THE EAGLE AND THE DRAGON: TSINGTAU AND THE GERMAN COLONIAL EXPERIENCE IN CHINA, 1880-1918

A Dissertation

by

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Submitted to the Office of Graduate and Professional Studies of Texas A&M University in partial fulfillment of the requirements for the degree of

DOCTOR OF PHILOSOPHY

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December 2018

Major Subject: History

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ABSTRACT

When Germany forced China to surrender part of the province of Shantung and the village of Tsingtau in 1897, it secured the long-standing wishes of a German China lobby that had articulated visions of empire that would achieve their individual objectives. While their various ideas were broad and not well defined, at their heart was that Germany should embrace a liberal, commercial model of empire: a “German Hong Kong” that would be a paradigm of colonial rule and a major power center in Asia. There exists a critical need to place Germany’s colonial experience in China in its proper historical context and appreciate its role in German imperialism and the development of a more globalized world at the turn of the twentieth century.

This study critically analyzes the colony of Tsingtau in order to elucidate German ideas about empire during the late nineteenth and early twentieth centuries. The 3500 Germans in Tsingtau and their supporters created a nexus of associations to build a commercial center to rival British Hong Kong. Inspired by new historical trends, this work examines mid-level state and military officials, diplomats, businessmen, and religious leaders, the “middle management of empire,” that helped develop Tsingtau. In doing so, it studies the colonial experience as “history from the middle,” highlighting the critical role Tsingtau played in Germany’s emergence as a world power.

To tell the story of Tsingtau, my research utilizes sources from German, Chinese, and American archives, ascertaining how leaders in Germany and Tsingtau viewed the colony, as well as the impact of colonists’ experiences on German policy.
This is supplemented with records of imperial officials, colonial leaders, corporate organizations, and other influential members of the community. These mid-level individuals devised and implemented projects to enhance life for the colonists and, sometimes, natives. Their records show how economic, political, and cultural interests worked together to develop the colony and enhance Germany’s status as a world leader.

My research identifies new ideas about German visions of empire—particularly that a strong liberal impulse existed in German imperialism—and shows that Germany was a key player in early globalization and that its East Asian presence was an integral part of its global power projection. Consequently, this transnational study substantially enriches our understanding of imperialism at the turn of the twentieth century and our perception of the formation of an interconnected global society.
DEDICATION

To my family – my mother, Patricia, brother, Marshall, IV, sister, Mellissa, nephews, Evander, and Harrison, and Jasper, the newest member of my flock.

In loving memory of Houdini, and my father, Marshall, III, who were so integral in helping me reach this point, and who are unable to witness fully the fruits of their love, support, and encouragement.
ACKNOWLEDGEMENTS

Writing acknowledgements for as massive an undertaking as this is never easy. How to do justice to the friends, colleagues, chance encounters, and family members that shaped this project in ways large and small, directly and indirectly, seen and unseen?

In reflecting on my journey to completing this project, one theme I continue to come back to is that of Family. Families can take so many forms, uniting people through bonds, forged in the crucible of shared experiences, trials and tribulations, triumph and tragedy, successes and setbacks. These families formed and intersected as I traveled across the world in the pursuit of my dreams and were crucial to my growth and development as a scholar, a teacher, and a person. I owe a great debt to the individuals that formed these families, for without them, this work would not have been completed.

First, I wish to thank the members of my committee: Adam Seipp, Chester Dunning, Hoi-Eun Kim, and Randy Kluver. Although each member of my committee provided valuable assistance, support, and guidance, I must single-out Adam and Chester for their contributions. As my mentor, advisor, and chair, Adam Seipp was instrumental in helping me grow the kernel of my idea for a research project into the fully-formed dissertation that you now see here. Adam inspired me, challenged me, and pushed me to achieve things I never dreamed I could, all while remaining empathetic during my struggles, supportive whenever I encountered an obstacle (and creative when devising a solution to a problem), and always ready to celebrate a new breakthrough or achievement. I am proud to be one of his first students, and I hope that I can follow his
model as I move forward in my own career as a scholar. Chester, whom I also consider my mentor, has always been something of the raging yin to Adam’s sobering yang. Like Adam, he too challenged me and pushed me not only to be a better scholar and educator, but also a better person. He always knew when to push the right buttons to power me forward in my pursuits, and his enthusiasm and curiosity for my work and other interests encouraged and cheered me on. Chester and Adam both never doubted me, even in the moments when I doubted myself. I could not have asked for two better mentors, whose scholarship and dedication to teaching are truly worthy of emulation.

I also wish to thank the faculty and staff in the Department of History at Texas A&M, and the many students that were my colleagues, classmates, and friends. I am most appreciative of the support, encouragement, and probing questions and insights you offered me throughout this process. Not only have you made me a better researcher and educator through my many years as an Aggie, but I am also a wiser, more understanding, and stronger person for having each of you in my life. There are too many people to name everyone, but I would be remiss if I did not thank the following individuals directly: R. J. Q. Adams, Phil Smith, Walter Kamphoefner, Rita Walker, Mary Johnson, Barbara Dawson, Bill Collopy, Roger Horky, Ian Abbey, Tyler Peterson, Rachel Gunther, Chris Mathey, and Jared Donnelly. Special acknowledgement goes to Jeffrey Crean, Kevin Pepper, Ben and Sara Duerksen, Cameron McCoy, Chris Gilson, Adam Marin, Anne and Steve Davis, Stephanie Adams, and Rachael Porterfield. My inner circle in Texas, these people have been my strongest advocates, shoulders to cry on, valuable sounding boards, constant supporters, and closest and most trusted confidantes.
This project would not be nearly as thorough or complete without numerous travels overseas to visit archives, museums, and special collections and the copious materials they contained on this topic. I have been fortunate to have been able to visit utilize resources from at least six countries on three continents, often with considerable financial support. I am most grateful to these organizations (see the “Contributors” section for the specifics) for giving me the chance to conduct my research. While these groups provided the finances necessary for this work, it was the many friends and colleagues that I met that afforded me the opportunity to make the most of the travels. Patrick Gilner and my GHI Archival Summer Study cohort of David Harrisville, Jessica Plummer, Nathan Zink, Nick Ostrum, Lauren Stokes, Jane Freeland, Noria Litaker, and Carla Heelan, and Clelia Caruso made up my initial abroad network that continued to grow upon each additional trip to Germany. I am especially grateful to the legion of friends that made my year as a DAAD fellow so special and transformative. Brenna Yellin, Peter van Lidth, Alissa Bellotti, Kathryn Julian, Riina Hyökki, Julie Ault, Caroline Nilsen, Lars Stiglich, Heidi Tworek, Maureen Zink, Sarah Black, Ian Button, Alex Ruble, and Sebastian Wüpper—not to mention many members of my GHI cohort-were critically important in helping me navigate my year as an expatriate scholar and leaving me with precious memories to last a lifetime.

Perhaps the most critical to my success in Germany and Europe was the support, guidance, kindness and Gemütlichkeit that the Müller family offered me whenever I found myself in Berlin/Potsdam. Without the love and friendship of Barbara, Mathias, Tobi, Carol, Franceska, Mario, Leo and Zoe, I would never have gained the confidence
to embrace the opportunity that lay before me. My deutsche Familie, not only did they provide me with a place to stay, but they also made me feel welcome and a part of the native environment as soon as I walked through their door. I owe the Müllers so much.

Another critical piece to the puzzle of my dissertation has been the cohort of colleagues and friends who share my interest in, and passion for, nineteenth century Germany and German imperialism. The German Historical Institute’s 20th Transatlantic Doctoral Seminar, convened by Anna von der Goltz and Richard Wetzell and with mentorship from David Barclay, Celia Applegate, Johannes Paulmann, and Ute Planert, brought many of us together initially, and the ranks of this close-knit group of scholars from both Europe and the United States has only continued to expand at successive annual meetings of the German Studies Association. I extend my deepest gratitude to Claudia Kreklau, Jason Wolfe, Sean Wempe, Adam Blacklear, Skye Donney, Norman Aselmeyer, Joshua Bennett, Joanne Cho, Lee Roberts, Christoph Kienemann, Katharina Steiner, Daniel Ristau, Marc Hanisch, Matt Unangst, Scott Berg, Tina Hanappel, and Eric Roubinek All of these scholars have been, key sources of information and ideas, excellent critics, and so generous, thoughtful, and supportive of me and each other as we launch our respective careers. Each one fills me with energy and enthusiasm for the topics that interest me and are the models for where I wish to see myself in the future and the type of educator and scholar I aspire to me.

To my colleagues at the Naval History and Heritage Command, I appreciate the support, encouragement, and probing questions you offered throughout this process; this work has reached greater heights as a result. Dan and Liz Roberts deserve special
mention for their kindness, friendship, and encouragement as I made my final assault on completing this work. I am truly lucky to count them among my closest friends.

Most importantly, I wish to extend my deepest thanks to my family. First to Jasper, the most recent addition to my family. While he may have big shoes to fill, he has done so admirably by being an immediate source of love and support as I moved through the last phases of my work. To my sister, Mellissa, for always being ready to offer a kind word or sweet photos and videos of my nephews, Evander and Harrison, to cheer me on. To my brother, Marshall, IV, who stepped in the provide whatever it was I required at all hours of the day-- objective criticism, a place to bounce off new ideas and share my struggles, and triumphs, and a willingness to read through every word in every draft to shape and sharpen my thoughts--even while in the midst of his own work.

Lastly, I thank my parents, Marshall, III, and Patricia, who have done and sacrificed so much to help me reach this point. Without their love, support, and guidance, I would still be searching for a topic, worrying about living abroad, or finding a way to complete my research and commit words to the page. Thank you from the bottom of my heart.

Finally, I offer my heartfelt gratitude to my dear sweet Houdini. A constant presence in my life long these twenty-one years, he was a steadfast companion and rock as I navigated the twists and turns and highs and lows that this process tossed my way. Never judging, he always knew when to give me space to work through a problem or offer some unconditional love to spur me forward. That you are unable to share this final triumph with me remains a pain that has not yet been salved. But, due to your presence and memory, and that of my father, I never gave up. You will always be in my heart.
CONTRIBUTORS AND FUNDING SOURCES

Contributors

This work was supervised by a dissertation committee consisting of Professor Adam Seipp (advisor), Chester Dunning, and Hoi-Eun Kim of the Department of History and Professor Randy Kluver of the Department of Communication.

All work for the dissertation was completed by the student, under the advisement of Adam Seipp of the Department of History.

Funding Sources

Graduate study was supported by the following fellowships from Texas A&M University: Dissertation Completion Fellowship; STAR Summer Writing Fellowship; and Murray and Celeste Fasken Chair in Distinguished Teaching in the Liberal Arts Graduate Student Fellowship. Graduate study was also supported by the following grants from Texas A&M University: Vision 2020 Dissertation Improvement Award; Association of Former Students Dissertation Grant; and Dissertation Research Grant.

External support for graduate study was provided by fellowships from the German Academic Exchange Service (DAAD), the German Historical Institute, and the Glasscock Center for Humanities Research at Texas A&M University.

The contents of this work are solely the responsibility of the author and do not necessarily represent the official views of any of the organizations listed above who contributed funded related to its research and compilation.
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CHAPTER I
INTRODUCTION
A LONG-DISTANCE RELATIONSHIP - UNDER THE EAGLE IN THE EMPIRE OF THE DRAGON

On 6 March 1898, Germany formally established its first colony in China on the Shantung (Shandong) peninsula after German forces seized control of the region at the end of 1897. According to the “Atonement Treaty” it signed with China, Germany would lease the city of Tsingtau and a fifty square kilometer zone of occupation from the Chinese government for ninety-nine years, to be known as the Kiaochow Leasehold.¹

Upon arriving in Tsingtau—the major prize acquired in the 1898 treaty—German officials found little more than a series of fortifications, a small army barracks, and an impoverished fishing village. The village’s main street was a narrow and dusty dirt road, and the buildings lining it were the former homes of fishermen and farmers, who, upon the German occupation of the village, sold their property to the newly-established colonial government and resettled in the villages further east.²

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¹ As a result of changes in transliteration and translation, Chinese names have several variations. To avoid confusion, I use the older English transliteration of Kiaochow (as opposed to the German Kiautschou or the contemporary transliteration Jiaozhou) to refer to the German leasehold proper. When discussing the administrative center of the colony, I will use the German designation Tsingtau (Tsintau during the first year of German occupation and Tsingtao in English) to refer to the colonial city established on Jiaozhou Bay. Qingdao refers to the contemporary city that ultimately passed into Chinese hands after World War I as a provision of the Washington Naval Conference of 1921–1922. The fishing village that was originally located on the future site of the German colonial city was also named Qingdao (and which Germans called Tsingtau), though its distinction from the contemporary city should be evident. In identifying other locations in China, I will generally utilize the spelling common during the period, with the contemporary name and spelling appearing in parentheses at the first mention, e.g. “Shantung (Shandong)” above.

off the village’s coast, provided an excellent natural harbor that represented one of the major attractions of Tsingtau as a site for a German colony. The Imperial Russian Pacific Fleet had wintered its vessels in the bay as late as 1894, and the harbor served as the base of operations for the recent German siege of the city following the murder of German missionaries at Juye in November 1897. Nevertheless, while the harbor was a suitable location for European naval vessels to anchor safely, it could only support a limited number of the modern vessels demanded by the growing Anglo-German naval rivalry. As the newly crowned center for Germany’s imperial presence in China and the Far East, Tsingtau was long on potential, but short on immediate value.

