more subscriptions. The corps was to remain in abeyance.
front there are various shops for general work. The rifle factory, which has hitherto only turned out Remington rifles, of American pattern, is a large building with every appliance for producing rifles at the rate of several dozen per day easily, and many more under pressure. Much work is being done by hand in this department, for which costly machines are standing idle, though specially purchased for the work. It is some years since any foreigner was connected with this branch. There is also a general foundry where all the large and small casting in iron, brass and copper are made; a torpedo factory, with beautiful and delicate machinery, was hastily established when trouble with France was looming in the distance, but it has never done much work.

Leaving the main body of the Arsenal, there are two large departments on the eastern side. One is a gun factory, where will be found as large and complete a plant for the manufacture of heavy rifled ordnance as anywhere in the world. The enormous lathes, boring and rifling machines, coiling machines, steam hammer, of seven tons, etc., must be seen in active operation to be understood. This department is now making "disappearing guns," one of which was successfully tried a few weeks ago, under the superintendence of Mr. W. E. Cornish, who was many years at the Elswick factory. A large proof mound and the other accompaniments of a proof range for heavy ordnance have been in use for many years by the side of the river. The other department on the eastern side is for shot and shell; here one may see missiles of all sorts and sizes, ranging up to 750-lb. weight, in various stages of making. A certain weight of metal is cast every day, which might perhaps, easily be trebled in amount.

On the western side, about three miles distant, and near the Loong-wha pagoda, stands the cartridge factory. This, in itself, is as large as the factories for similar purposes in England. There is machinery for making all kinds of rifle cartridges at the rate of tens of thousands per day, but only that portion which makes the Remington cartridges is in use. The copper or metal sheaths of the percussion caps are all made and filled on the
One interesting feature at the Arsenal is the Educational Department. The schools for interpreters, one for English, now taught by Dr. Suroong, and the other for French under Professor Alphonso Botti, have been in existence for nearly twenty years, and have sent out various students to the Peking College, and to different official positions. The department for the translation of scientific books has been at work since the establishment of the Arsenal. Mr. John Fryer has had charge of it since the commencement, and he, with others, have been engaged for more than twenty years in the laborious task of preparing an Encyclopaedia of standard treatises in the China language. There is a staff of writers, block-cutters and printers who are able to publish the various works in the best Chinese fashion, and the books are sold in considerable numbers at cost prices. Mr. Fryer has been awarded the third brevet degree of civil rank in recognition of his services.

The expenses attending the establishment and maintenance of the Kiangnan Arsenal have, of course, been enormous. A portion of the receipts of the Imperial Maritime Customs at Shanghai is regularly set aside for its use. Many foreigners—at one time as many as twelve—have been employed from time to time in the various engineering and mechanical departments, but three are now found sufficient. The management is in the hands of a native director, two sub-directors, and a number of petty officials. To stand and watch the crowd of workmen pass out of the gates of the different departments, when the signal is given to stop work, will give one an idea of the magnitude of the place.

Everything is now on a peace footing; only enough is spent to keep the plant and workmen in working order ready for any
emergency. In case of war the number of men employed would soon be trebled or quadrupled, and the weekly output would be greatly increased. The native workmen shew a wonderful aptitude in picking up foreign ideas and using foreign machines and tools. It is even said that the work turned out in some parts of this Arsenal, even under disadvantageous circumstances, compares favourably, both as to the quality and cost, with what is done in arsenals in foreign countries. The Kiangnan Arsenal seems to be a sort of stepping-stone to higher posts, for three of its Directors have been sent as Ministers to foreign countries, while those in lower position have been drafted to many important positions in the home and foreign services. There are other arsenals in China. That at Foochow covers more ground, but has not done so much effective work; those at Canton, Hangchow, Tientsin, Tsinan-fu and Ching-tau are growing but slowly, as they are not in such favourable localities as Shanghai and Foochow.

The first English Church erected in Shanghai had become so dilapidated by 1862 that the rain often came in through chinks of the roof, the wind frequently blew away tiles and portions of the roof fell into the pews. It was taken down in that year, and a temporary place of worship erected in the compound. Many of the ragged and tattered books which were afterwards transferred to the Cathedral are still drifting about its desks. And, as a writer at the time when the Cathedral was opened said, no one can read some of the inscriptions without a thrill. "No marble monuments, blazoned with escutcheons and graven with inscriptions are half so full of deep and pathetic interest as these bibles, with a mother's blessing on the page, or the record of sisterly regard in ink long since paled and faded." And old residents are occasionally reminded of friends dead and gone or passed out of memory by the appearance of a name on one of these books.

In 1864 plans for a new Church were obtained from Sir Gilbert Scott, R.A., which were modified by Mr. Wm. Kidner, a local architect, partly on account of the expense which they would have involved, and partly for climatical reasons. But,
notwithstanding this prudential care, the Church was perhaps the most signal instance of the extravagant ideas which prevailed in the community at the time when the plans of the architects were adopted. The foundation stone of the new edifice was laid on the 16th May, 1866, with great Masonic ceremonies, but the want of sufficient funds hindered the progress of the building. Indeed, it was completed with great difficulty, and at one time it seemed likely that work on it would be altogether suspended for want of money, or that if it was finished it would be held by the contractors* until their debt was discharged. But a vigorous effort was made and liberal subscriptions were obtained; part of the compound was let on lease, the rents of it up to 1884 were advanced by the lessee and the Church was opened for public worship on the 1st of August, 1869.†

The style of the Cathedral, for such it became on Trinity Sunday 1875, is Gothic of the early part of the thirteenth century; the building is cruciform and consists of a nave, north and south aisles, transepts, chancel, with apsidal sanctuary, and two small chapels for an organ chamber and vestry. The total length of the interior is 152 feet, and the width across nave and aisles 58 feet 6 inches, while the height from the floor to the apex of the nave roof is 54 feet. The aisles are entirely surrounded by an open arcade, carried on granite shafts, with brick piers and buttresses between the bays. A tower, for the erection of which sufficient funds have not yet been raised, forms part of Sir Gilbert Scott's plans.

Early in 1875 the subscribers to Trinity Church, who have the management of its affairs, through trustees, of whom they elect two, while H.M.'s Consul-General is ex officio another, passed a resolution authorising the trustees to communicate with the newly-appointed Bishop of North-China, the Rev. W. A. Russell, as to the erection of the Church into his Cathedral,

* Messrs. C. S. Farnham & Co.
† The cost of the former and present organ was defrayed by public subscription; the first was presented by Sir Rutherford and Lady Alcock, and the lectern by Sir Edmund Hornby. The altar cloth, pulpit and books for the reading desk were gifts of members of the Church.
and empowered them to take the steps which might be necessary to that end. The Bishop "selected and assigned" the Church as the Cathedral for his diocese of North-China, and the ceremony of enthroning him took place as already mentioned. The public instrument of record of the transactions is in a declaration made before the Chief Justice of the Supreme Court on the 23rd May, 1875.* On his installation the Bishop appointed the Rev. Canon Butcher Dean of the Cathedral and the Rev. Mr. McClatchie Canon, which were admirable and popular appointments.

Trinity Church received from its first erection, or from soon afterwards, an annual grant from the British Government of five hundred pounds, but in 1858 its funds were in so flourishing a condition that nearly nine hundred pounds had accumulated, which it was intended should form the nucleus of a building fund for a new church. H.M.'s Government then withdrew the grant, but at the same time intimated their willingness to subscribe towards the cost of a new church, and this they did by contributing two thousand pounds, and it is because of this and its previous annual grant that H.B.M.'s Consul is one of the trustees. When the trustees were greatly in want of money to complete the new church, they addressed the Secretary of State for Foreign Affairs, through the Consul and the Minister at Peking, requesting him to obtain for them a donation of fifteen hundred pounds. But Lord Clarendon curtly replied that "H.M.'s Government could not grant further assistance towards the expense of the erection of a church or the maintenance of a church establishment for the benefit of a wealthy British community like that at Shanghai." The reference to the maintenance of a church establishment in Shanghai was to the Government grants to chapels and chaplains at Consular ports in China, which the Secretary of State had a short time before directed Sir Rutherford Alcock

* The successor of Bishop Russell would not take the Cathedral on the same terms, that is, that he should have the building as his Cathedral during his term of office in life; he required that it should be vested in him and his successors, which the Trustees would not listen to.
to look into, and to report on the circumstances of each chapel. Sir Rutherford Alcock supported the appeal of the Shanghai trustees.

In the course of 1869 the Shanghai Chamber of Commerce was in almost constant correspondence with Sir Rutherford Alcock on the proposed revision of the Treaty with China, which has not yet taken place. It also despatched a mission of Messrs. Francis and Mitchio to examine into the trade of the Upper Yangtze, and, on their return, these gentlemen presented a very interesting report. Baron Richtofen was assisted in his exploration both by the Chamber and the community,* and a few years before some merchants of Shanghai defrayed Mr. T. T. Cooper’s expenses in his attempt to reach India through Tibet.

His Royal Highness the Duke of Edinburgh† arrived outside Woosung on the 21st October, in command of H.M.S. Galatea, and came up to Shanghai next day in the steamer Moyune. He received an address signed by 350 residents of all nationalities, attended the regatta, too: part in other amusements, and was present at a ball given in his honour at the Club, and left on the 26th for the South.

It was in 1869 that the Duke of Somerset applied the epithet of "a sink of iniquity" to Shanghai. The iniquity was commercial, and the authorities on whom His Grace relied were naval officers, who could scarcely have known anything about the merchants of Shanghai, except as recipients of their hospitality. The Chamber of Commerce referred the question of officially noticing the Duke’s language to its committee, some of the community proposed to memorialise the Foreign Secretary on the subject, but common sense prevailed, and the matter was allowed to drop. Sir Edmund Hornby, in delivering judgment in a case bore emphatic testimony to the morality of Shanghai.

There were several missionary troubles in various parts of China in 1868 and 1869. Those at Yangchow occurred in the

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* The Chamber subscribed Tls. 500 and the community Tls. 5,000.
† H.R.H. had previously visited Peking, where the officials had completely ignored his presence.
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former year, and reparation was obtained by the vigour of Mr. Consul Medhurst, who went to Nanking in the Rinaldo and ultimately attained redress from the Viceroy Tsêng Kuo-fan. About the same time a somewhat similar affair occurred at Taiwan, which was settled by gunboat intervention; in 1869 missionaries in Foochow, Shantung, Szechuan and Anhui were molested and injured, and some of the French priests were murdered in Szechuan, and the Rev. J. Williamson was murdered in his boat in the Grand Canal near Tientsin. In addition to this outrages on missionaries other foreigners were attacked near Shanghai, for early in March a party of five gentlemen who were walking in Pootung were set upon by a large number of villagers and severely handled. It was elicited during the examination of these villagers that a fortune-teller from Yangchow was in the village at the time, and it is probable he had incited the attack. Also a French gentleman and his wife were assaulted when returning from the hills.

All these things pointed to a widespread animosity to foreigners, but the most atrocious one occurred at Tientsin in 1870.

Before that occurred M. Rochechouart, the French Chargé d'Affaires at Peking, went up the Yangtze with a squadron and exacted compensation for most of the outrages on Catholic missionaries which had occurred in 1869. It was supposed that what Mr. Medhurst had done at Yangchow and M. Rochechouart in the Yangtze provinces would ensure good treatment to the missionaries, but the literati and gentry—the dangerous classes in China—continued to excite the people with all the old stories of kidnapping and killing and mutilating children to make medicine with their eyes and hearts, or, as Sir Thomas Wade curiously and concisely put it, for unholy purposes. There was great excitement against the Catholic missionaries in Nanking in June, but Ma Sin-i, the Viceroy, suppressed it. At Yangchow also and other places the same feeling was shown.

On the 21st of June a mob, led or directed by Chinese officers, burned the French Consulate, the Cathedral and the hospital of the Sisters, all within the city of Tientsin. The
French Consul was killed—literally cut to pieces near the Governor's house,—so was his Secretary, whose remains were scarcely recognisable, and nineteen other foreigners, including ten Sisters of Mercy, three Roman Catholic priests and a Russian merchant and his wife, who were apparently mistaken for French people, and several children were smothered in the home. The barbarities committed on the Sisters excited the horror of the civilised world. The mob was chiefly composed of soldiers, who were incited and directed by a General Ching Kuo-jiu who escaped all punishment for his doings that day. The Governor Chung How could have prevented these atrocities, but he was afraid to take action against the mob. I do not think, as many did at the time, that the authorities encouraged the rioters, but they were accessories before the murder. The stories about kidnapped children were the apparent means of exciting the mob, but the people were further influenced by hearing what had been done at Yangchow by the French, while the secrecy with which the Sisters of Mercy conducted their institution, their habit of paying the parents of children to bring them for baptism, sometimes when the infants were in the article of death, had made them thoroughly unpopular among the populace who hated and feared them. The war with Germany prevented France from acting as she would no doubt have done under other circumstances, and eventually she was content to accept a considerable sum of money and to receive Chung How as a special apologetic envoy.

The news of the Tientsin massacre excited horror among all foreigners in China, but, it is to be feared, it gave general satisfaction to the natives. Intelligence of it spread like wild fire all over the empire. In Shanghai Volunteers were enrolled at once, the Fire Brigade joined them, and within a month five hundred men were drilling. Fortunately the anti-foreign party

* This man had been dismissed from a military command in Szechuan at the instance of M. Rochechouart, hence his leading the rioters against the French.

† It was acknowledged in an Imperial Edict that the charge against the Sisters of buying children and making away with them had been found to be false.
contented itself with posting up a few hostile and threatening placards, and as the authorities ranged themselves on the side of order the excitement soon died away. But the Volunteers have not been allowed to decay; they are still maintained in an effective state.

There has only been one occasion, since 1870, when it was necessary to call on the Volunteers, and they were then of great service. A riot occurred in the French Concession on Sunday, the 3rd of May, 1874; one of those affairs which our neighbours in Shanghai have had the ill-fortune to provoke in China. On the morning of that day a large number of Chinese attacked the French Inspector of Roads and his family, near the Ningpo Temple, broke into the neighbouring house, the dwelling of Miss Maclean, a missionary lady, when they threw down stairs, but on her calling out in Chinese that she was not French the rioters desisted from maltreating her. The mob then proceeded to burn down some stables and Chinese houses near by. Eight natives were killed in the riot in the morning, and matters looked so serious in the evening that men were landed from the French gun-vessel Contewre, and from the United States despatch steamer Ashuelot; the Volunteers were called out, foreigners received arms in the Municipal hall, which were served out to them by the Council, and a hundred and fifty Chinese soldiers were sent from the city. Everything was quiet by midnight.

These riots were ostensibly caused by the French Municipal Council beginning to lay out two roads which ran past the temple. The Chinese objected that the roads would desecrate an old graveyard, the graves in which had been levelled when the French burned the suburb, thirteen years before. But the Chinese argued that the tradition of the place had not been lost, that it was still sacred. It is, however, very likely that the memory of the destruction of their property in the conflagration of 1860 still rankled in the minds of the Chinese, and was the real cause of the outbreak.

The French Consul-General showed great imbecility, he promptly betook himself to a place of safety, leaving his
compatriots and others to look after themselves and the security of the Concession. And on the day after the rioting he issued a notification which virtually conceded everything the Chinese demanded. The Municipal Council refused to reconsider the question of the roads, till the tendency to rioting had disappeared and compensation had been made. Further, it expressed its opinion that the riots might have been avoided if the Consul-General had taken a more energetic attitude. Nearly all the unofficial Frenchmen and Swiss protested against his conduct, on which he petulantly withdrew his consular protection from the latter.

The changes which had taken place in the Settlement, and on its relations to the outer world, since 1870, have been considerable, but they have been quietly effected. The place was put in telegraphic communication with all parts of the globe to which there are cables and lines in 1871; telephones and electric lights have been introduced, and other improvements carried out. The business of the port has undergone considerable change. For instance, the year 1872 saw the commencement of the China Merchants' Steam Navigation Company, by the purchase of the Aden, which was the first steamer to leave Shanghai under the Chinese flag. This company had been formed shortly before, by the favour of Li Hang-chang, Viceroy of Chihli. One of his objects in founding it was to train sailors for the fleet he intended to build; another was to obtain the freight which was paid on the tribute rice; another to show the world that Chinese merchants were able to manage such companies as well as foreigners could, and might therefore obtain possession in a short time of the carrying trade of their country. It might also help nearer the day for which nearly all Chinese hope, when foreigners will leave, or be expelled from China.

Chinese merchants would have little to do with the company, but some natives who had been brokers and compradores to foreign houses joined it, and with a few officials became its management. Large loans were obtained from the Government and native bankers, to take the place of the capital which was not forthcoming, wealthy Chinese shewing on this, as on several
subsequent occasions, that they will not trust their officials. The company purchased many steamers, but its affairs were corruptly and ignorantly managed. It received freights for the Government rice far above the market rates; duties were modified in favour of Chinese who shipped by the line; but it was unsuccessful for many years. However, in 1877 it purchased the steamers, wharves, etc. of the Shanghai Steam Navigation Company, for two millions of taels, but that did not improve its position, and in a few years it was on the verge of ruin. The official element in its management was reduced in 1881, and this saved the company. At the beginning of the troubles with France, in 1884, its steamers were transferred to the American flag, and placed under the management of Messrs. Russell & Co.; but they returned to Chinese hands in the following year.

A long standing source of irritation was got rid of in 1873 when the Municipal Council purchased the bridge over the Soochow Creek from its proprietors. These persons had been exacting tolls for many years, from foreigners and natives alike, although they had no right to make any such charge. They claimed that a charter, which the Taotai had given in 1854, gave them the right, but it only conferred on them the monopoly of building bridges over the creek for twenty-five years. The increase in the population of the Settlements had made the bridge so profitable that the shareholders refused to sell for many years, and until the Municipal Council established a free bridge beside it. This was a bold step for the Council to take, but the Bridge Company was so detested that it is probable the community would have supported the Council in any steps it had seen fit to take to get rid of the tolls.

The new British Consulate, which replaced the original building that was burned at the end of 1870, was opened in 1873. The design was the same as that of the previous building—one of the handsomest in China,—but its effect was considerably spoiled by the elevation being lowered a few feet.

Much excitement, and some amusement, was caused in 1875 by the publication of a memorandum on the Woosung Bar from the pen of Mr. Robert, now Sir Robert Hart, the Inspector
General of Customs. It doomed Shanghai to commercial destruction. The Settlements, he said, would have certainly ten, perhaps twenty or thirty years of sufficient commercial status to make it worth while to prevent the river being blocked up. "In twenty years time Chinkiang will have taken the place of Shanghai as a semi-terminus and transhipment port. In ten or twenty years the competition of Chinese steamers will have swept the foreign flags from the coasting trade, and displayed the Chinese colours in London and Liverpool docks." These exciting prophecies of evil to his countrymen are as yet unfulfilled, except that one steamer with Chinese flag sailed from Shanghai for London some years ago, a costly experiment which has not been repeated, and that another went to Newcastle with the crews of some gunboats which were built on the Tyne.

In 1874 a number of residents combined for the purpose of constructing a small railway, an experimental line between Shanghai and Woosung, and on the 30th June, 1876, the little railway* was opened as far as Kong-wan, a distance of four and a-half miles, which it accomplished in seventeen minutes. The train conveyed a hundred and sixty passengers, who drank prosperity to the enterprise at the terminus, to Mr. G. J. Morrison, the Engineer of the line, and Messrs. Jardine, Matheson & Co., who had become connected with it. The toast, and the cheers which followed them, were, the newspaper said, "the only ceremonial observed on a day that certainly marks the commencement of a new era in China." The era was smothered in its infancy.

During the few months this railway was open, the Chinese of the district, and others from considerable distances, flocked to ride on it, in excited and pleased crowds. But the animosity of the officials to it as an innovation, which would have been active in any case, was increased by the manner in which the land on which it was built had been obtained. The permission of the Viceroy to make the line had not been asked, and the Taotai's sanction to the making of a driving road was, he contended, not meant to cover the construction and running of a railway.

* Its gauge was 2 feet 6 inches, and its total length about 9 miles.
The line was soon closed, and was not reopened until the 1st December, by which time Mr. Mayers, Chinese Secretary to the British Legation, acting under orders of Sir Thomas Wade, had negotiated its sale to the Chinese. The terms were that it was to be run for a year from the 1st October, 1876, at the expiry of which time it was to be taken over by the Chinese authorities, its value being ascertained by the investigation of the accounts. Compensation for a soldier who had committed suicide by placing himself between the rails before an approaching train, was to be paid by the company. All the stipulations were duly carried out, and the shareholders finally received Tls. 285,000, which is said to have barely covered their outlay.

When the close day arrived, immense crowds of Chinese assembled at the stations, and at different points on the line, to see the last train run, and if possible get a ride on it. At some places it seemed as if the whole population had turned out, and, as the train passed, the people maintained a dead silence. The railway was handed over to the Mixed Court Magistrate Chén, an expectant Taotaí, and twelve mandarins of high grade. And these dolts, unlike the common folk, shewed their contempt for the railway by refusing to make use of it on their inspection of the line. They travelled over it in their rickety, shabby sedan chairs. When the officials obtained possession of the line, they tore up the rails, took the engines and carriages to pieces, and obliterated, as far as was possible, all traces of the railway. The plant was sent to Formosa, where it lay on a sea beach until 1883 when at least part of it was brought back here and transhipped to the north.

The trains ran for about twelve months altogether and carried 187,876 passengers, who paid fares, besides many who availed of the free days, and the receipts were $42,014.02, or 5 per cent. over a dollar per train mile. To shew the difference

* It is only fair to say that the roadway was allowed to remain as a public carriage road, and the bridges have been kept up by the Taotaí, mainly, no doubt, for the convenience of communication with the forts at Woosung.
between China and Japan at that time and, to a large extent, even now, the railway to Woosung was taken up by the Chinese a few months after the Emperor of Japan had opened the Kioto railway.

As far as Shanghai is concerned, railways remain an unfulfilled hope; like many an abortive scheme of former residents, such as an exchange—a prospectus of which was drawn up in 1852—proper Municipal-buildings, a sanitarium on one of the islands at the mouth of the Yangtze, a swimming bath, tramways, manufactories and mining.

The two sons of the Prince of Wales, Princes Albert Victor and George visited the Settlement in December, 1881.

Twice during the last ten years the commerce of Shanghai has suffered from political causes. The first time was in 1880, during the dispute with Russia about Ili and Kuldja, and the second in 1883 to 1885 when the French fleet was on the coast. On the latter period large numbers of Chinese left the Settlements, and trade was much restricted. But when peace was made, the natives regained confidence, trade revived, and gradually the Chinese came back, accompanied by many others. A great benefit was bestowed on the public by the establishment of the Water Works, which was authorised by the ratepayers in 1881. His Excellency Li Hung-chang, who was in the Settlement in 1883, endeavouring to negotiate on Tongking affairs with M. Patenotre, the French Minister to China, turned on the first water at the Company's works, and showed great interest in the enterprise. He also drove to Messrs. Russell & Co.'s flats and to the Country Club, where he saw ladies and gentlemen amusing themselves. In that and the following year the Viceroy of the Liang-kiang and H.E. Tso Tsung-tang visited the Settlement, the former making another attempt to negotiate peace with the French Minister.

During the troubles with France the Chinese authorities and people did not interfere with the French residents, and the neutrality of the port was insured by a proclamation from the French Admiral that their fleet would not attack Woosung. But the Taotai, acting under instructions from the Viceroy,
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caused a wooden corvette and several old junks and lorchas to be towed to Woosung, and loaded with stones, with the intention of having them sunk in the narrowest part of the channel. At the urgent remonstrances of the Consuls for the Treaty Powers these orders were rescinded.

Since the close of these troubles the Settlements have recovered their former prosperity and have been considerably enlarged. The only event worth noting, which has occurred in these years, is the celebration of the Jubilee of Her Majesty Queen Victoria, which was held on the 21st June, 1887. But the weather was so rainy that the illuminations, fire works and procession were postponed till the following Saturday.
CHAPTER VII.