Today, Qingdao is a modern, bustling metropolis and one of the most important cities in China. Although the train station was recently renovated and expanded as part of Beijing’s successful bid for the 2008 Olympic Games (Qingdao was the site of the Olympic and Paralympic open water sailing competitions—a lasting legacy of the modern harbor that Germany built), the contemporary Chinese architecture is dwarfed by a Gothic German style a century old. Exiting the train station on Qingdao Road, salient features such as Gothic architecture, German churches, and German signs—below the Chinese name “Qing dao lu” on street signs appears “Qingdao Road,” “Qingdao Straße,” and “Wilhelmstraße”—come into view. German-style Ratskellers are a popular dining option in the city along with its signature local seafood, and many shops in Qingdao’s active downtown sell local beer from the world-renowned Tsingtao Brewery bottled and

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in kegs. Since its inception as a German colonial center, Qingdao has remained a European-style enclave in a land home to one of the most ancient and advanced civilizations in the world. In a place where the legacy of colonial domination has left a strong and bitter aftertaste, the people of Qingdao have a much more positive view of their past that is true nowhere else in China.

Such sights are a reminder of the complexities of German and Chinese history. The story of Germans who arrived in Tsingtau with visions of transforming a tiny fishing village into a bustling colonial center and built their homes and careers in Tsingtau is the basis of the global interaction between these cultures. From its foundation in 1898 until its formal surrender in 1918, Tsingtau and the Kiaochow Leasehold were an important part of the German Empire and an anchor of Germany’s presence in the Pacific. By establishing this colony on the Shantung Peninsula, Germany secured the long-standing wishes of a German China interest group that had been calling for a greater presence in Asia. In demanding a colony, members of this China lobby articulated unique visions of empire that would bring further prestige to Germany through the colony’s success and secure their individual objectives. While their specific ideas varied greatly, at their heart was that Germany should embrace a liberal, commercial model of empire: creating a “German Hong Kong.”

This study of the colony of Tsingtau examines German ideas about empire at the turn of the twentieth century. The 3500 Germans in Tsingtau and their supporters at home relied on a nexus of associations to create a commercial center to rival British Hong Kong, shaping attitudes at home and abroad about Germany’s imperial mission. Inspired
by new historical trends, this work examines mid-level state and military officials, academics, businessmen, and religious leaders, whom I call the “middle management of empire,” that built Tsingtau. The individuals who comprised this group of mid-level actors formed the bridge between the masters, commanders, company heads, and leading political officials that shaped policy and strategy in Germany and the actual experiences of establishing a meaningful German presence on the northern coast of China. These are the individuals who answer the critically important questions of how the German colony of Tsingtau came to be and who was responsible for understanding orders and objectives and implementing them as coherent visions of empire. How, for example, did you interpret broad directives from your superiors and turn them into successful expressions of policy that secured the support of the Imperial government in a land thousands of miles away from home; how did you develop an administrative structure that preserved Germany’s territorial security and dominance while also cooperating with a native population that outnumbered the non-native; how did you develop the infrastructure necessary to turn an undeveloped harbor and coastal village into a central axis of commerce and industry; how did Germany, relatively new to the “game” of imperialism and the practices of empire, turn a tiny fishing village with no infrastructure and a relatively small non-native population into a premiere naval base, commercial hub, trading entrepôt, and cultural center that rivaled the other major port cities of East Asia; and who were these individuals that worked under the decision-makers in Germany and what, exactly, did they do; who put the pieces of the “German Hong Kong” puzzle together, and how? In answering these questions, this work studies the business
managers, middle-men, officers, diplomats, missionaries, innovators, risk-taskers, and visionaries, as well as the new technology, improved tools, and ground-breaking systems that comprised the German colonial experience in China. This work examines the Germany’s imperial presence in China as “history from the middle,” exploring networks and ideas moving between Europe and Asia and the critical role Tsingtau played in Germany’s emergence as a world power.

The story of Tsingtau and the attempt to bring a liberal form of empire to bear undercuts and confirms our understanding about the intellectual and social history of German colonialism. While scholars of empire have shown an increased desire to look at colonial administration from the perspective of the colonists themselves, German colonial practices are still seen following a trajectory towards certain twentieth century illiberalisms. Tsingtau, then, offers a better understanding of liberalism within German imperialism. Creating a German Hong Kong thus reaffirms that a strong liberal impulse existed overseas in the Wilhelmine era. This global look at German colonial practices also helps reframe our understanding of evolving visions of empire and the alternate path this imperial project offered. The China interest group that pushed for a colony saw Hong Kong not just as an objective reality, but also a model for an international cultural, trade, and military center in which Germans and Chinese shared management of the colony, making it the central axis of influence in East Asia: a port that would rival and
even surpass the great centers of Asia, as well as a comfortable place to visit and conduct business: a mini-Germany in a foreign land.³

In studying the development of Tsingtau, I examine the creation and self-identity of a powerful colonial interest group in Asia. This group, which I call the “Middle Management of Empire,” included mid-career officers and diplomats, religious and colonial leaders, and commercial officials, all of whom had command authority in this far-flung outpost and substantial responsibility to their superiors in Germany. They had a vested interest in making Tsingtau appealing to their superiors because doing so enhanced their status, creating a vast nexus of associations as they pursued a variety of “fantasies” about the role and importance of the colony. As a result, they articulated liberal visions of empire that greatly shaped attitudes at home and abroad about Germany’s imperial mission. The modification of imperial policy that occurred as a result was influential in shaping the behavior of the colonials in Tsingtau. While contemporary historians looking back at the German colony might deem the pursuit of this insignificant because it did not last long enough for the different imperial vision pursued in Tsingtau to be fully realized, the colonists and the middle managers in charge of the Leasehold believed they were building a sustainable enterprise that would last for generations. That World War I interrupted their pursuits and brought an early end to this project is irrelevant. Rather, by understanding the colony from the perspective of

those responsible for this endeavor, we can gain a full picture of the various forms that
German Hong Kong vision of empire took and the ways in which German colonial
leaders sought to make this vision a reality.

Examining the imperial project through the thoughts and actions of, and polices
pursued by, Tsingtau’s middle managers provides a new lens through which we can
view imperial projects that other sources cannot provide. This is largely due to the fact
that these men and women on the ground in Tsingtau and the Leasehold needed to find
practical solutions to enormously complicated problems that could not be solved easily
in a region so far from home surrounded by a state whose population vastly
outnumbered the Germans and other Europeans living and working within the
Leasehold. One of the main reasons that colonial, naval, commercial, and diplomatic
leaders placed these middle managers in the German colony was because they possessed
the sort of intellectual flexibility that in turn fueled a desire to find compromise solutions
like that captured in the phrase “German Hong Kong.” By studying the actions of
colonial leaders in Tsingtau, this work explores networks and ideas moving back and
forth between Europe and Asia. As a result, I will show how Germany’s projection of
world power was built by people in a region far from home.

This study continues the efforts of historians to re-conceptualize the relationship
between central authorities and actors on the ground, contributing to our understanding
of German imperialism and its past in Asia. It tells the story of Tsingtau as the growth of
foreign policy from the ground-up: from the words of colonists directly responsible for
developing and implementing the agenda for Germany’s pursuit of global power. It also
explores Tsingtau as a part of the first wave of globalization, looking at this colonial project from a transnational perspective. I do this by studying the self-imagination of a global imperial project based on the interactions of middle managers with European and non-European empires. For many Germans, particularly ones with strong commercial ties, the creation of a colony in China would “fulfill the long-standing desire for a foothold on the coast that would serve German interests as Hong Kong served British.”

Advocates for a colony in China constantly invoked this vision, calling upon a model of colonial rule that envisioned a commercial capital that would be a comfortable place for Germans to visit: an international and culturally rich city. At a time when European powers began carving up China, Germany secured a foothold in Asia that the new colonists believed would allow them to implement their vision of a commercial empire that would rival all others: a “German Hong Kong.”

What, precisely, this phrase meant, however, and how this concept should become a reality remained broad and not especially well-defined, resulting in a variety of visions that both agreed and competed with each other. Some in the colony believed the best way to accomplish the goal of creating a German Hong Kong was to focus less on large-scale developmentalism and extensive territorial rule, turning their attention towards building a colonial base for the economic, cultural, and military penetration of the extensive hinterland outside the formal borders of the Leasehold. Rather than have this developmentalism result in the control over a large dependent territory, however,

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Germany could establish and maintain a broad but informal presence and influence in the regions beyond the German colony. Proponents of this particular vision of Tsingtau emphasized the role of the colonial government itself in supervising and guiding the growth and development of the colony. Furthermore, in order to create this “German Hong Kong,” leaders in Tsingtau would need to bring the Chinese in as partners in this colonial endeavor, finding ways in which German hegemony in the region could co-exist with vestiges of China’s formal political control. As such, the colonial government needed to devote considerable attention to creating a class of elite interlocutors who could operate in both the Chinese and German systems, offering these natives something akin to legal equality, even if they would not be treated as fully equal partners in the colonial project. Consequently, Tsingtau would become both a colonial base for the projection of German power and influence in China and East Asia, as well as a place where cultures interacted more freely, promoting commercial, industrial, and cultural projects that could aid Germany in its competition for control over global resources. This vision of a German Hong Kong saw Tsingtau as a representation of a more flexible form of empire that was more efficient, more dynamic, and less violent.

Other Germans in the colony, however, saw otherwise. Influenced by the prevalence of Sinophobia and more general racist notions about the superiority of western civilization, these Germans preferred to embrace the more traditional models of imperial rule that prevailed in European colonies throughout the nineteenth century. While agreeing that Tsingtau should become a modern cultural and economic center, these individuals advocated using “nation building” as the foundation for the control
over and development of a large dependent territory. By creating this central axis of
German influence and power projection, colonial leaders could this make the areas
outside their direct authority accessible to colonial agents for their economic, political,
and cultural projects of domination. Supporters of this version of a German Hong Kong
believed that establishing and maintaining clear boundaries and distinctions between
native and non-native populations was a core tenant of imperial rule. Thus, while the
Chinese would have to play a valuable role in creating a German Hong Kong, they
would need to do so within a segregated colonial space that entailed scientific
epistemologies, spatial segregation, and a dual legal system, all emphasizing
German/European primacy and authority.

As the notion of creating a German Hong Kong predominated throughout the
majority of the German occupation of Tsingtau and thoroughly permeated the life and
governance of the Leasehold, this work examines the pursuit of this vision thematically
rather than chronologically. Nevertheless, certain events took place in East Asia-often
near to or around Tsingtau-that were important to the development of Germany’s
presence in the Far East, even if they may not have been critical to the rule over and
development of Tsingtau. These moments often formed the backdrop for Tsingtau’s
growth and are worth bearing in mind.

Germans first established a sizeable presence in Shantung in the late 1870s and
1880s after the arrival of the first missionaries from the Steyl-based Catholic Society of
the Divine Word. Establishing themselves in Hong Kong in 1879 under the leadership of
Johann Baptist Anzer, these missionaries rapidly expanded their work into southern
Shantung, making this region the base and focus of their operation. Over the course of the 1880s, the German Navy began its quest for a base in China that it could use as an anchor for its presence the Far East, both to protect German merchants in the growing Chinese marketplace, as well as demonstrate the power and prestige of the newly-formed German Empire. On an 1882 visit to China to conduct geological and geographical surveys for the German government, Ferdinand Freiherr von Richthofen—an academic polymath who had established himself as a leading expert on China—identified Kiaochow Bay as “the biggest and best ocean harbor in all of northern China,” and drew attention to its “past and future importance.”

Von Richthofen and Anzer—along with prominent commercial, naval, diplomatic, and mercantile leaders in East Asia—were driving forces in calling for the acquirement of territory in China.

As the debate over what role Germany should play in China took shape in the years following German unification, three elite classes emerged in Wilhelmine Germany that fought for control and influence: a modern economic bourgeoisie, whose status came from wealth and property; nobility, derived from land and titles; and a middle-class intelligentsia (Bildungsbürgertum), based around education and culture. Each of these groups dominated various aspects of German politics, but none could claim predominance, as their individual views and interests could, and often did, converge.

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5 Ferdinand Freiherr von Richthofen, China, vol. 2 (Berlin: Dietrich Reimer, 1877), p. 262. Von Richthofen had made several large-scale expeditions—both private and sponsored by government organizations—to China in the 1860s and 1870s. His extensive writings and numerous speeches on China played a major role in shaping German perceptions of China as well as official colony policy there, particularly in the drive for a colony in China. Von Richthofen’s role in shaping the China debate is covered in greater detail in Chapter I.

6 Steinmetz, The Devil’s Handwriting, p. 49.
This was certainly the case in the debates about German China. The arguments for acquiring Tsingtau were marked by many of the same arguments that the other Western powers made about involvement in the conquest of China. Though no one group represented a single view on China, these voices were derived from the varying views on China that had existed since at least the end of the eighteenth century, Sinophilia and Sinophobia. Much of the complexity that later occurred in laying out a concrete policy in Tsingtau stemmed from intra-elite battles centered on securing a specific vision for Tsingtau.

Nevertheless, even as Sinophobia was reaching its peak during the late nineteenth century, German discourses on China at the time of the annexation of Tsingtau remained exceedingly multivocal and deeply layered. While Sinophobia attempted to condemn the Chinese, it also inherently recognized China’s continued cultural and political power, which could not be subjugated fully. Consequently, Sinophobia contained an implicit understanding that some sort of partnership with the Chinese had to exist, even if it were on a very limited basis. Meanwhile, the exaltation of the Chinese that came from Sinophilia usually construed China as a place that did not even need colonization. This meant that individuals in Tsingtau were often both sinophilic and sinophobic, either at the same time or vacillating over the course of a career and depending on circumstances. As Tsingtau was an enterprise that always depended on partnership with the Chinese, however, there was an inherent bias toward those who wanted to treat the Chinese well, even if there also existed a great deal of ambivalence (and hesitation on the part of some) about making them equal partners.
Occupying a space somewhere between Sinophobia and Sinophilia was a third, and wholly unique, view on China: Sinomania, an offshoot of Sinophilia based on the writings of the French philosopher, Voltaire, that held considerable sway in intellectual circles. Sinomania was centered on the empirical study of China in order to find ways to better European civilization. Often, sinomaniacs took their Sinophilia to the extreme, creating hybrid identities for themselves by embracing certain Chinese beliefs and practices they found appealing and fusing them to their own cultural traditions as necessary. It was this coterie of academic sinomaniacs that played an important role in complicating and refining the views of prominent Germans involved in the debate on China such as von Richthofen and Bishop Anzer. Scholars such as Johann Heinrich Plath, one of the first German historians to study Chinese history, wrote numerous books and articles defending China and rejecting “the huge prejudice that Chinese history shows no progress or development.” In many cases, Plath drew upon Chinese sources in his studies, something few of his peers even considered. Other academics such as Otto Franke, a professor at the University of Berlin, criticized those who believed that China threatened to poison the rest of Europe with its decadence unless forcibly checked. He agreed with his colleague, and fellow sinomaniac, Wilhelm Gruber that the notion of Chinese cultural stagnation was the result of a complete ignorance of Chinese culture and society. Ultimately, these sinomaniacs argued that Germany needed to take a more

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9 Steinmetz, *The Devil’s Handwriting*, p. 376.
pragmatic approach in China. Germans should pursue something akin to a fusion of the best features that German and Chinese culture offered, allowing for the creation of a hybrid native elite that could guide Chinese growth and development. These individuals shared a view of China that was positive and came to believe that this country could develop and modernize on its own, with just the support of Europeans to guide this process.

By the 1890s, as Germany came to play an increasingly prominent role in Chinese affairs, including acting as the lead mediator in negotiating the peace treaty that ended the Sino-Japanese war in 1895, demands for securing a sphere of influence in China grew louder and more frequent. Nevertheless, it was not until the academic, religious, naval, and commercial leaders in East Asia were able to take advantage of domestic politics that they were able to turn their desires into state policy, leading to the creation of a powerful, largely Catholic, interest group. Initially a faction of loosely-connected partisans centered around the leading academic on China, Ferdinand von Richthofen, these individuals pushed for a German colony in China on the basis of an enduring cultural critique of China. When the interests of these academics, businessmen and other mid-level officials met with those of the Catholic German politics, this group became politically useful to a party that was also politically valuable to the Imperial Naval Secretary, Alfred Tirpitz.11 As the demands of the Anglo-German Naval Race compelled Tirpitz to turn to the Catholic Center Party for their crucial vote of support for his Naval Bill, he promised to promote an increased German presence in the Far East to

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11 Tirpitz was not ennobled until 1900, at which time he became known as Alfred von Tirpitz.
protect the increasing number of Catholic missionaries there. As Bishop Anzer’s leadership and actions in Shantung continued to irk Chinese provincial leaders, attacks on missionaries and Chinese Christians became increasingly frequent and violent. Following the murder of two prominent members of the Steyl Mission on 1 November 1897, Germany finally had the pretext to take control of Qingdao (an ancient Chinese fishing village upon which the German colonial city would be built) and establish a sphere of influence in China, the Kiaochow Leasehold.¹²

Upon establishing the Leasehold, German policymakers in the Foreign Office, the Colonial Office, and the Reichsmarineamt (among others) advised Kaiser Wilhelm II and Chancellor Bernhard von Bülow that Germany should not make Tsingtau a settler colony, as the logistics and the costs were prohibitively high. As Wilhelm and von Bülow agreed that this seemed the best course of action, the German population in Tsingtau remained relatively small. Germans with special skills and experiences in trade, engineering, construction, geology, and Chinese studies were specifically targeted and encouraged to populate Tsingtau, with less emphasis placed on the recruitment of families and women. As a result, the colonial leadership recognized the Chinese would have to play an important role in the colony. What role and to what extent that would be, however, remained open and up for debate throughout the period of German occupation. Initially, Colonial policy limited the natives’ role in the Leasehold. In laying out early plans for the colony’s development, the naval administration built a “racially segregated,

¹² For more on the history of the original village, including the army barracks that had been established there in 1892, see, Zhang Shufeng, “Li Hongzhang yu Jiaozhouwan,” pp 66-80.
military-bureaucratic enclave” that sought to impose German dominance built on territorial control and bounded space. Such a plan of development was based on the classical imperial vision of empire in which “‘nation building’ and developmentalism went hand in hand with extensive territorial rule” that dominated nineteenth century imperialism.

Colonial practices and responses to Chinese activity within the Leasehold and Shantung proper during the first years of the colony were generally harsh, predicated on segregation and anti-Chinese hatred, not unlike how German imperialists treated the native population in its African colonies. Chinese settlements, including the original fishing village in Kiaochow Bay, were razed and the resident population forced to resettle, usually far away from new German developments or, at best, in one of the segregated districts in the newly constructed city. The colonial government established a dualistic legal system in which the Chinese were held to the standards of both German and Chinese law, whereas Germans and other Europeans and Americans were only bound by the laws of their country of origin. As Chinese villagers attempted to protest, disrupt, and harass German attempts at constructing roads and railroads to important

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cities such as Tientsin (Tianjin) and the provincial capital of Tsinan (Jinan), the Germans responded by burning and sacking Chinese villages and temples, seizing prominent village leaders as hostages, participating in the wholesale massacre of entire villages, and even establishing military fortifications and garrisons well outside the leasehold’s borders.

The tensions that developed between Germans and Chinese in these early years occurred against the backdrop of the growth of anti-Western secret societies in Shantung (one of the hotbeds of such activity in China) in the late 1890s that culminated in the Boxer Rebellion in 1899-1900. Although the Boxer Rebellion was directed more generally at the unfair treatment of China at the hands of foreign powers, the German missionary and colonial presence in Shantung played an important role in sparking the uprising. As the rebellion had its origins in regions of Shantung close to the Leasehold, Germany played a critical role in the joint expedition of the Great Powers that was dispatched to quell the revolt and liberate the diplomatic legations in Peking (Beijing), agreeing to send twenty thousand troops to China. Tsingtau played a key role in this regard as well, as its newly established military force, the III. Seebattalion, sent divisions to Tsinan and Peking, where they participated in some of the major battles of the uprising.

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Rebellion. Divisions of the battalion also engaged in expeditions against the Boxers and their supporters in the Leasehold. The first few years following the Boxer Rebellion represented perhaps the apogee of Sinophobia in German colonial discourse, just as the colonial regime in Tsingtau was beginning to firmly establish its policy of colonial rule.

At the end of the Russo-Japanese War in 1906, however, German policy shifted away from this traditional model of colonialism, based around violent expansionism and racial separation. Following a series of conflicts, protests, rebellions, and increased competition from its rivals (most notably the recently concluded war between Russia and Japan that occurred largely in Tsingtau’s backyard), the naval administration began to embrace an alternate vision of empire. This vision, despite its lack of clear articulation, had persisted since the inception of an active pursuit of a German presence in China: the creation of a German Hong Kong. Instead of dominating and developing a large dependent territory, colonial leaders in Tsingtau focused their efforts on building up Tsingtau as a colonial base from which German officials could establish and preserve a much larger, informal colonial presence committed to influencing the native population to support German interests in the Leasehold and beyond. Consequently, colonial leaders withdrew German troops back into the Leasehold’s borders and stopped trying to provoke conflict with the provincial government, instead trying to find common ground for compromise to ensure, at least on some level, that both sides could secure their policies objectives. The naval administration implemented and supported a program of cultural interaction and rapprochement between Germans and Chinese that would encourage something akin to a partnership, even though it remained unequal. Although
Chinese elites never gained fully equal rights to Germans and other foreigners in the colony, they colonial government came to regard them as citizens (*Bürger*), the hallmark of which was that these wealthier Chinese were allowed to participate in the election for the governor’s mixed Chinese-European advisory council, an institution of native “self-government” unique to the German colonies, and fairly rare in other European ones.

As a result of this change in policy, Tsingtau grew rapidly. The completion of roads and railroads, as well as the modernization of the harbor allowed trade, commerce, and industry to flourish, and the rise of the burgeoning tourist industry in Europe and the United States saw Tsingtau emerge as a premier travel and tourism destination in the Far East. The native Chinese population steadily rose, bolstered further by the influx of Chinese capital and Chinese-owned businesses into Tsingtau. Many of the individuals who swelled the ranks of the Chinese elite in Tsingtau came from the Leasehold and other parts of the province, particularly major centers such as Tientsin and Tsinan, but also from neighboring regions and cities as well. Although their reasons for joining the Tsingtau community varied, many of these elites were attracted by the modern, high-end facilities the naval administration built, as well as the city’s reputation for promoting a relatively good working relationship between Europeans and Chinese.

This development was particularly acute following the Xinhai/Republican Revolution of 1911, which saw many Chinese elites aligned with the newly-deposed Qing Dynasty fleeing to the city in exile. These individuals saw in Tsingtau an example of what China could become with proper channeling of the impulse for modernization and development, as well as the means to achieving this goal. During a September 1912
visit to Tsingtau, Sun Yat-sen, the former president of Republican China, told students in a speech at the newly-established German-Chinese college that Kiaochow was “a model settlement for China,” and continued by saying, “in three thousand years, China has not achieved what Germany did in Kiaochow in fifteen years.”

If China wanted to return to prominence once again as a leading power in the world, these intellectuals argued, it needed to develop more places like Tsingtau, replete with citizens who had the modern education, training, and inspiration to transform their country.

During this period, the colonial government partially lifted its ban on Chinese living in the European districts of Tsingtau, a recognition of the prominent and important role these exiles could play in furthering Tsingtau’s evolution into a German Hong Kong. Working with the progressive Weimar Mission, the naval administration invested heavily in education in the Leasehold, including establishing Chinese schools at all levels that utilized a mixed European and Chinese curriculum. The hallmark of this policy was the establishment of the Deutsch-Chinesische Hochschule, which employed both German and Chinese teachers and offered degrees in a variety of fields that would easily support the colonial vision for Tsingtau and which the Chinese government recognized as an acceptable prerequisite for the entrance examinations to the national university in Peking. The law and politics faculty at the Hochschule taught Chinese and European law and encouraged a cross-cultural interaction that would allow Chinese

lawyers to fill out German legal documents using Chinese legal terminology and procedures, as well as help German students learn from the traditions of Chinese law.¹⁹

In this decade before the start of World War I (and the de facto and abrupt end of German rule in the Leasehold), this cross-cultural exchange with the Chinese saw many middle-class translators and Sinologists working within and alongside the colonial government and the German foreign service stationed in China come to identify with and admire Chinese mandarins. As these educated middle-class Germans—many seeking ways to live and work with Chinese elites—rose to prominence, they gained greater influence in shaping the direction of Tsingtau and the Leasehold’s growth, further enshrining a policy committed to their particular vision of a German Hong Kong. Such a plan for development found considerable support and encouragement from the colonial government, the Reichsmarineamt, the Foreign Office and the legation headquarters in Peking, all of whom agreed that the best path for ensuring Tsingtau’s future success was to move away from the direct colonialism based around cajoling the native population to submit to imperial rule and instead make use of less direct methods of rule that were focused on influencing and working with the Chinese as a potential ally.

As Prasenjit Duara argued in his study of Japan’s rule of Manchucko, this shift in colonial policy represented a form of “new imperialism,” in which the link between empire and nation-building was weaker and much more tenuous. Duara rightly points out that, while this form of empire-building was a hallmark of the Cold War, much like

globalization, its origins can be dated to the turn of the twentieth century. Indeed, while colonial powers still sought to limit native sovereignty through force or the threat of using it and relied on the notion of benevolent influence to “uplift” native populations, the reasoning for doing so had shifted. This new vision of empire, in which the creation of German Hong Kong clearly fits, was “much more global” in its outlook “yet made fewer commitments involving any particular place.”

Consequently, in pursuit of this new vision for Tsingtau, the naval administration and colonial leaders sought to make Tsingtau into “a colonial base for the projection of German power in East Asia, as well as a fluid zone of contact between cultures and a place where experiments in commerce and communication emerged.” The colony expanded greatly as a result of this shift in outlook, and colonial leaders initiated a program of cultural interaction and exchange, allowing Tsingtau to flourish. The colonial society that developed was “a highly diffuse zone of contact [that] produced a broad range of liminal identities and collaborations that thrived in its ambivalent circumstances.”

“Zone of contact” as a term that Eric Wolf coined in his study of cultural identity in the Italian Alps describes an area where “foci of cultural contact in a zone of dispute can stimulate cultural dissonance” as well as conflict, cooperation, and engagement.

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22 Ibid., p. 143.
In the case of Tsingtau, the zones of contact that Germans and Chinese found themselves in were places where different social groups and networks could exercise, contest, negotiate, and cooperate in demonstrating their power and agency. In governing Tsingtau and the Leasehold Germany had to move beyond the practices and limits of the formal colonialism of the nineteenth century in order to gain greater control over global resources and power and secure its position as a *Weltmacht*. As settler colonies became more the exception rather than the rule in colonial models by the end of the nineteenth century, European states had to figure out how to staff and manage colonial enterprises without a massive influx of European personnel as colonizers. This meant some sort of arrangement with local elites, whether in “direct” or “indirect” models of rulership. The semi-colonial condition that manifested itself in Tsingtau challenged the middle-managers in the colony to rethink and reform German colonial policies and practices, particularly in terms of how to convince the native population that it was in their interests as well to support such a policy. Given the small size of the German colonial population relative to the Chinese and the fact that a sovereign Chinese state surrounded the Leasehold on all sides, the Germans certainly needed the Chinese more than the Chinese needed the Germans. One of the appeals of the German Hong Kong model from the Chinese side, then, stemmed from the fact it provided an opportunity for the provincial government in Tsinan to exercise greater authority vis-à-vis the Leasehold, limiting the direct advance of German power beyond the Leasehold’s borders.

While Tsingtau might be seen as an afterthought today, on the eve of World War I that perception was neither pre-ordained nor evident. Not only does this reveal new
ideas about how Germans envisioned colonization, but that Germany was a key player in early globalization and that its presence in East Asia was an integral part of Germany’s global power projection. The German Hong Kong vision that colonial leaders embraced reflected a new and far-reaching step in transforming the practices of empire, from “direct control over territory to a flexible deterritorialized form of domination that cultivates imperial connections to noncitizen subjects in ambivalent and opaque circumstances.”  