REtrospective.

The events which occurred between the middle of 1860 and the end of 1863 had completely changed, not only the appearance of the Settlements but to a large extent the character of their commercial life and their residents. A large China town had been built round and among the houses of the old quiet Settlement; the river banks, beside the city on Hongkew and on Pootung, had been lined with wharves, alongside of which steamers from the river, the coast, Japan and Europe loaded and discharged their cargoes. The leisurely air which the old Settlement wore had been succeeded by feverish bustle in business, and extravagance in private life.

There was a great deal of speculation in Shanghai as there was almost everywhere in these years. The civil war in America fed its flame when speculation in land began to languish. A large trade in Chinese cotton to Europe sprang up suddenly in Shanghai and the northern ports, and soon attained large figures.* The condition of this and neighbouring provinces, where agriculture was suspended while the rebels were in them, necessitated the importation of large quantities of rice, and the operations against the rebels stimulated honest trade in some directions, but at the same time a great deal of money was dishonestly made by those who supplied the enemy with arms and munitions of war.

A few notes on the shipping trade of the port will show very clearly how great the expansion of business was in 1862. At the beginning of the year there were only seventy square-rigged ships in port; in September there were two hundred and

* The value of the cotton exported from Shanghai to Europe in 1863 was about £3,200,000.
ninety—many of them of large size—at one time, but this number gradually fell to a hundred and seventy-eight at the end of the year. And as the great increase in shipping trade took place between June and September it proves the suddenness with which commerce expanded. Again, the Customs' duties collected at the port in 1861 were Tls. 2,490,819 and in 1862 Tls. 3,370,114,* an increase of Tls. 879,295 or, in round numbers, 30 per cent., but some of this improvement may have been due to the enhanced price of cotton manufactures. The number of ships entered inwards was 2,206, their tonnage being 891,352, and outwards 2,370 vessels of 923,070 tons.

Many of the ships trading to China at that time and until after the opening of the Suez Canal were clippers built to make swift passages, the competitors in the ocean tea contests. It is not likely that such fine vessels will ever again give to the Huang-pu the animated appearance it had in those days.

To provide for the sudden expansion of trade, new capital was introduced, and the foreign banks were in 1860 asked to make loans and discount bills for the first time in the existence of the Settlement. There had no doubt been borrowing from native banks long before this, but that was quite in accordance with Canton custom, whereas such transactions with foreign bankers would have been considered infra dignitatem. The profits on this new business were so large—twelve per cent. being the rate charged on the best securities, such as Mexican dollars—that the banks already in existence extended their business, and others hastened to establish themselves in this golden Settlement. And as it was not always possible to employ large sums at interest, in the ordinary business of the place, no matter at what high pressure the coach might be driven, the banks soon began to encourage wild business, and even to suggest it to their customers.

But the wildest speculation was in land. When the country people poured into the Settlement in 1860, there was a considerable rise in the value of all land, but when another and

* The total revenue of Shanghai in 1888 was Tls. 6,169,738.—Customs Returns of Trade 1888.
much larger influx occurred in 1862, enormous prices were given
for lots and only laying fields, which were at once covered with
flimsy Chinese houses, that were occupied as soon as they were
roofed. The Chinese proprietors of these lands were practically
unprotected by their own authorities, who were either trembling
in the city, or too busy in extracting money from their wealthy
countrymen to care for the complaints of poor men. Thus, when
an unscrupulous foreigner desired to possess himself of the
land of a native, he employed a corrupt minor official, who
bullied the proprietor into selling. When one lot had been
secured in this way, the right of pre-emption was exercised and
more land acquired. And in this way speculators, who were
not scrupulous, made themselves rich men in a few months, for
rentals of Chinese houses were then very high. Some idea will
be obtained of the results of the speculation of 1862 from the
following sentences taken from the North-China Herald:—“All
speculations, it said, had turned out well; 100, 1,000, in
some cases 10,000 fold had been made, and it had been the
exception to enter on a speculation that had not paid. Nor had
profit been confined to a few.” When we remember this it will
not be thought surprising that extravagance of living became a
characteristic of the large majority of the residents. And not
only had merchants, land-owners and speculators been suddenly
enriched, but hundreds of other people with good incomes were
added to the population, either permanently or for a time.
Money was abundant; it was easily made and lightly spent in
many cases.

Chinese followed the times with as much zest as foreigners.
Many of the rich refugees entered on various ventures and
speculations. But there was one form of gambling which, more
than any other, approved itself to the Chinese, and that was
buying and selling Mexican dollars, on time. There was a
regular dollar exchange held several times during the day and
evening until late at night. There a large, noisy and excited
crowd of bankers, merchants, shroffs, and others bought and
sold “clean”—that is, coin without a scratch, stamp or any flaw
on it, and bright in appearance—Mexican dollars to any extent.
Retrospective.

At certain periods there were settlements, just as upon the stock exchanges in Europe and America, and as much ingenuity was shewn in Shanghai to raise or lower the price as is displayed by the bulls and bears of other countries. All classes of Chinese took part in this speculative mania, and millions of dollars, on paper, were bought and sold every day, and sometimes many times a day. Although only Chinese attended the dollar exchange, which for several reasons was not an agreeable place to western people, many foreigners, ladies and gentlemen, participated in the speculations on it. Almost everyone was "in dollars" or "bearing" them.

All kinds of places of amusement and pleasure sprang up and flourished; at least one rouge et noir table was opened, while generally high gambling took the place of the modest stakes that had hitherto been the rule among foreigners. Plunging at the races became common, with disastrous effects in many instances. The cost of living was enormously increased because of the reckless extravagance which prevailed, high rents, and the exorbitant wages demanded by servants, who were in great demand for the outports. The morale of society generally was decidedly injured by all this, but there were always counteracting elements that kept the ship of the community and social life safe.

Sanitation had to be attended to, and the drainage scheme of 1862 cost a large sum and was a failure; a police force was necessary, but the materials out of which one could be formed were either bad or indifferent; new streets had be hurriedly laid out and the old ones in the business part of the Settlement were at that time in a condition almost inconceivable to residents of the present day! After a few hours' rain they became ordinary Shanghai mud. Those people whose business obliged them to go about wore boots which reached half way up the thighs, as ordinary boots and shoes would have been dragged off the feet by the sticky tenacious mud. The streets were lit by little oil lamps far apart; the river, which supplied all the drinking water of the Settlement, often bore corpses from the districts where fighting or beheading was going on. Therefore the
The Story of Shanghai.

The establishment of a Waterworks Company was talked off, and samples of the river and creek water, taken from different places, were sent to England and Bombay for analysis. But Shanghai was to be without a Waterworks Co. for nearly twenty years longer, for some things come slowly in China. So bad were things Municipal in and about 1862 that I find the Model Settlement, as some one had called it, described in the newspapers as a hotbed of every conceivable abomination, a large portion of it being unfit for human habitation. The machinery of Municipal government had broken down; the Council had not sufficient power to deal with the large and overcrowded districts. Their endeavours to obtain this power are related in another chapter; while the growth of the new Shanghai, that followed on the excited period which ended in 1866, has also been traced.

While Shanghai has been growing in importance, its institutions and amusements have had their feeble share of attention, and an account of some of these will be interesting. But in several cases the early records have been lost or destroyed by fire.

We saw the arrival of some Protestant missionaries soon after the port was opened for foreign residence and trade. They were few, but they have largely increased both in numbers and influence in the intervening years. It appears from statistics, which were published in 1887, that there were then nineteen missionary chapels—there are now twenty, at least,—in the Settlement, the city, and neighbourhood; there are twenty schools for boys and girls, and four hospitals. All these are carried on by English and American missions. Besides these twenty schools there are five others where a higher education and board is given to Chinese boys and girls, and there is St. John’s College, Jessfield, where Chinese youths are educated for the Protestant ministry or receive a sound secular education, while the latter can also be had at the University. In almost all these institutions instruction is given in English and Chinese, and in all of them the Christian religion is taught. The London Mission and the American Episcopal Mission do much work in
the country districts, and two other Societies have branch missions at Sungkiang and Nanziang, while weekly classes for women are held at five places in the city and Settlement.

The Roman Catholic Missions maintain thirty-three schools for boys and thirty-nine for girls in the Settlement and neighbourhood. These are nine at St. Joseph's, on the French Concession, where there were, on the 30th June last year, 91 boys and 371 girls; four of the Sacred Heart, in Hongkew, with 250 boys and 26 girls; four in the city with 311 boys and 57 girls; twenty-one at Tong-ka-doo with 221 boys and 189 girls, and 34 at Sickawei with 409 boys and 328 girls; or, in all, seventy-two schools where 1,282 boys and 971 girls were being educated last summer.

There are also some private schools for the children of foreigners; an Eurasian School and the French Orphanage, where children of mixed parentage are brought up and educated. Both these receive grants from the Municipality, and a Children's Home, for the orphans of foreigners and others, has been opened this year under Protestant supervision. The French Municipal Council established a school a few years since where Chinese are taught the French and their own language. Until recent years there were serious deficiencies in the education provided for foreign children, but these have now been very greatly remedied.

The Shanghai Library was instituted in 1846. The collection of books in it is the most numerous and best in China, but it has rivals in the Settlement and has several times been in difficulties. The Municipal Council gives it a small annual grant, in consideration of the reading-room being open to the public. Probably the theatre is as old an institution as the Library, but I am unable to say when the first Amateur Company performed in Shanghai, as the records of the A.D.C. were burned some years since. But in 1850 the "new" theatre was opened, probably in some godown that happened to be available. For many years afterwards, until, indeed, the opening of another new theatre, and this time a real one, in 1867, the performances were given in godowns. That Lyceum was burned in 1871, and the building of the present Lyceum was commenced as soon as
sufficient funds were collected. It was opened on the 25th January, 1874, with the farce of "Incompatibility of Temper" and the comedy of "Masks and Faces." The Club Concordia and a dramatic society of French ladies and gentlemen have also given representations from time to time. And the Shanghai Rangers gave several theatrical performances when the force was in its youth.

When the Royal Asiatic Society had been established in Hongkong a few gentlemen formed here the Shanghai Literary and Scientific Society. This was in 1857, and in the following year it was affiliated with the Royal Asiatic Society, a step which the Editorial Committee say in their introduction to the report for 1859 was always contemplated. The Royal Asiatic does not seem to have been very prosperous at first, for we learn that it was resuscitated in 1864, after having been dormant for some three years. About the same time when the Royal Asiatic was brought back to life, the first Debating Society was formed, but it only lasted for two or three years, probably expiring in the gloom which set in in 1866. But a vigorous successor took the field some years ago, under the title of the Shanghai Literary and Debating Society, which has added readings and concerts to its scheme, and these have been very successful. There is also a Museum attached to the Royal Asiatic Society and a Polytechnic for Chinese.

A great deal has been done for many institutions in the Settlement by the trustees of the Recreation Fund. But for the too liberal loans which they gave to the Shanghai Club, that institution would either have died in its infancy or been completed with some regard to common sense. But these loans were made in the wild days, and since then the Recreation Fund has done good service. For a time, however, its affairs were in great disorder and there were considerable doubts in the public mind as to whether the Fund had a real existence, and if it had, who were its trustees, or were there any trustees at all. Gradually its affairs were arranged, and the yearly accounts which have been published show that it has been doing much good.
Retrospective.

The Fund was created in 1862, when some land within the old Race Course was sold. This land had been purchased at the end of 1860, and laid out as a Recreation Ground at a cost, including the purchase money, of Tael 4,421.34. This money and a few hundred taels more had been provided by the issue of shares, which were subscribed for by some fifty residents. The value of the land having enormously increased in 1861 and 1862, it was considered advisable to sell it, and this was done, with the unanimous consent of the shareholders, for Tls. 49,425 on the 19th February, 1863. This sum constituted the Recreation Fund. With part of it 430 mow of land, in the middle of the Race Course, about ten times the size of the original Recreation Ground, were purchased for Tls. 12,500. This land has since been devoted to the formation of a Cricket and an Athletic Ground and several other out-door amusements. The Fund has also assisted with loans the Lyceum Theatre, the Museum, the Shanghai Library, the Cricket and the Rowing Club, and last but not least, the Shanghai Club. To the last-named institution a large loan was given early in the existence of the Recreation Fund, which is still outstanding.