Although the concept was relatively fluid and ever-changing, the idea of a German Hong Kong was, at its core, modeled on British commercial centers in East Asia and India. While a colonial governor would control Tsingtau, Germans and Chinese would engage in a peaceful coexistence. Access to China’s markets was critical, and so Germans needed to work with the Chinese, even as they held racist attitudes toward them. The problem of racial thought in Germany and Europe at the turn of the twentieth century is critically important to understanding how Germans in China tried to find a means to bring the German Hong Kong vision to fruition. With the conquest of Africa and the subjugation of the Pacific and Southeast and East Asia, modern colonizers found specific ways in which they could justify to themselves their domination over native

24 Mühlhahn, “A New Imperial Vision?” p. 143. Indeed, while the practices and expression of this new form of imperialism were unique and the first of their kind, Germans in Tsingtau drew upon a much older model of rule for inspiration, namely the ways in which Britain governed the crown colony of India during the eighteenth century. This mode of imperial rule is best described by Jon E. Wilson in his groundbreaking study, The Domination of Strangers: Modern Governance in Eastern India, 1780-1835 (London: Palgrave Macmillan, 2008). Of course, the concept of British rule in Hong Kong also strongly influenced the colonial government in Tsingtau; Fred Y. L. Chiu, “Politics and the Body Social in Colonial Hong Kong,” in Formations of Colonial Modernity in East Asia, ed. Tani Barlow (Durham: Duke University Press, 1997), pp. 295-322, offers an excellent analysis of British governance in late colonial Hong Kong.
populations. As Partha Chatterjee has argued, “the assumption of the essential difference and incorrigible inferiority of the subject population is structurally inherent in the modern colonial state. Barriers are erected against recognizing the colonized as civilizational or human equals.”

The seizure of power by a foreign state, as well as what Chatterjee calls “the rule of difference” are the defining characteristics of modern colonialism, something that the Germans who came to Tsingtau in 1897 certainly had in mind as they sought to realize their visions of Empire. This form of political dominance in the colonial context, in which “a group of people actively maintain their strangeness from the population whom they dominate”-was one of the important lessons that the Germans drew from British efforts in India and Hong Kong, as well as an important point of divergence from the British model in the later years of the German colony.

Such a rule of difference was necessary because, as Hannah Arendt wrote, “no nation state by the nineteenth century could try to conquer foreign peoples with a clear conscience, much less keep foreigners in a permanent state of unequal rights, unless it could define those peoples as inherently inferior.” The arguments for treating native populations as inferior drew on concepts of biological race, civilizational decline, social underdevelopment, and cultural shortcomings.

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26 Wilson, *Domination of Strangers*, pp. 190-191.
In applying the rule of difference, colonial governments sought to impose dual structures that applied separately to nonnatives (in the case of Tsingtau, this meant Germans, Europeans, Americans, and Japanese) and natives (Chinese). In the early years of Tsingtau the colonial administration expressed this dual structure most clearly through separate legal systems and the initial plans for the city. The architects of the new colonial city designed separate neighborhoods for the Chinese middle-class and laborers, and the only Chinese initially allowed to live in the European districts were servants. Although recent scholarship has revealed the “fragile and porous character of the binary identities…on which the colonial other depended,” the state’s continued effort to reinforce such a binary served as a guide for much of the activity that took place in the colony.28

Despite the racist attitude and ideologies that overlay the German presence in China, many of the Germans on the ground in the colony quickly recognized that, regardless of what they might think of the native population, they needed the assistance of the Chinese in order to help create a German Hong Kong and make it a success. As a result, while colonial leaders in Tsingtau did not usually look upon the local populace, particularly the more well-educated and skilled Chinese, as equals, they rather saw them as people who could play a key role in the colony as a special interlocutor class. In devising this policy—which I call Bildungsauftrag—colonial leaders supported plans to train, educate, and support the native population in order to create a class of local elites

Dennis Sweeny, “Pan-German Conceptions of Colonial Empire,” in Naranch and Eley, pp. 265-283; Steinmetz, Devil’s Handwriting, pp. 27-41.
who identified with both German and Chinese culture. This policy would provide the

cutting-edge training and education necessary for Chinese citizens to rise to prominent

positions in the Chinese civil service, courts, industry, businesses, and local

administration, while also engendering a cross-cultural identification that would

encourage them to be sympathetic and loyal to German interests in China and the Far

East. In doing so, Germany added to the growing list of methods that the powers of the

world pursued in seeking power and dominance in China and the Far East. Whereas the

United States tried to save the Chinese soul through missionary work, the British and

French tried to secure Chinese wealth through investment, trade, and commerce, and the

Russians and Japanese sought to utilize military might to conquer the Chinese, Germany

sought to win over China by targeting the Chinese mind.

Nevertheless, there existed a great deal of ambiguity about just what the Tsingtau

project was supposed to be and how it was supposed to work. Although all parties

involved in this colonial endeavor shared the vision of a German Hong Kong, they

agreed on little else, particularly when it came to turning theory into practice. The

Chinese were supposed to be partners in pursuit of this goal, but there was clearly a great

deal of reticence on the part of some Germans to allow the Chinese-even those that

became a part of the special interlocutor class-to participate fully. Chinese elites were

encouraged to partake in a variety of social organizations and activities in order to

encourage the Chinese to visit and be a part of the life of the colony and show how

modern and developed Tsingtau had become, for example, but whether they could be co-
equal members of the same with Germans varied considerably. In the case of the elite
Tsingtau-Klub, German businessmen and other prominent individuals showed little desire to invite their Chinese counterparts to join until very late in the life of the colony, leaving native elites to form their own social organizations that operated alongside the club. Conversely, however, prominent Chinese businessmen were permitted to become members of the local Handelskammer (Chamber of Commerce) as early as 1904, an early moment in recognizing the important role of the Chinese in the colony’s success.

Not only did parts of the German population hold such reservations, but also certain members of the native elite as well. These Chinese wanted to see the German influence limited in the Leasehold and the region more broadly; while they may have envisioned a partnership with the Germans, it was one in which China, not Germany took the lead. Chinese guild and trade organizations remained extremely popular among native business leaders, and these groups remained a major factor in shaping commercial policy in the Leasehold throughout the colony’s life. Furthermore, although many of the exiled intellectuals that came to Tsingtau after the 1911 republican revolution lauded the city as a model for what needed to occur in cities across China, they expressed this view with an eye towards what the Chinese themselves needed to accomplish, without formal assistance or interference from foreign powers. Nevertheless, other prominent Chinese individuals, such as Yuan Shikai (the governor of Shantung, 1899-1902), worked with colonial leaders to promote close cooperation between Chinese and Germans in the pursuit of shared interests. The working arrangement that Yuan formed with Tsingtau’s governor, Oskar von Truppel (1901-1911), was instrumental in laying the foundation for
the educational system in the leasehold that ultimately resulted in the establishment of the Deutsch-Chinesische Hochschule.

The German Hong Kong project, then, reflected a spectrum of engagement on both sides, from Chinese elites who enjoyed living or spending time in Tsingtau to Germans who truly wanted to develop a modus vivendi with the Chinese – all the way to people on both sides who distrusted or disliked each other. Despite these ambiguities, however, both parties recognized certain core ideas that could help define the German Hong Kong vision, even as it remained difficult to pin down its exact meaning. Rather than create a colony that would just funnel raw materials and manufactured goods to Germany, local elites—both German and Chinese—would create an international port, cultural center, and military base: a rich and prosperous city the other Great Powers would envy. Tied up with this vision of an East Asian commercial center was the idea of extending the German Heimat.²⁹ While this idea was applied differently in Tsingtau than in West Prussia or Africa, a “German Hong Kong” elicited an image of Tsingtau as an integral part of the German empire, as much German as Hamburg, Bremen, or Munich.³⁰


As a result, not only Germans, but Europeans, Americans, Japanese, and Chinese would find it desirous to travel to and do business in Tsingtau, further enhancing the city’s reputation and prestige as a thoroughly modern, culturally developed, and prosperous locale that fused the best features of modern Europe with Chinese traditions.

In making Tsingtau a significant colonial enclave, the colonists formed large diverse networks as they positioned Tsingtau as crucial to Germany’s emergence as a global power. To the Germans in Tsingtau, the colony stood for many things: a base to spread Christianity and western ideals; a chance for glory and furtherance of one’s career; the opportunity to derive great wealth and profit; a place to build a colony that was the envy of other Imperial Powers; even a chance to spread German culture and Heimat. To meet these expectations, the colonials created a vast network of associations, forming a society that developed as a result of concerns stemming from the major events of this era. The colonists believed they were a valuable piece of the Empire and crucial to its claims as a world power, seeing Tsingtau as a port that would rival and even surpass the great centers of Asia: Singapore, Shanghai, Hong Kong, and Tokyo.

The arrival of World War I in 1914 brought an abrupt and unexpected end to the colonial project in Tsingtau. While the standing military forces stationed in Tsingtau—the III. Seebattalion and the East Asia Kreuzergeschwader—and the various ad hoc infantry and volunteer defense forces fought valiantly to defend the city, the colony ultimately surrendered after a three-month siege by a joint Japanese-British force. Although it is

impossible to predict what Tsingtau might have become had colonial leaders been able to continue their pursuit of a German Hong Kong, Tsingtau was well on its way to securing this objective reality. Tsingtau had achieved a thoroughly modern character, was well-connected to major cities in China, the Far East, and overseas, and was proving to be a significant draw to Chinese, European, American and Japanese investors, travelers, and mid-level elites. Though it would never become immensely profitable as a colony-something that Tirpitz and his supporters recognized was highly unlikely-it served as a key projection of Germany’s global power projection and a critical component of its presence in China and the Far East.

In surveying the corpus of literature on the German Empire and the theories and analyses scholars have produced, Bradley Naranch very aptly observed that “writing the history of German colonialism has never been simple.”[^31] Although researchers have produced histories and studies of Germany’s overseas territories since Germany actually possessed its colonies,[^32] the field of German colonial studies itself did not truly begin to take off until more recently. The 1980s saw an increased interest in Germany’s colonies, and in the early 1990s colonial scholars began examining German imperialism in new ways.[^33] Even with this explosion in literature and exploration of new topics and ideas, 

the overarching theme of many of these works continued to treat German colonialism as a supporting character in the wider sweep of modern German history. Given Germany’s tragic path in the twentieth century, many of these histories viewed the colonial era as directly connected to Nazi racial policies and imperialist designs in Eastern Europe. In pursuing such lines of study and inquiry, scholars “did little to alter the dominant tone or trajectory of historical research; [they] merely confirmed what was already known from other sources about the dynamic but unstable nature of German society prior to World War I.” Despite the perhaps limited scope of the conclusions that those works reached, however, they provided tremendous value in laying bare Germany’s exceedingly violent and brutal colonial past (particularly its treatment of native African populations) at a time when other former colonial powers were still coming to terms with their own. Furthermore, these studies offered a critical counter-narrative to Weimar and Nazi histories of German imperialism that attempted to present German colonial endeavors as “progressive” and “beneficial” in helping Africans, Asians, and Pacific Islanders enter into the modern world.

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As academic and scholastic circles in German history finally began to feel the effects of the end of the Cold War in the mid-1990s, German colonial studies began to experience a bit of a renaissance, as scholars took on new topics, narratives, ideas, and approaches to this important part of Imperial German history.\(^{37}\) As the looming spectre of the *Sonderweg* began to fade from view and Germany no longer had to be seen as inextricably following a single path forward towards Nazism, new models and analyses emerged that were inspired by the myriad theories and practices of postcolonial studies, a field that was also seeing something of a revival at this time.\(^{38}\) With such a great preponderance and flourishing of new works on the various colonial empires of the past not just in Germany but also in Europe and North America, combined with a strong push to help Germany come to terms more fully with its difficult past, Germany’s overseas empire and its legacy finally began to occupy a space of prominence in the study of modern German history.\(^{39}\)


With the shift in the narrative of German imperialism and its interpretation, the field of German colonial studies took off in a multitude of new directions. Freed from having to pursue studies whose logical endpoint had to be the two world wars, the first wave of new scholars were able to approach German colonialism from a much longer and wider view, a critical step forward in understanding “an extensive genealogy of racism, xenophobia, and right-wing violence.” Laurence Naranch, “German Colonialism Made Simple,” p. 2. Examples of these works include Zantop, Colonial Fantasies; Nina Berman, Impossible Missions? German Economic, Military, and Humanitarian Efforts in Africa (Lincoln: University of Nebraska Press, 2004); and Isabel Hull, Absolute Destruction.

Scholars also looked for links to Nazism through colonial policies, especially the annihilation of the Herero and Nama in Southwest Africa. The rise in prominence of women’s history and gender and sexuality studies further expanded the reach of this renaissance in German colonial historiography, as some of the most prominent works in these fields explored German settlements overseas and delved deeper into the colonial movement at home.

Another fertile ground of development came from scholars studying the Holocaust and the Third Reich, who have examined ways in which the racial policies and genocide of this era were connected to German colonialism. Colonial warfare and

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40 Naranch, “German Colonialism Made Simple,” p. 2. Examples of these works include Zantop, Colonial Fantasies; Nina Berman, Impossible Missions? German Economic, Military, and Humanitarian Efforts in Africa (Lincoln: University of Nebraska Press, 2004); and Isabel Hull, Absolute Destruction.

41 Hull, Absolute Destruction; Drechsler, Let Us Die Fighting; David Olusoga and Casper Erichsen, The Kaiser’s Holocaust: Germany’s Forgotten Genocide and the Colonial Roots of Nazism (New York: Faber, 2010).


43 The debate on this topic are certainly very complex and multi-faceted. Two excellent overviews and explorations of this topic are Dirk A. Moses, “Colonialism,” in The Oxford Handbook of Holocaust Studies, edited by Peter Hayes and John K. Roth (London: Oxford University Press, 2011), pp. 68-80, and
native resistance, particularly in German Southwest Africa inspired new debates about
the genocide of the Herero and Nama and the role it played on influencing future Nazi
ideology and practices. Other works studied generational connections of Nazi leaders
like Hermann Goering, whose father was the first governor of Southwest Africa.