The Recreation Fund was a free gift to the community of the Tls. 49,000 which the land purchased in 1860 sold for. It was a very generous gift and has been highly esteemed.

There were races in Shanghai from the early days of the Settlement; the first course comprised the Cathedral compound, and some adjacent land, the second was on the east side of Muddy-flat, and the third between Thibet Road to the south and the Sinza Road to the north and from the Defence Creek to some distance down the present Maloo. In the early days the afternoon’s sport lasted a couple of hours, and consisted of pony races, in some cases in heats. After that time Arab and Australian...
horses, and Manila and Indian ponies were raced. In 1862
English-bred horses appeared on the scene, and during the next
two years several of them took part in the races. Professional
jockeys were then allowed to ride. The extravagance of that
period, to which I have adverted, was not confined to Shanghai,
other places in China being affected by it, though not to the
same extent. The Settlement and the Colony were then much
more closely connected in business than they have been for some
years past, many firms trading in both places. Hence, when
the partners in Shanghai made large profits in 1860 to 1862,
the partners in Hongkong received their share of them. For
some years before this time the challenge cup—to be won by
the same stable two years in succession—had been raced for in
Hongkong, the partners in the two largest English firms in
China being the chief competitors. As soon as one of these
stables won the cup, the other sent to England for a better horse
to save the cup next year, and sometimes both did so. This
brought really good thorough-bred English horses to Hongkong,
and as neither stable won twice running, a great deal of money
was spent on the race. Some, indeed most, of these horses, and
several high class Australians and Arabs, came to Shanghai in
1863 and 1864, and as other people ran less expensive horses,
and as there were several regiments in Shanghai at that time, the
race meetings were very good. A challenge cup for all horses
was instituted here, the race having the same conditions as in
Hongkong. It was won in 1862 and 1863 by the Pao-shun
stable, and the cup was not renewed. Racing was carried on
with great spirit in Shanghai, and was at its height in 1864
when, not only were the fields good but the riding was better
and almost everyone turned out to see the sports. The grand
stand was then gay with ladies' dresses; large private luncheons
were given within the enclosure; a general gaiety was abroad,
while the road was enlivened by many four-in-hands and almost
every other kind of carriage. Some of the English and Colonial
horses which came to China early in the sixties were racing in
Shanghai at the autumn meeting of 1868, since which time, I
think that only China ponies have competed.
Paper-hunting is not such an old sport in Shanghai as racing. But not long after the Triads were suppressed in 1855, small parties of men used to ride across country from one point to another, as in the first form of steeplechasing. And after the Taiping rebels were driven away from the neighbourhood of the Settlement, some of the residents and officers of the regiments which were stationed in Shanghai began to go paper-hunting, as had been done in the Crimea—where it was made a substitute for fox hunting—and in India. They rode out on Saturday afternoons, and sent away one of their number as fox, who laid the paper, and after a certain start had been given him the others made after the fox and chased him until they caught him, there being no finishing place, as at present. After a year or two the foxes wore red or scarlet cowls on their heads and shoulders, so that they might be distinguished at a greater distance. For some seasons the fields were not large, but in later years there have been a great number of riders, and the finish, especially at favourite places, attracts large crowds of spectators. The first paper hunt was run in December 1863, after the rebels had been driven away, and was won by Mr. Augustine Broom on Mud, and the second by Mr. R. H. Gore-Booth on Dogtrotter, who won the Griffins' Plate at the next spring meeting. This pony was raced here down to the end of 1868, and pulled a carriage for some years longer. I have been unable to ascertain when the change was made to the present system of finishes at certain places, as the records of the Club have been lost. But it was so flourishing in 1867 that Mr. Markham, the Master, said at a hunt dinner that he hoped a pack of drag hounds would be under way by next year. Some years elapsed before a pack of drag hounds arrived here from the Dumfriesshire kennels, but not in connection with the Paper Hunt. The hunt meets during the winter months. Some twenty-five years ago Mr. R. C. Antrobus brought out a pack of beagles, which were hunted, on foot, once a week and their markings can still be seen on dogs here.

A Foot Paper Hunt flourished for a year or two, but was disbanded in 1868, when it was resolved to purchase a cup with
the funds on hand and have a final run for it; but I cannot find any record of the run. The members generally ran from seven to ten miles across country and a favourite finish was over the big grand stand jump which was then wider than it is now, and was said to be sixteen feet. It was taken from the lower to the higher side. One famous run was from the old race course, across the Defence Creek, swimming, at the rear of the Horse Bazaar, away to Batt's bungalow, and thence to the Hermitage, where some forty members dined together.

The first Cricket Club was started either in 1860 or 1861, and played on the ground within the old race course which was sold in February 1863. In that year there was probably no ground on which the game could be played and the Club seems to have become dormant. For on the 9th September, 1863, a meeting of gentlemen, who were probably members of it, passed a resolution: "That the old Club may be considered to have died out." A new Club was then formed, which had eighty members by the end of 1864, and the new ground was reported to the annual meeting in February 1865 to be in very good order. But members of more clubs than the Cricket had a way of not paying their subscriptions in those days, and from this, as well as other causes, the Club was in difficulties before the autumn of that year and applied for assistance to the Recreation Fund. The Committee of that Fund had advanced over six thousand six hundred taels to make the cricket ground and put up the railings which surround it. The right of the Recreation Fund to charge rent for the Cricket ground was disputed for some years, but the claim has since been admitted. A lawn tennis ground has been added to the Cricket Club's attractions, and the open situation of the ground, and its rich grass make it in summer and autumn one of the pleasantest resorts in the neighborhood.

Rowing seems to have been about the earliest outdoor amusement introduced into the Settlement as might be expected, seeing that the first comers were mostly Canton men, to whom the river had been almost their sole outdoor amusement. A regatta was held in one of the early years, and again in 1859,
but the present Rowing Club was not formed until about twenty-five years ago. Some of the contests for the international eight have been very good—such as the Scots against the English, the Germans against the English, and the Americans against the same, but the favour in which lawn tennis is held has diminished alike the numbers of rowing men and the public interest in the regattas. Besides these clubs or associations for outdoor sports and recreations there are a Yacht, a Rifle and a Racquet Club and it may be others. Of social clubs there are the Shanghai, the Country, the Concordia—the German Club which was opened in 1866 with a supper to which many foreigners of other nationalities were invited,—the Portuguese, the Masonic, the Customs, and the Parsee. There are a few charitable societies, notably the St. Andrew's, the Ladies' Benevolent, and St. Vincent de Paul, a General Hospital for foreigners, two for Chinese, and the Margaret Williamson Hospital for women.

Although the Fire Brigade was not established for recreative or social purposes, it has been conducted since its establishment twenty-two years ago with all the spirit and friendliness which are supposed to animate clubs. Its efficiency has been always very great and highly appreciated by the community, both foreigners and Chinese. In this department the Settlement and the French Concession work together in friendly rivalry and with the best effect.1

The story of Shanghai would not be complete without some account being given of its newspapers, past and present. The first number of the North-China Herald was published on the 3rd of August, 1850, and it has appeared weekly ever since. The North-China Daily News was originally the Daily Shipping List, which was published every morning and was in size something less than one-half of a page of the present morning paper. The List became the North-China Daily News on the 1st July, 1864, but before then the Shanghai Daily Times had run a short career. It began on the 15th September, 1861, and closed in April of the following year. The Shanghai Recorder was another morning paper which
appeared for a few years; its stock was sold by auction on the
19th January, 1867. The Shanghai Courier was published in
the morning as well as in the evening in 1879, and continued
its early issue for a year or so; L'Echo de Shanghai, a French
paper, was published in the morning for a few months in 1885,
and 1886; and the Der Ostasiatische Lloyd has been issued in
German, at first as a separate sheet in the morning, but latterly
as a part of the Shanghai Courier in the evening. There have
been several evening papers started in the Settlement. The
first seems to have been the Evening Express, which began in
October, 1867, and ended exactly six months afterwards, to be
succeeded by the Shanghai Courier which was founded by several
gentlemen who did not share the Conservative politics of the
Daily News. It still exists, and has for competitor the Shang-
hai Mercury. The Temperance Union represents the party to
which it owes its name. Several other papers have had a brief
life as dailies and weeklies, and in English and French. One
satirical paper called Puck flourished about fifteen years ago,
and its irregular appearances were very much enjoyed.
CHAPTER VIII.

THE GOVERNMENT OF THE SETTLEMENT.

The first Land Regulations were dated the 29th November, 1845, two years after the formal opening of the port to foreign trade, and when only Great Britain had a Consulate in Shanghai. They were agreed upon by Captain Balfour, the Consul, and Kung Moo-kee, Imperially appointed Intendant of Circuit of Soochow-fu, Sung-kiang-fu, and Tae-tsang-chow, and Superintendent of Customs in the Province of Kiangsu. They provide for the manner in which land may be acquired by British merchants, within the limits set apart for them, which are said to be the ground between the north of the Yang-king-pang and south of Lo-kea-chang, which was the lot of land bounded on the south by the present Peking Road. The Regulations said that a large road had at one time run along the bank of the river from the Yang-king-pang northwards, which was a towing path for the grain junks, but “which subsequently could not be kept in repair from the sinking away of the banks.” But “as that portion is now rented out all the renters must repair and replace the road,” of a width of 2 chang 5 chi, Canton Customs measurement, so that people may pass along at without crowding. The officers and men who urge on the grain junks and respectable tradesmen may use it, but not idlers and vagrants. Jetties may be erected to which merchants’ boats may come, but private craft will not be allowed to anchor at them.

Four large roads were to be made in the Settlement: one North of the Custom House, one upon the Old Rope-walk, one South of the Four Lot Ground, one South of the Consular Lot.
The first of these is Hankow Road, the second Kinkiанг Road, the third Nanking Road, and the last the Peking Road of the present time. A road running north and south was also to be reserved, "on the west of the former Ningpo Warehouse," the site of which I have not ascertained. With the exception of Rope-walk Road, which was to be 2 chang 5 chih, or twenty-five feet, these roads were to be 2 chang Customs measurement in width, and jetties were to be constructed on the beach where they go out to the river. There was also to be a reserve for two roads south of the Custom House, when land shall have been rented there, and we may remark in passing that ground by the river in that direction was then more valuable than in the northward part of the river side.

Very careful provision was made for the protection of Chinese graves, which were thickly placed all over the Settlement. These, when in land rented by foreigners, must not to trampled on or destroyed; the established terms for sacrificing and sweeping at the tombs being seven days before and eight days after (total 15) at the Tsing Ming term, about April 5th; at the summer solstice one day; five days before and after the first of the 10th month, and five days before and after the winter solstice. "On these occasions, the renters must not offer the natives any hindrance which would offend their feelings." A list of the graves in each lot was to be made out, thenceforth the Chinese must not bury in the said lots. After foreign merchants shall have rented ground, they may build residences for their families and dependents, and warehouses for lawful merchandise; they may erect churches, hospitals, charitable institutions, schools and houses of concourse, and they may likewise cultivate flowers, plant trees and make places of amusement. These provisions, some of them rather amusing, gave ample liberty to the little community which lived on the Settlement then, and for several years afterwards. Renters were also required to keep up bridges, maintain clean streets, which can scarcely have been a suggestion of the Intendant's, and do other specified things, all tending to the welfare of the community. And if any foreigner,
other than British, desired to rent ground he must first make
"distinct application to the British Consul, to know whether
such can be acceded to, so as to prevent misunderstanding.
Natives in the Settlements were prohibited from "renting to
each other, nor may they again build houses there for the
purpose of renting to Chinese merchants." There were
restrictions in the acquisition of land and on speculation in it,
which might have been retained with advantage. No one was
to have more than ten more of land,* and if any one purchased
land and did not build a residence and houses for the storage of
goods, it will then be proper for the local authorities and Consul,
in communication together, to examine into the matter and
take such land and allot it to some other party to rent. And
there was a clause intended to prevent speculation in land.