A further critical recent development in the historiography is the reexamination
of earlier works on German imperialism and its legacy, shedding new light on core texts
with the benefit of new primary source and archival materials. Most recently, scholars
have moved towards situating imperialism at the heart of popular culture, treating
colonialism as a key part of the Second Reich. As a part of this new direction—and
building upon the work of Sebastian Conrad, Shelley Baranowski, Suzanne Marchand,
and Kristin Kopp—I will write a history that sees colonialism as a nexus of interests
centered on the colony itself.

Suzanne Marchand and David Lindenfeld, eds., Germany at the Fin de Siècle: Culture, Politics, and Ideas (Baton Rouge: Louisiana State University, 2004); Suzanne Marchand, German Orientalism in the Age of Empire: Religion, Race, and Scholarship (Cambridge: Cambridge University, 2009); Michael Perraudin and Jürgen Zimmer, eds., German Colonialism and National Identity (New York: Routledge, 2011); Kristin Kopp, Germany’s Wild East: Constructing Poland as a Colonial Space (Ann Arbor: University of Michigan, 2012).
While German colonial studies continue to branch out, Germany’s role in the Pacific remains understudied, although the corpus of literature has continued to grow.\textsuperscript{48} None of the works that study Qingdao offer a complete examination of the colony. Rather, these works put the colony into broader contexts such as German navalism, or make it the focus of theoretical works, such as George Steinmetz’s sophisticated study of colonial identity and ethnography.\textsuperscript{49} As scholars explore new methodologies, they have moved away from seeing German colonial policy as monolithic. By shifting the focus to life in the colony, scholars have found other ways in which Germans envisioned their role in the empire. The models that garner the most attention are ones directly related to German Africa (exploitation of the native populations and raw materials) or Eastern Europe, which stressed the expansion of Heimat and preservation of ethnic purity in historically German lands.\textsuperscript{50} In the few studies of German colonialism in Asia, the concept of a German Hong Kong (and the competing visions therein) has received little attention; some works note this vision of empire and its use, but none have studied it in particular detail.\textsuperscript{51}

\textsuperscript{48} Eric Berg, \textit{Rise and Fall of the German Pacific Empire} (Queensland: Blinda-Berg, 1994); Charles Stephenson, \textit{Germany’s Asia-Pacific Empire: Colonialism and Naval Policy, 1885-1914} (Woodbridge: Boydell, 2009).


In studying middle managers of empire, I am building upon a new emphasis on “History from the Middle.” In a recent article, Paul Kennedy noted a neglect of “mid-level History, the analysis of how things got done, and who did it.”\textsuperscript{52} Such an approach is common in other fields, especially business.\textsuperscript{53} Historians, however, have been slow to study mid-level actors.\textsuperscript{54} Mid-level causal history is key to understanding the significance of history from above and below. While imperialism itself is an abstraction, it was the middle management of empire who were the faces and voices of that abstraction and who lived and shaped the colonial experience in Tsingtau.

Recently, historians have had increased interest in breaking away from national narratives and exploring topics such as nationalism and state expansion globally and transnationally. As a result, scholars are now examining globalization during the late nineteenth and early twentieth centuries as well as transnational studies of colonialism and imperialism.\textsuperscript{55} With this rise in interest in the roots of globalization and transnational history, scholars have identified German colonial history as a field filled with possibility.

\textsuperscript{53} Paul Osterman, \textit{The Truth about Middle Managers: Who They Are, How They Work, Why They Matter} (Boston: Harvard Business, 2008); Steven Floyd and Bill Wooldrige, \textit{The Strategic Middle Manager} (San Francisco: Jossey-Bass, 1996); Cherlyn Granrose, \textit{The Careers of Business Managers in East Asia} (Westport, CT: Quorum, 1997).
\textsuperscript{54} D. R. Hedricks, \textit{Tools of Empire: Technology and European Imperialism in the Nineteenth Century} (Oxford, 1981) and Paul Kennedy, \textit{Turn of the Tide: How the War was Won from Casablanca to D-Day} (London: Penguin, 2012) are two notable exceptions.
in enhancing our understanding of both areas.\footnote{Conrad, \textit{Globalisation; German Colonialism: A Short History}, translated by Sorcha O’Hagan (New York: Cambridge University Press, 2012); Dirk van Laak, \textit{"Uber alles in der Welt. Deutscher Imperialismus im 19. Und 20. Jahrhundert} (Munich: Beck, 2005).} My dissertation is an important step forward in this regard, as one of the appeals of the short-lived project in Tsingtau was that colonists and colonial administrators emphasized cooperation with the native Chinese. While earlier studies wrote the Chinese out of the story of Tsingtau, I explore transcultural borrowings and influences that affected Germany’s globalization and the ways in which it viewed its growth as a world power.

Each chapter of this work studies an element of the colony crucial to expressing the German Hong Kong vision for Tsingtau. Treated thematically, they focus on major developments in the colony, problems and challenges encountered in trying to define what the colony should be, and the overall progress made in laying the foundation for Tsingtau’s further growth and success. Chapters I and II detail the pre-history and early history of Tsingtau and the Kioachow Leasehold, before the German Hong Kong vision began to take serious hold. The first chapter studies the foundation for the Hong Kong model, examining how a diverse collection of academic, religious, and commercial interests fused their interests in China with those of the Imperial Navy in order to secure a greater presence in China and, ultimately a formal colony. This chapter also explores the Navy’s role in selecting Tsingtau as the location for a naval port and colony and the actions that turned the seizure of Tsingtau into a matter of formal state policy. Although the notion that Germany needed a colony like Hong Kong existed during this early period, it was far from being well-defined as a potential policy; nevertheless, this chapter
shows that the foundations for this method of colonial rule were clearly being laid.

Chapter II examines the administrative structure of the colony and the early years of the colony as the new naval administration sought to demonstrate it was capable of running a colony and was better equipped to do so than any other branch of the German government or even any other colonial power. This chapter shows that this early phase of the colony (1898-1905) were the most difficult years for Tsingtau, as colonial leaders struggled to define what Tsingtau should be, what role, if any at all, the Chinese should play in the Leasehold, and how to attain the goals laid out prior to the acquisition of the colony.

By 1905, however, colonial policy and governance in Tsingtau began to shift, as the objectives of the various colonial leadership groups coalesced into the pursuit of a German Hong Kong. Although this vision remained only very broadly defined throughout the remaining years of the German colony, it provided exactly the guiding principles that allowed Tsingtau to grow and flourish. Chapters III through V, then, study the different visions of German Hong Kong, how they interacted and competed with each other, and how they helped spur Tsingtau’s rise as one of the premiere colonial entrepôts in East Asia. One of the central elements discussed in each of these chapters-and perhaps the most difficult issue for colonial leaders to reach consensus on-was the role that Chinese should play. As these chapters will show, German and Chinese elites both recognized that the Chinese needed to be an important element in the life of the colony as a go-between for German and Chinese authorities, but how and where those interactions should take place remained a hotly contested and debated issue. Chapter III examines the Tsingtau’s rise as an international port and trade center vis-à-vis the construction of roads and
railroads and the expansion of the harbor and port. The next chapter describes the growth of trade and industry, focusing on both the industries supported and subsidized by the German government and colonial administration, as well as efforts made to encourage the Chinese businessmen and traders to invest in Tsingtau and establish businesses there. The cultural, social, and political aspects of the vision for Tsingtau are treated in the final chapter by examining the culmination of the pursuit of a German Hong Kong: the development of education in the colony, focusing particularly on the founding of the Deutsch-Chinesische Hochschule. Employing both German and Chinese teachers that taught a mixed curriculum whose advanced degrees served as acceptable prerequisites for German and Chinese officials, the Hochschule and its mission easily supported the colonial vision for Tsingtau by providing the tools necessary to create a special interlocutor class.
CHAPTER II
FROM THE NORTH SEA TO KIAOCHOW BAY: THE EMERGENCE OF GERMAN INTERESTS IN CHINESE TERRITORY

On the night of All Saints’ Day, 1 November 1897, three members of the German religious organization the Society of the Divine Word (Societas Verbum Divini, or SVD, also known as the Steyl Society), George Stentz, Richard Henle, and Francis Xavier Nies, gathered at the missionary residence in Zhangjiazhung, in the Juye county of Shantung province. The residence was Stentz’s main base of operations, and Henle and Nies were his honored guests on this night. Henle was particularly discouraged by the lack of progress he perceived in his work, and so Stentz treated the visit as an opportunity not only to revive Henle’s spirit, but also for the three SVD leaders to renew their strength and commitment to their cause. They sang songs and shared stories from their childhoods in Germany as well as preparing for the next day’s Requiem before retiring for the night.

Just before midnight, the sounds of guns and indecipherable voices filled the courtyard, and the blazing light of torches illuminated the night. Suddenly, a group of twenty or thirty men rushed towards Stentz’s rooms, but did not find him; instead, they stumbled upon Henle and Nies, as Stentz had lent his own quarters to his visitors. Although these men were not the ones whom the band sought, the invaders hacked and beat Henle and Nies to death. Still determined to take Stentz’s life, the band rampaged through the church, bent on finding him, but to no avail; Stentz had retired to the servant’s quarters for the evening. The invaders never found him, for by this time, the
Christians in the village finally arrived to defend the mission, forcing the invaders to disband and retreat into the darkness from whence they came.  

Although attacks on Christian missionaries in China were not uncommon, the murder of Henle and Nies set off a chain of events that had important consequences for the future presence of Germany in China. When word of the deaths of the two missionaries reached Kaiser Wilhelm II on 6 November, he immediately authorized the dispatch of the German East Asia Cruiser Division—currently based at Shanghai—to sail northward and occupy Kiaochow Bay, on the southern coastline of the Shantung peninsula. At the center of the occupation was the tiny fishing village and port of Qingdao. Over the next several months, as the German government negotiated the retribution and repayment for the deaths of the two missionaries, Qingdao and its environs ultimately came into Germany’s possession, launching not only the Scramble for Concessions in China, but, more importantly, the beginning of a concrete German presence in Asia and the Pacific.

Although the seizure of Qingdao itself was sudden and unexpected due to the chaos of the events precipitating it, it represented the culmination of decades of work to

58 Established in 1894, the German East Asian Cruiser Division (Ostasien Kreuzergeschwader) was composed of the light cruisers Irene and Prinzess Wilhelm, the small cruiser, Cormoran, and the armored frigate, Kaiser. Although stationed in East Asian waters, at the time of the murders of Henle and Nies, the cruiser squadron lacked a permanent base of operations. Consequently, the head of the squadron—currently Rear Admiral Otto von Diederichs—depended on the British at Hong Kong, the Chinese at Shanghai and the Japanese at Nagasaki for technical and logistical support of his ships; Gotschall, By Order of the Kaiser, pp. 136-137.
59 “Qingdao” here refers to the small fishing village on Kiaochow (Jiaozhou) Bay that the Germans occupied in 1897. When the Third Naval Infantry Battalion (III. Seebatallion) arrived in Qingdao to begin the formal occupation of the leasehold, the original village was razed and replaced by a new town, “Tsingtau/Tsingtao.”
convince leaders in Berlin that the Reich needed to have a strong presence in China if it ever wanted to be considered a global power on par with its European rivals. From 1860 until the mid-1890s, the definition of German interest in gaining territory in China was relatively narrow. Prominent individuals such as Ferdinand von Richthofen, Otto von Diederichs, and Bishop Johann Baptist Anzer were all significant in the formation of a coterie of religious/spiritual, commercial, and academic interests that pushed for Chinese territory, but found little support within the German government. Although a coalition of influential single-issue advocates, the members of this group were not necessarily politically powerful. While it was able to catch the attention of prominent government officials at times, this conglomeration of interests generally failed to make any real headway in advancing its agenda; it remained a powerful set of voices that was unable to wield much influence until they it could match its desires with the interests of the state. The only government department that supported this interest group with any consistency was the Imperial Navy, as it not only shared the beliefs of these advocates—particularly from the commercial angle—but also because leaders in the navy felt they could benefit from the support of the leading individuals who formed this collection of interests.

This chapter will show how it was not until this group of academic, religious, naval, and commercial interests was able to take advantage of domestic politics that it was able to turn its desires into state policy, leading to the creation of a powerful, largely Catholic, interest group. Initially a faction of loosely-connected partisans, these individuals pushed for a German colony in China based on an enduring cultural critique of China. Despite the influence this group could wield over specific single issues, it
remained on the margins of the political scene until its interests aligned with those of more significant political factions. When the interests of these academics, businessmen and other mid-level officials finally met with those of the Catholic German politics, this group became politically useful to a party that was also valuable to the Imperial Naval Secretary, Alfred Tirpitz. In 1897, the demands of the Anglo-German Naval Race compelled Tirpitz to turn to the Catholic Center Party for their crucial vote of support for his Naval Bill, resulting in his promise to promote an increased German presence in the Far East to protect the increasing number of Catholics there. As a result, Germany secured Tsingtau and parts of the Shantung peninsula.

Nevertheless, while it was the combination of domestic politics and the timely attack on and murder of German missionaries that provided the *casus* for the creation of a German colony in China, the story of how Germany finally acquired a colony in China has much deeper routes than the policy debates of the 1890s. The story of the establishment of a German colony in China is one of more than fifty years of prior engagement with China, the slow creation of an “interest group,” and a sustained interest on the part of the Prussian-German state in some type of German presence in East Asia. This is punctuated by moments at which that engagement accelerated, providing a durable foundation for advancing the desires of the German-China interest group that culminated in the establishment of Tsingtau. From the dispatch of a trade mission in 1853 to take advantage of the Unequal Treaties that ended the Opium Wars and protect commercial interests at home and abroad to Ferdinand von Richthofen’s chronicles of his travels in China in the 1860s, the Prussian government seized the momentum that
these events generated to establish the East Asia Squadron in 1869, a critical decision that further deepened German involvement in China in the years just prior to unification.