It will be observed that only the limits North, South and
East were defined in those Regulations, but it was Captain
Balfour's intention that a cross creek which ran on the line of
Kiakiang Road should be the western limit of the Settlement.
And he also meant from the first that the corner lands lying
between the present Peking Road and the Soochow Creek to
the north-east and the second road running south from the
creek should be the site of the British Consulate. These lands
were however then occupied by some government docks, about
where the Lyceum Theatre now is, a battery where the Consulate
stands, and docks belonging to a family named Le—hence the
name Le-kea-chong, or work-sheds of the Le family. The
Taotai resisted the inclusion of the government land and the
Le family would not sell their property and therefore the
limits of the Settlement were defined in the first Land Regulations
as bounded on the north by Le-kea-chong. In 1846 and
1848 Mr. Alcock entered into negotiations with the Chinese
authorities, and in the latter year he obtained the extension of
the Settlement northward to the Soochow Creek, part of it, at
least, by purchase; † and at the same time the other limits were
defined as: the Yang-king-pang bridge, the S.E. corner; the

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* This had been abrogated before 1854.
† The Consular lot was known for many years as Le-kea-chong.
first ferry on the Soochow Creek, the N.E. corner; the mouth of the Chow-king Creek, the S.W. corner; the portion of the bank of the Soochow Creek, where the dwelling houses of the Sons are, the N.W. corner.

These limits, which may be taken as all ground between the river and the present Defence Creek and the Yang-king-pang and the Soochow Creeks,* were notified by Wu Sam-qua, Taotai in 1851, no previous intimation of them having been made, nor was anything disclosed about Mr. Alcock's negotiations in 1846, beyond a reference to them in the Land Regulations of 1854. There were maps attached to the agreement, but they were never published, and the originals were burned in the city, when it was taken by the rebels in 1853. In this proclamation, it is said that merchants of all Western nations may build houses within these limits, under the express sanction of the Emperor, which is very different from the language of the first Land Regulations, in which the Settlement is said to be wholly British. It was the intention of Captain Balfour that the Settlement should be British, his irritation when the United States flag was hoisted in it proves this, but Mr. Alcock stated in his speech to the Landrenters in 1854 that the British Government never considered the concession of the ground on which the Settlement was built, or the rights and privileges in it, as a means of exclusion directed against other foreigners, but as the readiest means of solving a difficulty by anticipation. Before 1854, citizens of the United States had been elected on the Committee of Roads and Jettsies, although there were then only eight or ten Landrenters of that nationality, all the others being British.

Soon after the capture of the city by the Triads and other insurgents in 1853, considerable numbers of Chinese came to reside in the British Settlement. They squatted on the north bank of the Yang-king-pang, on the lands which had been cleared for roads, then in the course of construction, and also on plots in various parts of the Settlement. These squatters were mostly people of bad character, who opened brothels and gambling houses, and the huts in which they lived were chiefly

*North-China Herald 29th March of that year.
constructed of matting and other inflammable materials. The Consuls of the three Treaty Powers therefore addressed a despatch to Taotai Wa Sam-qua, early in 1854, pointing out to him that the presence of these people, and of some respectable Chinese, in the Settlement, made it necessary that new Land Regulations should be framed. The Taotai replied that there was no clause in the existing Land Regulations granting power to foreigners to build houses for Chinese, and that Chinese were prohibited from locating themselves within the Settlement. He went on to say that the whole neighbourhood of the Yang-king-pang was then crowded with Chinese, in which there was danger to merchants, as the good and bad were mixed up together.

The Consuls agreed with the Taotai, and offered to co-operate with the Chinese authorities, in order to give effect to the Treaties, by applying a legal remedy to the evils which existed. They sought to obtain power to do this by framing new Land Regulations, which were issued in July 1854, with the approval of the Taotai, and they were presented to a meeting of Landrenters on the 11th July. Mr. Alock explained, in a long speech, that "they were designed to give that cosmopolitan community a legal status; an existence as a body capable of taking legal action, and of lending a legal sanction to measures required for their defence, there must be some organisation to take the power of a representative Council with Municipal powers and authority. And one of the first acts of such a municipality would be the legalisation of many measures hitherto forced by a stern necessity upon the naval and civil authorities on the spot, which could not be justified on any principle of legality." He further explained that under Art. X. of the new Regulations the Foreign Landrenters were to have power to make provision for all Municipal purposes, such as taxation, the administration of funds, police, etc., through an elective Municipal Council.

The first article of the Land Regulations referred to ground held by the Chinese Government and the British Government within the Settlement, which was to be exempt from Municipal
control, but the latter would pay all assessments. Land which might afterwards be acquired by the Governments of France and the United States were to be excepted from Municipal control. The mode of acquiring land from the Chinese proprietors; of selling it and of procuring title deeds; deeds of agreement or sale; of surrendering land for public use; that boundary stones were to be set up; the payment of land tax; the transfer of lots, the extent of lots, and the uses to which they might be applied were all provided for. The Consuls were to call a meeting at the beginning of each year, when assessments would be made and other Municipal business transacted and when a Council, of not less than three Landrenters would be chosen, which would levy the assessments, and conduct the affairs of the Settlement. The Council was to have power to sue in their Consular Court all who did not pay their rates, and when such defaulters had no Consul, the Intendant of Circuit "shall upon application of the Road Committee, transmitted through the Foreign Consuls, recover from such defaulters the amounts due from them for Land Assessment, or Wharfage Dues, and pay the same to the said Committee." It was evidently the intention of the Consuls who agreed upon the Land Regulations that the new Council should have full power to deal with all matters affecting the public interests, and the health and good order of the Settlements. For Mr. Alcock said that "it should take peremptory steps to stop the influx of Chinese, to remove all the houses blocking up (the road by) the Yang-king-pang, and other thoroughfares; or that are otherwise objectionable, for situation or the uses to which they are applied: brothels, opium and gambling shops, and such like, could have no pretension to fixity of tenure."

It soon appeared that the Consuls had not given the power to the Council* which the Landrenters, at a meeting held soon after the above, called the Municipal Council, which they intended. For matters grew worse; more Chinese flocked into the Settlement and opened disreputable houses.

* The first Municipal Council consisted of Mr. W. Kay, Mr. E. Cunningham, the Rev. Dr. Medhurst, Mr. D. O. King, Mr. C. A. Farrow, Mr. J. Skinner, and Mr. W. S. Brown.
The Government of the Settlement.

Wu, or Sam-qua, Taotai, had by the end of 1854 disappeared from the scene, in official disgrace, and Lan held the acting appointment. When the Consuls addressed a despatch to him on the 25th February, 1855, in which they quoted the substance of what they had said to his predecessors and his answer to them, Acting Taotai Lan replied, agreeing with everything the Consuls said and enclosing a copy of a proclamation he had issued prohibiting Chinese from living in the Settlement; proposing that new houses which had been built for Chinese, and which were considered objectionable, be removed, the difference between their cost and the sam received from the sale of their materials being repaid to the owners. Further, the acting Taotai said that Chinese tenants of foreign-owned houses could not be allowed to remain, and requested that the Consuls would give directions to the Municipal Council to see to the immediate removal of them. The Consuls, thereupon, forwarded copies of the correspondence and of the proclamation to the Municipal Council, which body replied a few days afterwards that it did not appear to them that such matters fell within the limits of their control, but the Council engaged "to take immediate steps to suppress brothels and gambling houses, and to see to the removal of such buildings and parts of building as obstruct the public way."

Subsequently, on the 21st September, the Municipal Council intimated to the Consuls that they considered that even the limited action which they had promised to take exceeded their powers. Nothing was done, either by the Municipal Council or the Chinese, to remove the objectionable natives and their houses. As the Consuls said:—"Chinese authorities, Foreign Consuls and the Municipal Council were all agreed as to the existence of evils of great magnitude," and as to what should be done to abate them and prevent them increasing, but the Council would do nothing, nor did the Chinese who had received notice to remove, from "the proper authorities," show any disposition to stir, and foreigners continued to build houses for Chinese, of whom it is stated there were 20,000 or so in the Settlement, towards the close of 1854—two years before there were not 500 of them.
The Consuls thereupon concerted measures with the Governor of the Province, and other Chinese authorities, and obtaining authority from the Chi-hien, ejected most of the objectionable natives, and opened out the main thoroughfares by the removal of the buildings which obstructed them. The Consuls asked the permission of the acting Taotai to sell the whole of the vacant lots—nineteen in number—by public auction, to foreign renters, and to apply the proceeds of the sale to compensate the dispossessed Chinese. They also asked the acting Taotai to legalise by proclamation the residence of respectable Chinese within the Settlement.

The acting Taotai agreed to all this, and his "conditions for the residence of Chinese within the foreign limits" were published. These conditions set out by saying "that no Chinese subject can acquire land or rent or erect buildings within the Foreign Settlement, without having first obtained an authority under official seal from the local authority, sanctioned by the Consuls of the three Treaty Powers," and "it has therefore been decided that a certain course shall be observed by any Chinese desiring to rent ground or houses within the said limits." These conditions refer only to the building of houses by a Chinese, the uses to which he intends to put them, to the giving security that he will keep duly registered at the office of the local authority, and upon a board, to be hung up over the door of the house, the name and age of every inmate, under a penalty of $50 for the first offence and the cancellation of his license on a repetition of it; "and further that he will conform strictly to the Land Regulations, and contribute his share to any general assessments." The date of this was early in February 1855, as it was covered by a despatch from the Taotai of the day.

The Land Regulations had, in fact, completely failed as the means of purging the Settlement of the disreputable Chinese, and it had become necessary to call in the Chinese authorities. All this occurred while the city was in the hand of insurgents, while the British were driving the Imperialists from their camps on the race course, and the French were bombarding the
insurgents in the city. No wonder there were mistakes made, or that the new Municipal Council should complain in their first annual report of the changing policy of the Consuls.

The authority of the Municipal Council, under the Land Regulations of 1854, was impaired by the opinion of Her Majesty's legal officers in Hongkong, to whom they were submitted. These learned gentlemen denied the legal status of the Council, as it had been created by Consuls, who had no power in themselves to do anything of the kind, apparently considering the consent of the Chinese authorities as of no effect. The Municipal Council henceforth only took legal action through its creators, the Consuls, until its status and authority was clearly defined twenty-one years afterwards.

The Landrenters, at their meeting, unanimously instructed the Council to communicate with the Consuls as to incorporating Hongkow with the British Settlement, a matter which was deferred until 1863. They also authorised the taxation of Chinese within the Settlement, with the consent of their authorities, which was given by the Taotai a few months afterwards. They also decided that all new roads should be forty feet wide.

The autumn of 1854 was a time of great political activity in Shanghai. The Landrenters met again on the 11th November, and called on the Council to report their proceedings since their election—only four months before—and requested the Consuls of the three Treaty Powers to ask the Chinese authorities to fulfil their promise to contribute out of duties to the expenses of the Municipality, as Mr. Alcock had said they would do; and they passed a resolution altering the franchise, so as to give any foreign resident a vote who paid fifty dollars or upwards of annual assessment, but not in addition to his vote under the existing qualification. Another meeting held seven days later set these resolutions aside, and desired the Municipal Council to continue the duties of their office for the time for which they were elected, governed solely by the resolutions passed at the meetings of the 11th July and the 17th October. The latter had only empowered the Council to raise $12,000, with which
to build Police barracks, which was a burning question at that
time. We hear nothing more for several years of any proposal
to admit Ratepayers to the suffrage, although the resolution was
brought forward under the auspices of Messrs. Jardine, Matheson
& Co. and carried unanimously. *

The doubts of the legality of the Land Regulations were
so generally entertained that in 1861 the Rentors passed a
resolution recommending the Consuls to apply to their respective
governments for a proper legalisation of the Regulations. The
British Foreign Office had then ordered the legalisation of the
Regulations of 1854; but it does not appear that the other Cons-
suls did anything in the matter.