Once the political scene in Europe calmed following the upheavals caused by Bismarck’s foreign policy, the Imperial Navy’s tour of the East Asia station in 1878-1880 provided another signal moment for German political figures interested in China to advance their cause and make a compelling argument for further interaction with and development in East Asia. This tour was also crucially important for the development of Germany’s presence in China as the Executive Officer of SMS *Luise*, the flagship of this expedition, was Otto von Diederichs. Diederichs would come to play a crucial role in the acquisition of Kiaochow, when, in 1897, he replaced Rear Admiral Tirpitz as the Commanding Officer of the East Asian Cruiser Division. One of Diederichs’ first tasks was to suggest a suitable site for a German naval base as strategic interests finally convinced the German government it should acquire territory in China. Drawing upon his experiences in East Asia—particularly the 1878-1880 tour of the East Asia Station—his further investigations in China, and his knowledge of von Richthofen’s studies, he recommended Tsingtau as the most suitable location.60

In the 1890s, following the signing of the Treaty of Shimonoseki that ended the Sino-Japanese War (the negotiation of which German played a leading role), and with a growing desire for a more powerful overseas force that could compete with that of Britain and—to a lesser extent—France, the Naval Bill debate and then the murder of the Chinese missionaries presented the German government with a chance to deepen its

60 Gotschall, *By Order of the Kaiser*, pp. 141-144.
involvement in China in a much more concrete and lasting fashion by establishing a formal colonial presence there.

This chapter, then, explores how Germany came to Shantung by examining the steady development of German interest in East Asia and the moments that punctuated its growing engagement and interaction with China, the culmination of which was the crucial role strategic concerns played in the formation of a foreign policy that resulted in the foundation of Tsingtau and Germany’s emergence as a global power. While it is unclear whether the murder of Henle and Nies provided the pretext for the acquisition of Tsingtau or was simply the cause of it, it is certain that Germany would not have been able to take advantage of this circumstance without the presence of a sizable Pacific naval squadron, created as a result of nuanced and developed policy regarding China that played a key role in a significant political back-room agreement in the halls of the Reichstag a few years earlier.

German imperial interests in China dates back much further than the madcap scramble for colonies and colonial enclaves at the height era of New Imperialism in the 1880s. Germans had been highly involved in China and East Asia for nearly two centuries, including a major flourishing of interest during the reign of Frederick the Great (1740-1786). Inspired by the enlightened philosopher and writer Voltaire, Frederick, and those who followed his example, developed a considerable passion for all

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61 The age of New Imperialism is generally thought to have begun in 1830 with the French conquest of Algeria, inaugurating a revived interest in overseas possessions, particularly in Asia and Africa. Although some colonies were acquired prior to the 1880s, it was not until the start of the Scramble for Africa in 1881 that European nations initiated an aggressive pursuit of territories, rapidly expanding the size of the Empires. The pursuit of Asian colonies did not heat up until the end of the 1880s.
things Chinese, particularly Chinese art, porcelain, philosophy, and other exotic goods, leading to the rise of the Chinoiserie aesthetic style. Overland trade routes to North China were quite popular, and sea trade with Canton provided excellent access to Chinese markets as well. Though this passion for China would wane, particularly due to Napoleon’s rise to power and conquest of Europe, connection with the Far East never fully dissipated. As peace slowly returned after 1815, businessmen across Germany sought to reinvigorate the old Chinese markets, as well as develop new ones. As a result, as relations with China began to stabilize in the latter half of the nineteenth century, Chinoiserie saw a revival in popularity in Europe and the United States that lasted through the 1920s.  

With the start of the Opium War in 1839, commercial interests in the German Bund first began to express the concerns that continued to occupy attention of all German businessmen until Germany seized control of the Kiaochow Leasehold. While excited that an increased British presence in China would open a variety of new commercial ventures and increased trade, Prussian merchants feared Britain would gain too much influence, resulting in a de facto monopoly over Chinese trade. As a result, these merchants and traders pleaded with the Prussian government to enter the conflict as well to defend their interests. Prussian leaders, however, opposed becoming involved. In refusing to join the Opium War, the government cited concerns that came to link the interests of a narrow commercial pressure group with those of the navy: “even

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if…interests in China warranted intervention, and it [the Prussian government] did not believe they did, such intervention was impossible because Prussia had no fleet.”

Beginning with the signing of the Treaty of Nanking with the British at the end of the First Opium War in 1842, China was compelled to sign a series of “unequal treaties” with foreign powers that eroded its territorial integrity and its power and authority as an independent state. The treaty of Nanking forced China to surrender the island of Hong Kong to the British—creating the first sphere of influence in China. Over time, Britain came to exert its control over the lower Yangtze River from its bases in Hong Kong and Shanghai, whereas France established its sphere over southern China from Canton (Guangzhou), and Russia moved in from the north and west. While the privileges granted by an Unequal Treaty were extended to all Europeans (in Shanghai, for example, European freely worked and mingled in a designated “international zone”), the benefits of controlling territory of one’s own were considerable.

Following the war and the first treaty settlements, the Prussian government remained limited in pursuing action in China, forcing any German commercial ventures to depend upon the protection of England or France. The experience of subordinating themselves to foreign power was influential in galvanizing support for an increase in the official presence of Prussia or another of the leading German states in East Asia and the Pacific. Although expressing his views long after the First Opium War, Ernst Friedrich Addickes, a ship owner in Bremen and member of the *Reichstag* representing the

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64 Ibid., pp. 42-48.
National Liberal Party, expressed that he found it “scarcely tolerable that [German] seafarers…have had [since 1839] to depend on foreign powers for their protection in the Pacific and South Seas.” A decade later, Addickes’ friend and business colleague, Adolf von Hansemann, the head of the prominent German banking firm, Diskonto-Gesellschaft, captured the views of business and commercial leaders of both his generation and that of his father (a banker and railroad entrepreneur who founded Diskonto) when he wrote in a later memorandum:

A state with colonies requires its own productive enterprises, its trade, and its shipping lines so that these provide a significant advantage in the economic relations with the colonies, and naturally a meaningful step ahead in the competition with other states…Germany’s justification [for a permanent presence in East Asia] lies in the numerous and extensive German settlements and Hanseatic trading establishments scattered about [East Asia’s waters], in the share its trading flag has in the shipping in the South Seas…and in the harbors which German sea power has secured. The next task lies therein to strengthen this claim.

Strengthening official ties between the German interests in East Asia and the Prussian/German government remained a critically important policy point for liberal businessmen and corporations throughout the nineteenth century. While the Asian and Chinese markets were ripe for generating considerable profits, those interested in deriving the wealth they believe could be found overseas recognized early that, without the support and protection of the government, German trade would always lag behind its competitors in Europe.

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One of the first major turning points regarding the German presence in China occurred in 1859 when the Prussian government bowed to growing pressure for active involvement in China by sending a diplomatic expedition to China to negotiate trade treaties on behalf of all the German states. At this time, Britain and France begun to reach a new set of agreements with China that expanded and consolidated the privileges that they had secured following the Opium Wars. The Prussian government wanted to secure similar concessions for the German states, over which it was gaining an increased influence. This decision to act more decisively in East Asian affairs was also motivated by a shift in Prussian politics whose intent was to convince a liberal middle class advocating German unification that Prussia was the modern progressive state best handled to do so. Consequently, the Prussian government used this opportunity for intervention in China to bolster both its influence in Germany and its power projection in East Asia.\(^6\) Not only was this the first time that Prussia stepped forward to represent the interests of all Germans in international negotiations—an important moment in the unification movement—but it was also the first time that a Prussian fleet was used to intervene in Chinese affairs.

Authorizing the creation of a squadron of four ships under the command of Commander Henrik Sundewall, the East Asian Expedition (1859-1861) sailed from Prussia in October 1859. In addition to visiting German nationals scattered across various coastal cities in East Asia, Sundewall had orders to show the Prussian flag at

\(^6\) Stoecker, _Deutschland und China_, p. 277, and Schrecker, _Imperialism and Chinese Nationalism_, pp. 3-5.
major ports-of-call in Southeast and East Asia-both those under British and French control as well as non-colonial ones-and also investigate the potential growth and development of German trade in the region. At the head of the expedition was Friedrich zu Eulenburg, the future Interior Minister of Prussia (1862-1878), and Maximilian von Brandt, the future ambassador to Peking (1875-1893) as well as an advocate of opening relations with Japan. A junior member of the expedition was Ferdinand von Richthofen, whom the German government asked to head a team of scientists to survey and study the regions the expedition traveled to with an eye towards the future development of trade. As one of Germany’s leading sinologists, his influential position as the foremost expert on China would play a major role in the push for a colony in China and the selection of Tsingtau in the decades to follow. Furthermore, a number of promising young officers and cadets staffed the crews of the four vessels, several of whom would attain high-ranking and influential positions in the imperial navy at exactly the time that Germany decided to investigate securing a colony in China more seriously. Otto von Diederichs, an aspiring young schoolboy who dreamed of service in the navy (and who would come to be heavily involved in naval matters in the Far East), followed news of this mission with rapt attention.68

In what was becoming a recurring theme in Germany’s quest for a stronger presence in East Asia, Germany sought to follow the example of the British. Eulenburg was ordered to secure the same concessions, rights, and protections that the British had obtained in the Treaty of Nanking, as well as investigate the prospect of obtaining a

sphere of influence that could be developed into a commercial port and naval base on par
with Hong Kong; Eulenberg deemed Formosa (Taiwan) the best potential option,
although other locations could be considered.

Although he ran into initial difficulties in his negotiations due to the fact that the
Chinese were not especially impressed with the Prussians, Eulenberg proved to be
extremely successful in his carrying out his duties, as he signed treaties with China,
Japan, and Siam in 1861. The treaties were landmark agreements, as they placed
Prussian merchants and businesses on equal footing with the European and American
counterparts; Prussians were allowed full access to the new markets in Japan, and the
treaty with China granted the same rights as the “unequal treaties” that France and
Britain had already signed. Germans were granted access to the treaty ports of Canton,
Amoy (Xiamen), Shanghai, and Swatow (Shantou), and naval vessels had express
permission to conduct operations in Chinese waters in order to protect its vessels and
trade interests. Prussia also secured financial remuneration from the Chinese government
in the event of losses suffered at the hands of pirates, as well as the right to Prussian
legal justice in the case of crimes committed by Chinese against Germans nationals and
vice-versa. According to the agreement, Prussia would continue to represent its fellow
German states at the ministerial level, though the various Hansstädtie (independent
trading cities, such as Bremen and Hamburg) could still have their own consuls in the
newly-opened ports.69

69 Admiralität, Die Preussische Expedition nach Ostasien, (Berlin: Decker, 1853), volume 4, 353-368.
Militaire, 70 (1988): 39-57 and Stoecker, Deutschland und China also provide excellent overviews of the
East Asian Expedition and its overwhelming success in projecting Prussian power in Asia.
At the conclusion of negotiations with the Qing government, von Richthofen and another member of the Prussian expedition traveled to Formosa, with the express purpose of determining whether the island would be suitable for the construction of port that could serve both naval and commercial interests, or as von Richthofen put it, the “creation of a German Hong Kong.” While von Richthofen’s report was positive, Eulenburg remained disinterested and informed his superiors that it lacked suitable harbors and, in general, was not the best choice for a naval station. Nevertheless, he made it clear that “in the not too distant future [Germany] would require a base in China if the privileges obtained in the treaty were to be fully realized.”

Over the course of the 1860s, commercial and naval elites interested in China continued to press the Prussian government to take a firmer stance in East Asia and present itself as a leading power in that region of the world. With stronger connections to East Asia firmly established, and as Prussia began dominating affairs and consolidating its hegemony in the German Bund, the navy started to make the Far East a part of its strategic operations. As Albrecht Roon-Prussia’s Minister of War (1859-1873) and one of the main architects of German unification-sketched out the need an imperial navy in his development plan of 1865, he considered overseas missions to be one of its key duties. Consequently, leaders in the academic and commercial circles found new life for their dream of acquiring German territory in China. Von Richthofen, in particular, remained firm in his beliefs that Prussia (and the entire German Bund) could profit

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71 Eulenburg, as quoted in Helmuth Stoecker, Deutschland und China, p. 60.
immensely from a stronger Sino-German relationship. Following his time as a member of the Peking Expedition, von Richthofen spent six years in the United States working as a geographer during the California gold rush. The growing racist sentiment against Chinese workers in the United States at this time seemed to have a strong impact on von Richthofen, for he expressed his belief that “the Chinese question would soon replace the ‘Negro question’ in importance in the United States.” In 1868, von Richthofen returned to China, where he spent four years traveling throughout the country with the express purpose of surveying and mapping the mining potential of China’s interior for the Shanghai Chamber of Commerce. Von Richthofen also used this excursion to gather materials for what became his multi-volume geographic study of the country. Throughout his travels, von Richthofen built upon his task from the 1859 diplomatic mission, keeping his eyes open for the best location for a German colony.

Like many others in Europe and America at this time, von Richthofen expressed a clear interest in “opening up” China and making it useful for western capitalism and missionary work. During the time he spent traveling across China, he took the opportunity to write two memoranda to Otto von Bismarck—the first in 1868 and the second in 1871—in which he stressed the importance of acquiring a permanent foothold in East Asia for the newly emerging German state. In the opening volume of his five-volume study of China, published in 1877, von Richthofen emphasized that he was searching for a spot “which not only could serve as a naval base but which could also

72 Steinmetz, Devil’s Handwriting, p. 405.
become an important trading center.”

Von Richthofen continued to push this point to the German government, never relenting in his interest in China or his search for a suitable colonial enclave.

Initially, von Richthofen found the island of Tschusan (Chusan/Zhoushan), located off the southern coast of Shantung at the mouths of Hangzhou Bay and the Yangtze River, as the ideal location for a German port, although he remained open to other possibilities as well. Tschusan’s location (or a similar spot nearby) offered, according to von Richthofen, “limitless commercial opportunities because it was located directly off the Yangtze River, China’s chief avenue for commerce.” In further advocating for a port such as Tschusan, von Richthofen argued that the island’s central location on the East China Sea made it the perfect spot for Germany to establish itself as a major player in China.