When the Taiping rebels appeared in the neighbourhood of
Shanghai, early in 1862, a Defence Committee of five residents
was formed. These gentlemen addressed a letter to the Municipal
Council on the 20th June, after they had performed the special
duties to which they had been appointed. † In this letter they
said that the Municipal Government of the Settlement was
insufficient in every way, and that the Municipal regulations
required extension. What they suggested is sketched in the
following paragraph of their letter: "The plan of a free city,
under the protectorate of the four* great Powers, whose interests
bring them into close connection with this country, but exercising
its own government through its own chosen officers, elected
under a system of suffrage that shall give the controlling power
to the owners of property—Chinese and Foreign—is that which
is most consonant with public sentiment. A strong government
could thus be formed, incorporating the city, its suburbs and the
tract of country immediately surrounding into one, and a
revenue could be raised and an authority exercised which would
ensure order and safety, and make this the chief city of the
empire." †

* There were the five Powers having Treaties with China: Great
Britain, France, the United States, Prussia and Russia.
† *North-China Herald* No. 627, 7th August, 1862. The Defence
Committee, all of whom signed the letter, consisted of Edward Cunningham,
James Whittall, Edward Webb, J. Priestly Tate, and James Hogg.
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From this it appears that public sentiment in Shanghai wished, I might say demanded, that not only the Settlements but the city and a district—which would probably have been defined as the thirty miles radius—should be taken from China and placed under the protection of the four Great Powers. That such a suggestion expressed the views of the majority of residents is undoubted. It originated in the helpless condition of what then appeared to be the doomed government and dynasty, and in the feverish state of mind into which successful speculations and the most sanguine expectations for the future of the place, had thrown almost the entire community. A filibustering spirit was abroad and possessed even cool-headed men of business, preventing them from seeing how immoral and foolish was the sentiment of the community to which the Defence Committee gave shape and voice.

The scheme of a free city, on such terms, was impracticable; but the necessity for a large measure of Municipal reform gave rise to a considerable correspondence in the newspapers. The “Better Government of Shanghai” became the question of the day. The Free City proposal was attacked and defended. One writer asked the pertinent question: If Shanghai is made a free city how can the Customs dues be collected? a point which the prevailing sentiment of the Settlement had not taken into consideration, or, if it had done so, had probably dismissed it as having no weight, because the Government of China was unable to fulfil one and the most essential part of its Treaty engagements—the protection of foreigners. It is scarcely too much to say that in 1862 the Imperial Government had no power in that part of the province of Kiangsu in which Shanghai lies, and that the power, or the semblance of it, which it had in some places, it entirely owed to foreign arms. And as the majority of residents in Shanghai were in an excited mental condition during this year, it is not surprising that the plunder of the Empire of China found favour.

The Municipal Council lost no time in calling a meeting of Landrenters. On the 8th September the Chairman of the Council read a statement of the Municipal affairs, and the
proposal for the better government of Shanghai to a not very numerous meeting. The Council acknowledged that very grave defects existed in Municipal matters, and to remove the existing evils, they proposed to increase the staff, by engaging a competent Civil Engineer, a European Interpreter, and an officer to attend at the Custom House, to take note of all goods shipped or landed, so that the Wharfage Dues would be better collected. They hoped to remedy the defective condition of the roads and sanitation, and the want of jetties, and proposed to take the Harbour Master's department in hand. The Council informed the meeting that new Land Regulations, a modification of those of 1854, had been drawn up by the Treaty Consuls and sent to Peking. It does not appear that the Council or the Land-renters were in any way consulted as to the changes which were proposed in the constitution of the Settlement. The Council had, however, seen these modifications and recommended them to the favourable consideration of the Land-renters. After describing how the Municipal Council were to make assessments, the Council referred to the failure of the Chinese Government to exercise its right of jurisdiction over foreigners of nationalities which had no Consul in Shanghai and over Chinese offenders. It had no hope of the Chinese officials undertaking these profitless duties, and did not consider it advisable to encourage their interference in the internal economy of the Settlement; thus blaming them for not doing what the Council did not want them to do. The only satisfactory solution of this question, the Council said, would be for the Emperor of China to delegate his authority in such matters to the Municipal Council, under certain restrictions as to the penalties to be enforced. If this authority were obtained the Council would appoint a Magistrate and Interpreter, and it also thought it might be found necessary to appoint a permanent Chairman, or President, and a Treasurer, with good salaries, who would give all their time to the duties of their offices. And to provide for the extra charges which the proposed improvements would entail, the Council modestly considered that the Chinese Government should make an annual
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contribution of not less than fifty thousand taels out of the Customs duties.

Mr. Medhurst, then British Consul in Shanghai, who presided at the meeting, read an extract from a letter he had sent to the Hon. F. W. A. Bruce, H.M.'s Minister at Peking, in support of the request of the Landrenters to have the Land Regulations revised. In this letter he referred to the whole streets of houses, fitted for native use, which had been run up on the Settlement, in spite of the prohibition in the Land Regulations of 1854, and said that the western district was fast becoming a Chinese city, whose extent and population was taxing to the uttermost the time and powers of the Municipal Council to preserve law and order. He thought that, before a Municipal breakdown occurred, the Land Regulations should be modified.

The first modification proposed in the Land Regulations accepted the position taken up by the French, who had lately withdrawn their Concession from the application of the Regulations, without reference to the Settlement, and had established Land Regulations of their own. Nevertheless, the French Consul had taken part in the consultations on the modifications. The second modification did away with the system of pre-emptions which had hitherto prevailed, and by means of which unprincipled foreigners had enriched themselves, when land began to rise in value, at the expense of the unprotected Chinese proprietors. The eight modifications which followed referred to matters affecting or pertaining to land, and were succeeded by one which was intended to place a check on the acquirement of land in the Settlement by Chinese. It ran: "Chinese subjects shall only be allowed to rent or acquire land or buildings within the limits on the terms laid down in the official form of title now in use."

The alterations in the Regulations were merely supplementary to those of 1854, as the Consuls did not think it expedient to touch the Regulations themselves, for however defective in themselves "they were actually the basis on which our rights of property and security were rested."
The meeting appointed a committee to consider the proposed changes in the regulations, but, before this body had made its report, Mr. Medhurst called a special meeting of Landrenters, and published Mr. Bruce's replies to his letters. Mr. Bruce said that "the British Concession at Shanghai was neither a transfer nor a lease to the British Crown. It was simply an agreement that British subjects should be allowed to acquire land for their personal accommodation within a certain space, in order that they might have the advantage of living together. The land so acquired remains Chinese territory, it is subject to the Land Tax, and if the jurisdiction of the Chinese Government over it is denied, it is denied because, in China, it was deemed essential for the security of British trade that the person and establishment of the trader should be secured from molestation." The acts of foreigners themselves had entirely altered the character of the concession, they have made it a Chinese city by building on it. It is now proposed to extra-territorialise the Chinese in the Settlement, to tax them for Municipal purposes, and the Taotai is to be deprived of his power of judging and punishing, "except in cases in which the foreign head of the nation to which the owner of the property occupied belongs, permits to be brought before his tribunal." He reminded the community that the Chinese had never formally abandoned its right over its own subjects, nor had H.M. Government ever expressed any desire to exercise a protectorate over them.

He did not understand what interest H.M. Government had in lending itself to a system which is unjustifiable in principle, and would be attended with endless embarrassment and responsibility, and which the Chinese Government would never submit to willingly. He impressed on Mr. Medhurst not to lend himself to any proposal which would lead however indirectly to such serious alterations in our position in China, as are evidently contemplated by some of the residents in Shanghai. He was convinced H.M. Government would wish to see the limits of the so-called Concession reduced, so as to exclude the Chinese, rather than extended so as to embrace a larger number of them.
On the 22nd January, 1863, he wrote again to Mr. Medhurst that we had no right by treaty to interfere between the Chinese people and their authorities; that the words "Sanctity of the British Concession" have no meaning, and that we have no power to compel the Chinese who live within the so-called Concession to pay any tax for local purposes, except with the consent of their own authorities.

He was inclined to think the whole system in Shanghai a mistake and our management both extravagant and oppressive. Mr. Bruce also said that the expense of defending the Settlement should be paid to H.M. Government before any local improvements were undertaken, which under other circumstances might be desirable. And "if the assistance given by Great Britain at Shanghai entitles us to a voice in the matter of taxes, no distinction ought to be made between the people in the Settlement and those in the city. There ought to be no difference in favour of the Settlement; in fact, the accumulation of Chinese there is a great misfortune, and would make neutrality impossible, should the Government wish to leave Shanghai to take its chance."

These letters created a great sensation in Shanghai, and we hear no more of a Free City, surrounded by territory of its own and under the protection of the Great Powers. Mr. Bruce's contention was that any taxes which the authorities placed upon natives in the city might also be imposed by them on those in the Settlement.

It would appear from the speech of the British Consul to the Landrenters, when he read these letters from Mr. Bruce, that a great many residents in Shanghai had supposed that the Settlement was a British Concession. These people took it for granted that it was subject to British law, and that all Chinese who lived in it were amenable to British jurisdiction. The letters bound British residents down to the provisions in the treaty, and they did away, said the Consul, with the Land Regulations as at present constituted. The renters appointed a committee to confer with the Consuls and endeavour to recast the Regulations in such a form as would receive the support of the foreign and Chinese authorities.
In December of 1863 the Hongkew, or American, Settlement was formally incorporated with the so-called British Settlement. Its residents were to pay half the cost of policing it, that being considered a fair proportion, as much of the expenditure under that head was owing to the large number of sailors who lived in the district.

It does not appear that the United States ever received any concession of what was called the American Settlement, or that it was specially set apart for citizens of that country. No negotiations about the Settlement or lands in Hongkew ever took place between the representatives of the United States and the Chinese authorities. The treaty between China and the United States gave citizens of the latter the same right to acquire lands for residences and other purposes as was given under the British and French treaties, and this was made use of, probably about 1850. Some years afterwards, the United States Consulate was established in Hongkew, and an American church and mission houses were built there, and hence the district became generally known as the American Settlement.

The boundaries of Hongkew were settled in 1862, by Mr. Seward, U.S. Consul, and Hwang, Taotai of Soo, Sung and Tae, as follows:—The Soochow Creek from a point opposite the entrance of the Defence Canal to the Huangpu river, thence at low water mark to the mouth of the Creek entering the Huangpu near the lower limit of the anchorage called the Yangtze-pu, westward three li along the line of that creek, thence in a straight line to the point of beginning.

Although what is called the French Concession was delimited by the Chinese authorities in 1849, no form of Municipal Government was instituted until 1862. Its affairs were administered during the interval by the Consuls-General. But the increase of the population, foreign and native, during 1860 and 1861, and the extension of the Concession in these years made it necessary to create a municipality. Accordingly, M. Edan, then Consul-General, called a meeting of Landrenters in the Concession on the 30th April, 1862, at which he appointed five members of the Conseil d'Administration Municipal de la
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Concession Française. These gentlemen accepted office, as from the 1st of May, and held their first meeting on the 9th of that month. The Landrenters met annually after that time.

What was the position of the Consul-General to the Municipal Council before Land Regulations were drawn up, will be seen from what occurred in 1865. In October of that year a conflict took place between the Consul-General and the Council, which resulted in the resignation of all the members of the latter, some of whom held that they were elected by the Landrenters, independently of Consular authority. The Consul-General, on the contrary, held that they were nominated by him, and merely approved by the Landrenters. The first time the authority exercised by the Council came into collision with the powers with which the Consul-General was invested, affairs came to a crisis. The Consul-General then dissolved the Council* and appointed a commission of Landrenters, to carry on affairs until a new election could be held.