Prior to the Opium Wars, Tschusan had served as a major trading entrepôt for western merchants, along with Shanghai and Nanking. During the First Opium War, Britain seized the island as one of its main prizes and only surrendered Tschusan when Captain Charles Eliot, the Chief Superintendent of British Trade in China, agreed to exchange the island for Hong Kong, then a barren and undeveloped island much further south, a blunder that incensed Foreign Secretary Lord Palmerston and cost Eliot his position. Britain ultimately lost interest in Tschusan following the signing of the Treaty of Nanking, which opened Canton, Foochow (Fuzhou), Amoy, Ningpo (Ningbo), and

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74 Ferdinand Freiherr von Richthofen, *China*, volume 1 (Berlin: Dietrich Reimer, 1912), p. 44.
75 von Richthofen, *Tagebücher*, volume 1, p. 44.
Shanghai to British trade, making the island redundant to British plans. With the island off the radar of established powers Britain and France, von Richthofen argued that the development of a port there would “quickly attract a large part of the trade from Shanghai” (located 200 kilometers to the north), and, since it would serve as “a free port under foreign protection” more centrally located than Hong Kong (nearly 1500 kilometers to the south), it could “take over the combined role of Hong Kong and Shanghai for the greater part of Chinese commerce.”

Additionally, von Richthofen advised German leaders to “improve the means of transportation… [and promote] the growth of industry and trade” by laying telegraph lines and building railroads in Shantung and other parts of northern China. Although these measures would also benefit other European powers, most notably Russia given its close proximity to the region, their implementation, von Richthofen argued, would bolster German penetration of Chinese markets and establish a stronger base for a new colony that would be at the center of a modern rail and telegraph network for which Germany would be largely responsible.

The large corpus of articles, studies, and monographs that von Richthofen produced during the late 1860s, the 1870s, and the 1880s were integral in helping frame

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the growing debate in Germany over what to do with China. Nevertheless, despite the
growing interest in China and the urging of members of this informal agglomeration of
interests, the government made no serious attempts to act on these recommendations. In
the early stages of his work on China, von Richthofen encountered some success, as the
memorandum he wrote to Bismarck in 1868 appeared to help push the Chancellor to
action. After considering von Richthofen’s support and engaging in a series of
discussions with Roon, Bismarck authorized the designation of East Asia as a formal
area of action, and the creation of an East Asia Station patrolled by two corvettes and
two gunboats, ships that were commonly used by other powers to facilitate diplomacy
with China. This was the first command of the Prussian Navy (later the Imperial German
Navy following unification in 1871) in foreign waters.

Lacking any formal colony or naval base in the region, however, the warships
stationed in East Asia were highly reliant on ports and stations such as Hong Kong,
Shanghai, Nagasaki, and Canton, all of which were under the control of other states. The
absence of a base quickly proved to be a major hindrance, particularly in times of crisis
(both European and Asian), as it could be difficult to maneuver the warships on short
notice. The weather conditions in East Asia, especially in the spring and summer, also
meant that the Prussian ships needed constant maintenance and provisioning, which
could become considerably expensive, as contractors and suppliers charged a premium
to foreign vessels. The considerable demands of the East Asian Station caused enough
concern that Chancellor Bismarck authorized an exploration of potential sites for a base
in 1869. At the same time, German politicians, merchants, and academics began to push
the Chancellor for the seizure of a colonial base in China with the goal of creating “a
German Macao or Hong Kong.” 79

Responding to this increased pressure, Bismarck took the opportunity to advance
German engagement and presence in East Asia. In 1870, Bismarck authorized the
Prussian Minister to China, Guido von Rehfues (1864-1875), to negotiate with the Qing
government about the acquirement of a naval base and port for the North German
Confederation. Rehfues’ attempts at negotiation with the Chinese did not proceed very
far, for, as he reported, “China would not agree to the German demand and Berlin could
expect no support from the other European powers.” 80 Bismarck’s plan ultimately had
to be postponed due to the outbreak of the Franco-Prussian War and the new concerns
following German unification. 81 As a reflection of Prussia’s commitment to increasing
its presence abroad, however, the navy opened its first coaling station in East Asia,
providing greater support and resources for merchant and naval vessels in the region.

Despite the unrealized objectives, Bismarck’s decision to investigate this
possibility is significant, as Bismarck was reluctant at best to pursue overseas
entanglements. According to Jonathan Schrecker, “Bismarck generally supported
colonial ventures only when they were warranted by genuine commercial interests or by
the exigencies of internal politics.” 82 During this period of German politics, Bismarck

79 Ernst August Friedel, Die Gründung preußisch-deutscher Kolonien im Indischen und Groß Ozean mit
besonderer Rücksicht auf das östliche Asien (Berlin: Albert Eichhoff Verlag, 1867), p. 67; Adolf Bastien,
Die Völker des östlichen Asien: Studien und Reisen, volume 6, Reisen in China von Peking zur
mongolischen Grenze (Jena: Herman Constenoble, 1871).
80 Stoecker, Deutschland und China, p. 77.
81 For more on the 1869-1870 search for a base, see, Politisches Archiv des Auswärtdiges Amts (hereinafter
cited as PA-AA) R 17998.
82 Schrecker, Imperialism and Chinese Nationalism, p. 6.
showed a greater desire to support liberal commercial policies domestically, opening the
door for him to do so externally as well. Between 1867 and 1870, Bismarck’s
government introduced and passed a series of bills intended to help unify and liberalize
the newly created German Bund, including a new law on freedom of trade and crafts-
breaking traditional guild restrictions on the practice of a trade-as well as the Public
Company’s Act, which made it considerably easier to establish and support new limited
liability corporations. This desire to support more liberal trade policies domestically in
the pursuit of a strong and unified Germany under Prussian leadership offered space for
those who desired overseas colonies to seek Bismarck’s support for their objectives,
particularly if they could then help the Iron Chancellor secure his own. Furthermore, as
Paul Kennedy argues, Bismarck was not unresponsive to the cries for help from North
German colonial traders during this period. While viewing colonies as an expensive
luxury, providing a calculated response to the pressures placed on German trade in the
Pacific and South West Africa was one of the motivations for Bismarck’s willingness to
investigate-and in later years actively pursue-the acquisition of overseas territory.

Bismarck’s early interest in a German base in China is indicative of the power
and influence that men who supported a German presence there, such as von Richthofen,
could wield as influential voices in state politics and that there existed an increasingly
widespread understanding that Germany had a strong economic stake in China. The
failure to push Bismarck to continue to pursue this action, however, also exposed the

84 Paul M. Kennedy, “German Colonial Expansion: Has ‘the Manipulated Social Imperialism’ Been
inability of this interest group to wield enough political clout to force the government to take definitive action. Although Bismarck chose not to act in 1870, von Richthofen refused to give up, and he continued publishing works on the vast potential of a colony in China. These studies of China were quite influential, particularly in terms of the impact on naval officials like Otto von Diederichs, whose service as second-in-command on a mission to China in 1878 helped transform Germany’s presence in East Asia.

Diederichs was a career naval officer, whose first experience with China and East Asia came with his dispatch to the Pacific in 1878 for a two-year tour of duty. With a growing German presence in the Far East over the course of the 1870s, the need for warships to conduct operations in and around China increased exponentially. In July 1877, the German Ambassador to China, Maximilian von Brandt, pled with Bernhard Ernst von Bülow, the Minister for Foreign Affairs (1873-1879), to send aid and support to protect the lives and property of German merchants under threat from xenophobic groups. Von Brandt reported that, according to local businessmen, “shops are vandalized and looted, and foreigners endure increasingly violent attacks from the Chinese because of poor harvest and famine.” As a result, von Brandt asked for the Imperial Navy to station a warship at Tientsin until the end of winter and for the ships of the East Asia station to undertake more regular patrols of Chinese waters. In response to the ambassador’s plea, the Reichsmarine ordered the SMS Luise, with Commander Rudolf

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85 Brandt to Bülow, 24 July 1877, PA-AA, R 2165
Schering at the helm and Otto von Diederichs as the ship’s executive officer, to conduct a two-year tour of the East Asia Station beginning on October 1878.86

Although the Luise’s orders also included testing several new torpedoes of the Whitehead class—whose technological development Diederichs had worked on personally while was a staff officer at the Marineakademie (Naval War College), 1875-1878—as well as conducting oceanographic research, its main mission took Brandt’s concerns into strong consideration. According to the official orders from Admiral Albrecht von Stosch (the first chief of the Imperial German Navy, 1872-1883), Luise was to “proceed to Hong Kong and station itself in Chinese waters to protect German interests.” While the warship’s main operations would take place in the waters around Amoy, China, and Yokohama, Japan, it was also instructed to “show the German flag on all parts of the station… [and follow the] Imperial Directions for the Operation of Ships in Station in East Asia…[and] Standing Instructions in regard to the Suppression of Pirates in Chinese Waters.” Finally, and perhaps most importantly, Schering was directed to provide whatever assistance Brandt might need as diplomatic concerns warranted, although Schering could “undertake no military action without first notifying imperial agents.” This was particularly the case in any crisis that might arise with the French, as tensions still rode high following the Franco-Prussian War; Luise and its crew were to avoid any confrontation with French ships and sailors while on station. Nevertheless,

86 Schering to Diederichs, 2 May 1878, BA-MA, RM 1/319
Stosch’s instructions were clear: “Take all necessary precautions to ensure that the ship is prepared for combat and to carry out her anticipated military and naval duties.”

By and large, *Luise*’s mission was a resounding success. Although Diederichs’ torpedo tests produced mixed results, he returned with extensive data that would help in improving the Whitehead’s design. Additionally, *Luise* made several important stops both on its way to Chinese waters (Bombay and Calcutta) and on it return journey home (Madagascar). At both Bombay and Calcutta, major ports of call on the western and eastern coasts of British India, *Luise* was the first German naval ship to anchor in their respective harbors. These official visits represented major opportunities to display the German flag and project German naval power. In Madagascar, *Luise* stopped at the port of Tamatave, the center of commerce for the island. Though the expatriate community was small-twenty-two Europeans, four of which were Germans, resided in Tamatave, and five firms-German businessmen there recognized the considerable potential *Luise*’s visit held for developing trade and good relations on the island. While Madagascar was still independent at this time, it had fallen under the increasing influence of the French, with whom it had formed strong trade and diplomatic relations. The German consul, who was also an employee of *Hamburg-Amerika Linie*, had been working to counter France’s efforts, and requested *Luise*’s visit with the hope that its presence would impress, or even pressure, Madagascar’s monarch, Queen Ranavalona I, to open formal relations and offer favorable trading rights, allowing Germany to take advantage of the island’s economic potential. Although the visit was not without its difficulties, it produced the

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87 Stosch to Schering, 10 September 1878, *BA-MA*, RM 1/2639.
desired effect, as Ranavalona agreed to sign a commercial convention with the German government.\textsuperscript{88}

During their tour in East Asia, Schering, Diederichs, and \textit{Luise}’s crew discharged their duties very much in accordance with Brandt’s wishes.\textsuperscript{89} After arriving at Hong Kong and then spending the winter of 1878-1879 in Japanese waters, \textit{Luise}’s first stop upon its return to Chinese waters was at the small British treaty port on the northern coast of the Shantung peninsula, Chefoo (Yantai). Although not an ideal location for large ships to anchor, Chefoo was centrally located at the entrance to the Gulf of Chihli (Bohai Sea) and the naval routes to Peking. Given its proximity to the Chinese capital, violence against foreigners was quite commonplace, and a recent famine had led to such extreme tension between natives and foreigners that Ambassador Brandt now requested \textit{Luise}’s presence to help protect German nationals and trade interests. While the German expatriate population was relatively small at this time (numbering about twenty individuals), 150 German vessels visited the harbor on an annual basis, and so the port was important to the merchant community in East Asia. Fortunately for Schering and his crew, no direct military or naval action was required, and the warship was able to continue its tour after the anti-western violence finally subsided.

While on patrol in Chinese waters, Schering took time to assess the status of Germany’s naval presence in East Asia, particularly with an eye towards future German involvement in the region. Although Schering recognized that, from a strategic

\textsuperscript{88} Schering to Stosch, 10 September 1880, \textit{BA-MA}, RM 1/2639.