The grounds on which the Vicomte Brenier de Montmorand, who was then Consul-General, based his action were: I.—That the Council having been appointed by the Consular authority was dissoluble by the same: II.—That the Council had usurped the Consular power: III.—That it had convened a meeting of Landrenters in another building than the Consulate-General: and IV.—That it had been guilty of maladministration of affairs. It is stated with regard to the last charge, that the Council had made serious mistakes; it had arrested the Cho-bien at an inquest, and had commenced the building of a bund on a plan which had been condemned by the English surveyor. This bund had fallen in. Most people thought that the quarrel was more an affair of temper on both sides than a matter of principle. It is said, however, that the community in the Settlement generally supported the Consul-General, and this is to some extent borne out by the fact that at the meeting held on the 10th October, for the election of a Council, it was proposed by an English renter that the Consul-General should

* The Council was composed of E. Ruissonet, H. Meynard, E. Schmidt, J. S. Baron and C. Lemaire.
exercise his power of nominating the new Council; and no opposition was offered to this. The Vicomte Brenier de Montmorand had, in nominating the Council which he afterwards dissolved, only followed the example of his two predecessors in office, and none of the Councillors so nominated had objected to the process. The Council considered they had the right to convene a meeting of Landrenters, without reference to the Consul-General, but the latter declared this to be contrary to the law of March, 1781, by which French subjects residing in the seaports of the Levant and Barbary were only allowed to assemble by permission of the Ambassador at Constantinople, or the Consuls or Vice-Consuls at the other seaports; which he applied—somewhat doubtfully—to China in 1865.

The proceedings of both parties to this dispute illustrate the disadvantage of attempting to administer the affairs of the French Concession by a Council, whose rights were ill-defined, if defined at all, above whom was the Consul-General, who could dissolve them almost at pleasure. To make the position of the Council clearer was, no doubt, the object which the Consul-General had in view in framing the Regulations of 1866.

These Regulations were revised in 1868 and are still in force. The alterations made in the first Regulations were in the qualifications of the electors, and in the Article relating to arrests within the Concession of people other than Frenchmen, under warrants issued by the representatives of other powers, without the countersignature of the Consul-General, or without the presence of his police. This was amplified in the Regulations of the 14th April, 1868.

The functions of the Councillors of the French Concession differ considerably from those of the Municipal Council of the Settlement. They are only a deliberative body; none of their resolutions becoming operative until approved by the Consul-General, who may also postpone for eight days the execution of resolutions of the Council relative to the first six subjects on which it may deliberate. These are:—1, The Budget, Receipts and Expenditure; 2, The collection of the Municipal Revenue; 3, Assessment of taxes; 4, Applications for reduction of
assessments; 5, The manner in which taxes shall be recovered from defaulters; 6, Purchasing, selling, exchanging and letting the Municipal properties.

The Consul-General may withhold his approval of the resolutions of the Council, until he has submitted them to the French Minister at Peking, on the remaining five subjects, on which the Council may deliberate, viz., 7, The construction of roads, public places, quays, jetties and public works generally; 8, Works affecting health, and country roads; 9, Appropriations for the public service; 10, The regulation of sewers and health; 11, Every other subject on which the Consul-General asks the Council to deliberate.

The Council has, however, the control of the employés in the different departments, indoor and outdoor, of the municipality, except the police, which is in the hands of the Consul-General who is responsible for the good order of the Concession. The Council also appoints its own Secretary.

The Consul-General may suspend the Council, but not for a longer period than three months, and he must at once report his action in this respect to the Minister for Foreign Affairs, and to the Representative of France at Peking, who may, if he thinks it necessary, pronounce, pending the approval of the Government of Paris, the dissolution of that body. During such suspension, the Municipal Council would be replaced by a provisional commission appointed by the Consul-General.

The electors must be twenty-one years of age and possess land in the Concession of any value; or, renters paying an annual rent of at least a thousand francs; or having lived in the Concession for at least three months and possessing an income of four thousand francs a year. These franchises are lower than those in this Settlement. The Municipal Council is composed of the Consul-General of France, who is always President,* and eight members, four of whom must be Frenchmen, and the remainder of other nationalities, all chosen by ballot. They are elected for

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* For several years past the Consul-General has delegated the Presidency of the Council to the Councillor, who has been designated to the office by his colleagues.
two years, but one half retires each year, and when the number of Councillors has fallen below one half of the full number, the Council chooses members sufficient to fill up the vacancies. The Councillors must be twenty-five years of age. One of the Articles of the Regulations gives the Consul-General, acting in concert with the Taotai, and if the Council shall approve, the power to admit one or more Chinese of position, or chiefs of corporations, to the deliberations of the Council. I do not know that this power has ever been exercised by the Consul-General; there is nothing like it in the Regulations of this Settlement.

The Landrenters of the English and American Settlements met on the 9th March, 1866, to consider the Revised Land Regulations as drawn up by the Committee appointed at the meeting in the preceding April. The first thing brought before the meeting was a letter from the Consul-General of France, in which he took exception to the description of the limits of the French Concession, given in the draft of the amended Land Regulations. The limits therein stated were those stated in the original proclamation of 1849, which the Consul-General said were not correct, the Concession extending further south. By this, I suppose he meant that the limits in 1866 comprised the land which was acquired after the burning by the French of the eastern suburb in 1860. He denied the right of the Landrenters of the English and American Settlements to make Regulations for the French Concession, and complained of not having been consulted as to the new Regulations, as he said he should have been under the Regulations of 1854, Article XIV. He intended, he said, to propose to his colleagues, “whose respective governments have treaties with China, and concurrently with the Intendant of Circuit,—the Taotai,—to appoint a committee that will draw up a draft of Land Regulations having force on the French Concession. This draft will be submitted for approval to all having a right to vote on the French Concession,” and he would afterwards propose their adoption to his colleagues, under the reserve of their government’s approbation; “as, also, I shall

* Guilds may be meant.
be ready under the same reserve to sign the Land Regulations agreed to on the neighbouring Concessions."

At the next meeting of Landrenters on the French Concession, held on the following day, the Consul-General stated that he did not recognise the Land Regulations of 1854, in the Concession. He said, "they were not binding;" having been signed under reservation, that the consent of the French Government should be accorded. This has been refused. Being questioned as to whether there were any Regulations then binding on Renters of Land in the French Concession, the Consul-General replied that "he was not there to discuss the point. It was better to vote on the proposition before them," which was about erecting jetties. Being again pressed, he said that he could give no further explanations as to whether there were or were not Land Regulations in existence. "He had merely heard that they had been rejected in Paris."

The Consul-General appears to have been in complete ignorance of the affairs of his Concession, and his position, as regards the Settlement, was somewhat peculiar. He claimed, and rightly, that he should, as representing one of the Treaty Powers, have been consulted in any changes which it was proposed to make in the Land Regulations. The other Consuls had however thought it unnecessary to invite him to take part in the preliminary meeting, at which the scope of the changes which were necessary in the Regulations was considered. And he informed the other Consuls, that he did not recognise that the Regulations of the Settlements, were operative in the Concession, or as binding on Frenchmen, as he "had heard that they had been rejected in Paris."

Since that time, the Settlements and the French Concession have been under separate Land Regulations; and the action of the Consul-General was no doubt intended to bring this about. There have been indications several times since then that the general public in both districts would welcome a reunion which would in many respects be beneficial. A large part of the Concession belongs to Englishmen and others, not Frenchmen
while most of the business firms of the latter nationality have found it convenient to reside in this Settlement.

Several meetings of the Landrenters of the Settlements were held in 1866, to discuss the proposed amendments to the Regulations. These were for the first time in the existence of the place framed by the Landrenters; on former occasions the Consuls had drawn up the Regulations, and with the Taotai, had made the laws, but, now, they considered them after they had debated by many meetings of the electorate. When the amendments in the Regulations came before the Consuls that body made several alterations in them. One was the insertion of a clause somewhat similar to the one in the Regulations of the French Concession—which had just appeared, giving the Senior Consul power to ask the Taotai to nominate three Chinese delegates every year whose functions should be wholly consultative. And no resolution of the Council's, relating to police or sanitary regulations, and no new tax affecting the Chinese residing in the Settlement, were to take effect until the Chinese delegates had been consulted thereon. This was subsequently approved by the then existing Municipal Council. But it was not incorporated by the Foreign Ministers at Peking, in the Regulations of 1869, perhaps because they saw that the opinions of Chinese on the subjects which were to be submitted to the Delegates, were not likely to be either useful or valuable. Even at the present time, when intelligent Chinese should know the benefits of sanitation, few people would give them any power on that subject. The Consuls also proposed to reduce the Municipal franchise which the Landrenters had agreed upon, but the Ministers ultimately fixed upon qualifications, for the electors, lower than those of the Landrenters and higher than those of the Consuls. The object of the Landrenters in proposing a somewhat high franchise, was to exclude what they called the "rowdy" classes. The Ministers added to the clause in the Regulations, arranged by the Landrenters, words giving absent Ratepayers the right of voting by proxy in the election of Councillors, and at public meetings, which they had not possessed before; but in the early days of the Settlement Landrenters
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were allowed to vote in that way, whether absent or present. The French Consul-General gave his adhesion to the amended Regulations, but he claimed "the right to reserve his vote generally on the English Land Regulations, till he received the authority of his department, or till his colleagues intimated their concurrence in those established by the French Government for the French Concession." The concurrence of the representatives of other Powers in the French Regulations of 1868 was apparently given before the latter were made public. For these are said to be revised, in consequence of an arrangement entered into between the Consul-General of France and the Consuls of the Powers represented at Peking. They are also recognised in the Joint Minute of 24th September, 1869, signed by all the Foreign Ministers at Peking.

In November of the same year Sir Rutherford Alcock, who had become H.M.'s Minister at Peking, intimated to the Land-renters that he would send the amended Regulations to the Foreign Office, in concord with the Ministers of the United States, Prussia, and Russia. And in 1869 the Representatives of these Powers, and of France, issued a Joint Minute with the Regulations, which gave them force in the Settlements.

In that Minute there is no reference to the Chinese authorities, such as appeared with the Regulations of 1845 and 1854, which are stated to have been agreed upon by the Consuls and the Intendant of Circuit. The omission is somewhat strange, after Mr. Bruce's care for the rights of the Chinese Government, within the Settlement. Since 1869 the Municipal Council has received annually large assessments from Chinese residents; for the first few years with the consent of the Taotai, but for a considerable time even that formality has been dispensed with. The revenue is now collected from Chinese by virtue of Regulations to which their Government has never assented; a strange way of dealing with the natives in a place where Mr. Bruce and his school held that foreigners had no right to tax Chinese, except by the consent of the Mandarins, who now seem to be quite indifferent in the matter. It is very likely, however, that it will engage their attention before long.
The Regulations of 1869 were found to be insufficient about four years afterwards, and a Committee was appointed at the meeting of Ratepayers in 1873 and again in 1874 to draw up extended Regulations. This was done, and the proposed new Municipal Charter was laid before the Ratepayers in 1875, but did not receive much attention. The Committee proposed to place the basis of government in the Regulations, leaving all details to be dealt with in Bye-Laws, which should be enacted locally. This would have saved the inconvenience and delay of every Bye-Law, no matter how unimportant, having to be sanctioned by all the Legations in Peking. The Committee also proposed to lower the franchise considerably, but this was not received with much favour. It was objected that the electors are also legislators holding annual and special public meetings at which the affairs of the Settlement and the policy of the Municipal Council are determined on, the Council being merely the executive which has no power to act except under the Land Regulations and the resolutions passed by the Ratepayers in public meeting.

The Ratepayers in 1879 again appointed a Committee to draw up amended Land Regulations and these were submitted to the Municipal Council, who laid them before the meeting of Ratepayers in 1880. They proposed to simplify and extend the Municipal franchise, so as to increase the constituency from 255 to 360, and to make changes in the qualifications for Municipal Councillors which would have increased the number of persons eligible to sit in that body from 112 to 157, or about the same proportion as the addition to the electorate. The committee stated in their report that they had sought rather to formulate the existing Municipal system than to propose any important change.

The new or extended Land Regulations were sent to the Foreign Ministers in Peking in 1881. These diplomats made several alterations in them, which found no favour with the community when they were published in 1882. The clause referring to the Volunteers had been struck out, as the Ministers would not give official recognition to them; the powers of the Municipal
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Council to arrest evil doers within the Settlement were seriously and dangerously curtailed, while the powers of the Consuls were considerably extended. The objects which the Ministers seem chiefly to have had in view, are to lessen the authority of the Municipal Council and of the Ratepayers, who will not be allowed to impose new modes of taxation in the Settlement without the consent of the Consuls. Many of the Consuls represent Powers which have scarcely any interests or subjects in Shanghai, and giving to such officials the same weight and vote as the Consuls of Great Britain, the United States, and Germany is an extension of democratic principles into official life that is dangerous to the Settlement of Shanghai. To extend the functions of the Consuls, and at the same time to diminish and restrict those of the Municipal Council would be a mistake. The history of the Settlement shows that the foreigners who have conducted its affairs have been careful to preserve the just rights of the Chinese, and that they were so successful in doing this that the Consular body left the Landrenters in 1866 to frame their own Land Regulations, instead of as formerly drawing them up and announcing them to the community.

The Land Regulations of 1879-80 have been in the hands of the Foreign Ministers since 1881, and all that is known of them are the alterations, amendments and revisions just referred to.

The scheme of a Court in which Chinese offenders, and foreigners who had no Consuls here, could be tried, had been talked of for some years before 1863. But in that year the Mixed Court was instituted. The necessity for such a tribunal arose from the increase in the Chinese population of the Settlement. In the early days of the place, when the community was numerically small, the cases between foreigners and Chinese were so few in number that it was easy for the Consuls to watch the proceedings, whenever it became necessary to appeal to the native Courts, while cases between Chinese and Chinese were left entirely to their natural authorities. But as the community gradually increased the cases in which foreign interests were involved became so numerous, that it was
impossible for proper attention to be given to each. In the more important cases the Consul could still maintain a correspondance with the authorities; but minor offenders were simply sent in to the City with a note detailing the charge against them; and, with the reply which was received some fortnight later, that they had been bambooed or released, information or interest concerning them generally ceased.*

In the great majority of cases, the city Magistrate had only the charge to work on, and unless the prisoner confessed, or could be compelled to give evidence against himself, conviction was practically impossible. And, as the powers of the Municipality increased, and the action of its police extended, "the Chinese police were by degrees driven out of the Settlement, and the Chinese supervision over the native population was gradually withdrawn." An attempt was made to meet the evils which sprang from this state of things by the Vice-Consul, or the Interpreter of the British Consulate, investigating all charges against Chinese, and only sending those for trial which seemed to have some foundation for the charge; but this broke down. Sir Harry Parkes, who was then Consul in Shanghai, obtained the establishment of the Mixed Court—"a tribunal for the decision of cases in which foreigners were either directly or indirectly interested . . . in which due attention to foreigners' interests might be secured by the presence of their representatives, while the jurisdiction of the native authorities was left untouched."†

The constitution of the Court was to have been‡:

A Police Court for the trial of Chinese police cases occurring within the Settlement.

A Criminal Court for the trial of Chinese charged criminally by foreigners, and for the trial of foreigners having no Consular representatives.

A Civil Court for the adjudication of claims brought by foreigners against Chinese, or by foreigners or Chinese against foreigners unrepresented by Consuls.

* Memorandum on the Mixed Court by Chaloner Alabaster, Esq.
† Idem.
‡ Idem.
A Court of Appeal in Criminal or Civil matters.

As a Police Court it was to consist of a Chinese officer, sitting alone, for the decision of purely native cases, brought before him by the Municipal Police, and in fact it was to be a branch of the City Magistrate's Office; but it was intended that he should ultimately be vested with independent powers, "as the possible revision of his decisions, by his superior sitting in the city, would lead to the defeat of one of the objects for which the Court was established." The City Magistrate, however, arrogated, from the first, the power of interfering, and the complaints of the Consuls were "unavailing to convince him that he has no right to do so away from the Court."

In investigating criminal charges brought by foreigners against Chinese, the Magistrate was to have been assisted by a Consular Assessor. The Chinese officer was alone to deliver judgment, but the interests of foreigners were to be secured, by the Assessor having the right of staying proceedings, and referring the case to the higher Court—that is to the City Magistrate—should he differ with the presiding judge. The Assessors were to be deputed by the Consuls, and it was at first intended that they should be of the nationality of the foreigners interested in the cases. But this being found inconvenient, it became the custom for an officer from the British Consulate to sit four times, and one from the United States Consulate twice a week.* In cases where a foreigner whose nationality was unrepresented by a Consulate was interested, it was necessary that two Assessors should sit. In more important criminal cases the place of the Chinese deputy Magistrate was occasionally taken by one of the local Magistrates of higher rank—the District Magistrate, or the Sub-Prefect,—an arrangement, I may remark in passing, which played into the hands of the City Magistrate; and it sprang from what was from the first the chief weakness of the Mixed Court—the insufficient rank of its Magistrate.

* The present practice is for Officials from the British, and United States Consulates to sit twice a week, and from the German Consulate once a week; but if a subject of any other power is interested in a case before the Court, a representative of his nationality attends.
In civil cases the powers of the Magistrate and the rights of the Assessors were much the same as in criminal cases, in which foreigners were concerned. "But the first cases which came before the Court were of such magnitude, that the Magistrate became alarmed and represented his insufficiency to the Taotai, and the Sub-Prefect has, therefore, been directed to sit in civil cases, the Deputy sitting occasionally in trifling cases only." The Court of Appeal or reference has been a failure from the first. It has consisted of the Taotai.

The working of the Court gave the greatest dissatisfaction to foreigners for many years. When they brought criminal accusations against Chinese the punishments inflicted were often ludicrously inadequate. Sometimes the Magistrate benevolently paid the fines of notorious rascals, or he could not be induced to punish offenders against the Municipal Regulations or Bye-laws at all. All this did a great deal of harm and prevented the effective policing of the Settlement, but nothing could be done with a kindly looking old gentleman except for the Assessors to try and make him see that he should not be the friend of rogues and offenders. It was still worse on the civil side, for when foreigners established their claims against Chinese it was impossible to get a just verdict. This was to be expected when the Magistrate was of such low official standing that Chinese merchants, and others, against whom foreigners brought actions, were able to flout and intimidate him in his own Court, because they had purchased rank which was superior to his. And when the Magistrate gave a decision in a civil case against one of his own countrymen it was of no avail to the foreigner, who could not recover his claims under it, and the Magistrate, because of his inferior rank, could not enforce his judgments. This being the case, foreigners who had claims against Chinese suffered grievous losses, and for many years little was gained by bringing civil actions in the Mixed Court against natives, and the Court was, in consequence, the best abused institution in the Settlement, and rightly so.

Of late years, and under abler Magistrates, the character of the Court has greatly improved. Cases, both civil and
criminal, are tried in it, which in the first decade or so of its existence would not have been brought before it, or if they had would have been unsatisfactorily dealt with. Sometimes civil actions of great importance are now tried by the Magistrate, and are more fairly adjudged than might be expected in a native Court. Appeals from its decisions are rarely made to the Taotai, and that official only appears in the Court when special cases are before it. The Magistrate has still insufficient rank, and it is still open to Chinese holding literary or purchased rank, to interfere with his procedure. But as the influence of the Court has extended, Chinese of superior rank to the Magistrate have shown less disposition to disregard its mandates. Its influence would be placed on a surer basis if the Magistrate were made equal in rank to a Prefect, as should have been the case from the establishment of the Court. There is one good thing about the Mixed Court, no fees are levied in it on foreigners, so that they may bring an action in it to any amount, without having to pay anything. Chinese, however, do pay fees, which are probably a matter of arrangement with the officials of the Court, even when they defend themselves by petition.

Foreign lawyers have been occasionally engaged in suits in the Court and are said to be useful in placing evidence clearly before it, but there is no necessity to employ them, as the Assessor is bound to help foreigners, as far as he can, in putting their case before Court. No Chinese lawyers have ever practised in it. Most of the criminal cases which are tried are unimportant, and the sentences are generally light. But what is most satisfactory in the procedure of the Mixed Court, is that no torture is ever employed to obtain evidence.

There is a Mixed Court in the French Concession, the existence of which is a proof that there is really no difference between the relation in which the land there and in the Settlement, stands to the Emperor of China. If the Concession were French territory the Court would be a French Court; as it is the Court is a Mixed Court and the Magistrate a Chinese.
The establishment of the Supreme Court of China and Japan in Shanghai took place in September 1865, under an Order in Council dated the 9th of March of that year. This order recapitulates the powers conferred on Her Majesty by Parliament, the first of which, passed in the 6th and 7th years of her reign, made it lawful for her, with the advice of the Privy Council, to ordain any law or ordinance for the government of her subjects within the dominions of the Emperor of China, or in any ship or vessel within the distance of a hundred miles of the coast of China. Another Act passed in the same year, known as the Foreign Jurisdiction Act, said "it shall be lawful for Her Majesty to hold, exercise and enjoy any power or jurisdiction which Her Majesty has or may have in any country or place out of Her Majesty's dominions, in as ample a manner as if Her Majesty had acquired such power by the cession or conquest of territory."

These powers and jurisdictions had been already exercised by Her Majesty in China and Japan, but the Orders in Council under which they existed were now revised and extended.

The British Government were led to frame this Order in Council, and to establish the Supreme Court under it, to a very great extent by the outrages and lawless acts committed by Englishmen in China and Japan, whose conduct often went unpunished. These people were of the lowest class of adventurers who had been attracted to China by the rebellion. The extension of trade also did not permit of difficulties or disputes being amicably disposed of as formerly by arbitration, often conducted at the dinner or tiffin table. The affairs of the merchant and the land owner had become more complicated, and often required to be submitted to those who knew more about law than brother merchants or a very imperfectly trained Consul.

Sir Edmund Horuby was the first Chief Justice, Mr. C. W. Goodwin the assistant Judge, and Mr. John Fraser the Law Secretary. Shanghai is the head-quarters of the Court, and all the judicial functions previously exercised by H.M. Consul in Shanghai were transferred to the Supreme Court. At the other ports the Consuls retain their judicial authority, but when
cases of great importance occur in them the Chief Justice or Assistant Judge goes, as it were, on circuit and tries them.

Very soon after the opening of the Supreme Court Sir Edmund Hornby decided two actions of importance to the public. In the first* he laid it down that the defendants had no right to construct a jetty or other erection which would interfere with or change or convert the space between the high and low water mark by raising it into dry land at high water mark. This action was brought by the British Consul, at the instance of the Harbour-master of the Huangpu and Conservator of the Yangtze river.

The second case was brought before the Court by the Municipal Council, suing in the names of its members, against two Trustees and Executors of Charles Wills for the recovery of the assessment on some lots of land in Hongkew.† The defendants pleaded that the Shanghai Land Regulations were not binding on them, and they denied the right of the Council to levy a rate or assessment on the land which was registered in the name of the deceased Wills. Chief Justice Hornby, in a long and conclusive judgment, held that as Her Majesty had the power conferred on her by Act of Parliament to provide for the peace, good order and government of her subjects in China, and as she had given power to her Chief Superintendent of Trade in China to make such provision as he thought fit and necessary to attain the object in view, and as the Chief Superintendent of Trade had sanctioned the Land Regulations, they were binding on the British Landowners. This established the legal status of the Land Regulations, which had always been doubted, so far as British residents were concerned, and as the powers of the Representatives of other nations were as full as those of the Chief Superintendent of Trade, the question was set at rest, it is probable, for ever.

The judicial machinery for the government of the Settlement was further increased by the establishment of the Court

* Regina versus Reynolds & Holtz, Supreme Court, 28th Sept., 1865.
of Foreign Consuls in 1869. This was done by a Memorandum signed by the Ministers of Great Britain, Prussia, France, Russia and the United States at Peking, and published with the revised Land Regulations which came into force that year. Its only function is to enable individuals to sue the Municipal Council, before it, and it has on one or two occasions tried cases in which that body was defendant. The Memorandum expressly states that to be the reason for founding the Court, which is to "be established at the beginning of each year by the whole body of Treaty Consuls."

In addition to these Courts each Consul—except the British—tries the subjects or citizens of his nationality and hears civil cases which may generally be appealed. There is therefore one may say an abundance of judicial authority in Shanghai, where serious crime is extremely rare and most offences are of a light character.