\textsuperscript{89} Brandt to Schering, 12 April 1880, ibid.
standpoint, the resources that Germany could devote to expanding its presence in East Asia were limited, his time on tour also revealed the considerable potential that China offered. Consequently, while the government might not be able to act on his recommendations, Schering wanted to lay the foundation for Germany to alter the balance of forces should the calculus on German involvement in the Far East change. Schering’s report, first and foremost, observed that the East Asia station could not successfully discharge its duties with only three permanent vessels and a rotation of larger vessels, such as *Luise*; the waters around China and Japan were too extensive, and the fast-paced development of trade and subsequent diplomatic crises that arose demanded an increased naval presence in the Pacific. Furthermore, Schering also commented upon the lack of a defined command structure within the East Asia Squadron. Though Schering was the most senior officer in the station, he had little authority to command the other vessels stationed there, as they were nominally under the direct control of the Admiralty in Berlin; such confusion, Schering asserted, could lead to difficulties in responding quickly and effectively should a truly major crisis erupt. This lack of a distinct chain of command also resulted in copious (and, in Schering’s opinion, highly redundant) paperwork having to be filed in order to accomplish objectives handed down by the Admiralty.\(^{90}\)

Despite the many success that *Luise* enjoyed, the ship also encountered a series of difficulties on its tour, further highlighting—to Schering and those who supported his

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\(^{90}\) Schering to Admiralty, 29 September, 24 October, and 1 November 1879; Brandt to Schering 18 August 1879; Schering to Second Marine Division, ibid.; Diederichs, Tagebücher, 12, 13, 14, 16, and 26 September 1879, *BA-MA*, Nachlass Diederichs N 255/43.
views—the necessity for a greater German presence in East Asia. On two separate occasions, *Luise* suffered damage that required extensive repairs while stationed in Chinese waters; these problems were hard to handle, particularly due to the fact that there were few places equipped to perform such repairs. These experiences left a lasting impression on the young Diederichs, particularly as *Luise* sailed past Kiaochow Bay on its way to Shanghai for the second of its extensive overhauls after providing the assistance in Chefoo that Ambassador Brandt had requested.91

One final crisis in China during *Luise*’s two-year mission again led to a call for a greater German naval presence in East Asian waters. Following the ship’s overhaul in Shanghai in October and November 1879, the colder weather that descended on the port in late December pushed Schering to sail further south for the winter. While most warships chose to winter in the ports of Hong Kong or Manila, Schering directed *Luise* to sail to Amoy, where Germans had enjoyed a close and very positive relationship with the local populace. Welcomed openly in the port, *Luise* and its crew continued its training and drills—and also performing valuable services for the port, including clearing a shipwreck in the harbor—until winter storms began to interfere with their work, requiring Schering and his crew to sail further south. As *Luise* prepared to depart Amoy for Hong Kong in late March 1880, several anxious dispatches from Ambassador Brandt resulted in Schering ordering *Luise* to divert its course to Shanghai. Russia had engaged in another imperialistic land grab in China—this time seizing control of the Ili prefecture

in western Sinkiang (Xinjiang)-and Brandt was afraid this action might lead to war between Russia and China. If war erupted between the two states, Brandt feared the renewal of violence directed against all foreigners, endangering German nationals and foreign interests. Consequently, Brandt requested the dispatch of *Luise* and one of the East Asia division’s gunboats, *Wolf*, to Shanghai and Tientsin, respectively, to safeguard Germany’s presence in North China.\(^2\) Schering knew all too well-and Brandt later agreed-that this small display would do little to deter China and Russia from engaging in any serious action. Not only was Germany’s ability to project naval power in East Asia limited at this time, but Bismarck was still in the process of rebuilding closer ties with Russia following the Congress of Berlin in 1878 that severely damaged the relationship between the two states. As the Congress, dominated by Bismarck as an “honest broker,” stripped Russia of many of its gains from its war with the Ottoman Empire, Russia generally viewed it as “a European coalition against Russia under the leadership of Prince Bismarck.”\(^3\) While relations were showing gradual improvement at this time, the likelihood of a successful German intervention designed to thwart Russian foreign policy appeared unlikely.

Despite Germany’s limited ability to prevent the outbreak of war, Schering nevertheless agreed to provided whatever assistance he could, though *Luise*’s stay would have to be brief as the ship still had standing orders to be in Hong Kong by 20 April so the ship and its crew could prepare for their return voyage on 1 May.\(^4\) By the time *Luise*  

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\(^4\) Schering to Admiralty, 1 and 23 March 1880, *BA-MA*, RM 1/2639.
reached Shanghai on 23 March, the Ili crisis had reached its breaking point: Brandt reported outbreaks of violence against foreign nationals in Peking and expressed grave fear that Russia was prepared to launch a preemptive strike at Shanghai or Tientsin, massing seventy thousand soldiers on the Sino-Russian border and dispatching twenty-three naval vessels from Vladivostok into Chinese waters.  

Although war seemed imminent at the end of March, by mid-April cooler heads prevailed and both sides backed down. While much of this was due to pressure from various members of the international community with a vested interest in preserving peace, it had not escaped Brandt’s attention that the presence of a large number of British naval ships in the waters surrounding Tientsin and Shanghai had helped convince the Chinese and the Russians that war would be inadvisable. Consequently, as Brandt wrote to Schering to thank him for his service, he expressed his own conviction that Germany desperately needed to increase its naval presence in East Asia and that he would write the Reichsmarineamt forthwith about this important issue.  

With the Ili crisis resolved, Luise returned to Hong Kong to prepare for its return journey home. The reminder of the ship’s tour proceeded without much incident—save for Luise’s official visit to Tamtave-and Schering, Diederichs, and the rest of the crew safely docked in Wilhelmshaven on 9 November 1880. Upon his arrival, Schering received good news: not only had the Admiralty deemed Luise’s mission a success, but the dispatches from Schering, Diederichs, Brandt, and others about the inadequacies of the

95 Brandt to Schering, 17 March 1880, ibid.  
96 Brandt to Schering, 12 April 1880, ibid.
East Asia station had made a profound impact in Berlin. With strong backing from the Foreign Office, the Reichsmarineamt had produced a report that recommended the formation of an East Asia Squadron that would significantly increase Germany’s naval commitment in East Asia. Ships dispatched to waters in the Far East would no longer operate independently, but rather under the aegis of a single flag officer. The gunboats Wolf and Iltis remained an integral part of Germany’s presence in the Pacific, but now received support from the steam corvettes Stosch and Hertha, as well as the sail frigate Elisabeth, all under the direct command of the squadron’s new commander, Captain Louis von Blanc.97

Nevertheless, despite this increase in the Navy’s presence in East Asian waters and the advocacy of leading voices such as von Richthofen, Brandt, Schering, and even Tirpitz, high-ranking members of the Admiralty and the German government remained unconvinced that Germany needed a base in China. The newly-created East Asia Squadron would be able to project German power in the Far East much more effectively, and the logistical problems regarding provisioning and maintaining the fleet could still be easily handled by making use of friendly ports located in the waters around China and Japan. To leaders in Berlin, a limited German naval force in East Asian waters reflected a quite rational response to the real and existing needs of the imperial state in the Far East. Until these circumstances changed, in their opinion, there was no need to accelerate Germany’s engagement in the region.

97 Promemoria, 10 May 1880, BA-MA, RM 1/2385; Berger to Admiralty, 20 November 1880, BA-MA, RM 1/2639.
In the meantime, von Richthofen remained unwavering in his advocacy for a German port in China. Upon his return from China in 1873, von Richthofen served as a rector of the University of Berlin, while also establishing himself as a leading member of the Berlin Geographical Society by giving lectures and writing articles for public audiences.\(^98\) By the end of the 1870s von Richthofen had established himself as the leading expert on Chinese geography, history, and ethnography, all while continuing his search for a suitable location for a German colony in China and, in doing so, a means to convince the German government to increase its presence there. As his own popularity in Germany grew, so too did a general interest in the pursuit of overseas colonies, providing von Richthofen with an ever-widening audience to which he could appeal for support.

In 1882, he published the second detailed volume on his 1868-1872 journey in China, in which he provided a glowing description of Kiaochow Bay and the many benefits of its location in Shantung. In doing so, von Richthofen attempted to appeal to a number of interests. He called the bay “the biggest and best ocean harbor in all of northern China” which could serve as the logical outlet for the export of the rich mineral deposits nearby. Von Richthofen also found that this area would be “especially well-suited to supply not only of all Shantung but large parts of the great plain with trade goods.”\(^99\) In his estimation, the construction of a railroad between the bay and the

\(^{98}\) In addition to the positions listed above, in the three decades between his return to Germany and his death in 1905, von Richthofen also served as a member of the Kolonialrat, founded the Institute for Oceanic Studies at the University of Berlin, participated in several international geographic commissions, and taught at universities in Bonn, Leipzig, and Berlin. Furthermore, the Prussian Academy of Sciences made von Richthofen one of its members in 1899; Steinmetz, Devil’s Handwriting, p. 406.

provincial capital of Tsinan would have to traverse the coal-rich regions of the province and would also provide a convenient means to distribute the other chief products of the region, such as linen and silk. There even existed the potential for further growth as von Richthofen saw Kiaochow Bay as the “only suitable location” for the terminus of a “far wider railroad network” that would cover the entirety of Northern China. Furthermore, the location of coal deposits nearby also meant a harbor there could serve as an excellent coaling and refueling station for the navy. Its proximity to Japan and some of the other major cities on the Chinese coast, such as Peking, Shanghai, and even Chusan, offered important strategic advantages, as a fleet based there could either make a quick strike against its enemies, protect its allies, or safeguard German commercial interests should the native population threaten them with violence.

Although it still would be a few years before von Richthofen endorsed Kiaochow Bay as the best choice for a German colony, his impassioned appeal left a lasting impression on a host of different interests, whose desire for German involvement in China continued to grow. In the early 1880s, for example, the German government—particularly Bismarck—took a firmer stance in encouraging shipping and trade with and in China, culminating in the passage of a government subsidy for German steamship passages to and from China; Norddeutscher Lloyd was the first to receive this subsidy in 1886, followed by Hamburg-Amerika Linie two years later. German trade with China developed rapidly, such that, within a few short years, only Britain was a more important source for Chinese imports. As these shipping firms continued to see their profits increase, there arose a growing sentiment that Germany needed its own port not only to
further bolster trade volumes, but also to further cut out British middlemen, thus increasing profits and reducing London’s preeminence as China’s leading trade partner. Though Germany was gaining on Britain in the amount of tonnage going into and out of Chinese ports, it still lagged far behind its rival. 100 In 1895, Britain transshipped nearly 20,500,000 tons, while Germany had 2,400,000; nevertheless, this far outpaced Germany’s next closest rival, Sweden, which carried only 400,000 tons.101

German commerce in China flourished in the 1880s such that, by 1895, the volume of German business there was second only to Great Britain. Although Germany still had much work to do to catch up to and even surpass British numbers, the German rise had been so fast and considerable that a strong rivalry had developed between the members of the commercial communities in both states. In the economic sphere, just as in other areas of competition, the German government did everything in its power to support private ventures that would also enhance German’s prestige and power. Not only did this mean aiding projects that individuals brought to the Reich’s attention, but also encouraging companies, firms, and private citizens to undertake specific projects.102 On the eve of the occupation of Kiachow, the number of German business established in China stood second only to England, a considerably strong position given that the English had enjoyed a near monopoly in China for several decades prior to the 1880s. 361 British firms were located in China compared to 92 German; Japan was a distant third with 34. Although it is difficult to determine an exact number, the returns from

101 China, Imperial Maritime Customs (hereinafter cited as IMC), *Returns of Trade and Trade Reports, 1895* (Shanghai: Statistical Department of the Inspectorate General of Customs), p. 20.
102 For more on these activities, see Stoecker, *Deutschland und China*, chapters 6, 11, and 12.
China’s Imperial Maritime Customs Service indicate that Germans also made up the second largest group of individuals conducting business in the Middle Kingdom.\textsuperscript{103}

The establishment of the German language newspaper in Shanghai, \textit{Ostasiatischer Lloyd}, added further pressure on the German government, serving as a spokesman for German commercial interests in China, as it had the support of many of the German companies that had branches in China. Over the course of the decade prior to the annexation of the Kiaochow leasehold, \textit{Ostasiatischer Lloyd} published numerous articles calling for a German foothold in China.\textsuperscript{104} Although commercial interests, including the newspaper, were more hesitant in promoting a specific location for a German possession, their calls for a colony in China played a significant part in the growing voice of the pressure group. The appeal of a location such as Kiaochow Bay was certainly well known to commercial interests, particularly due to their familiarity with the works and advocacy of von Richthofen.\textsuperscript{105}

German interests in China knew of the suitability of Kiaochow Bay from the Chinese side as well. In 1886, the Chinese minister to Germany, Hsü Ching-ch’eng wrote a memorandum to the Qing government that pointed out the strategic importance of Kiaochow Bay, telling his superiors, “western military ships have surveyed every point on the China coast, and all report that Chiao-chou [Kiaochow] Bay is the best spot for a harbor.” Consequently, he advocated rapid development of the bay as a naval and trading base. Perhaps most importantly, Hsü referenced a meeting with Ferdinand von

\textsuperscript{103} IMC, \textit{Returns, 1895}, p. 31; see also, Schrecker, \textit{Imperialism and Chinese Nationalism}, pp. 8-11.  
\textsuperscript{104} Steinmetz, \textit{Devil’s Handwriting}, pp. 456-457.  
\textsuperscript{105} Ibid., pp. 405-406.
Richthofen as a basis for his recommendations.\textsuperscript{106} Several other officials echoed Hsü’s report, and, following a memorandum from the censor Chu I-hsin that also emphasized Kiaochow’s value, China slowly began to fortify the bay.\textsuperscript{107} In 1891, four battalions belonging to the Huai army based in Shantung were transferred from the interior to the coast to defend the harbor.

Although Chinese efforts were limited, particularly in light of the crushing defeat that China’s navy suffered in the Sino-Japanese War in 1895, China’s interest in the bay did not go unnoticed by the European powers, including Germany and its fledgling navy. In 1893, the \textit{North China Daily News} published a letter from a local correspondent advocating Kiaochow Bay as a suitable location for a new treaty port, as it as the “strategic point of Shantung commerce [that held] great superiority…over any other location.”\textsuperscript{108} Furthermore, much to the concern of German China watchers, other Europeans powers were also beginning to recognize Kiaochow’s potential. Following the Sino-Japanese War (1894-1895), Russia had grown more concerned with protecting its Pacific fleet. Questions about the security of wintering its fleet in Japanese harbors (Vladivostok routinely freezes over in winter) abounded in Russian naval circles, leading to the Russian government securing permission from China to anchor some of its ships in Kiaochow Bay during the 1895-1896 winter. Although this was an extremely temporary and limited agreement, the Russian use of the port certainly caught the

\textsuperscript{107} Ibid., p. 52.
attention of German naval officials just as the search for a suitable location for a port in East Asia was beginning to heat up.

Despite increasing interest from religious, academic, commercial, and naval circles for the acquisition and creation of a German naval base and port in China, such demands were still unable to generate a substantial enough escalation in policy that would result in their fulfilment. Although Bismarck occasionally considered pursuing this policy, he never took any definitive action, largely due to his preoccupation with securing Germany’s position in Europe—particularly through a closer relationship with Britain—which required minimizing friction over colonies. When Kaiser Wilhelm II finally forced Bismarck out of office in 1890, Wilhelm’s more aggressive Weltpolitik, a policy centered on Germany becoming a world power rather than just a European one, replaced the Iron Chancellor’s more cautious foreign policy. Although this provided an opportunity for those interested in a more assertive policy in China to push the government to act, Germany still lacked the means, ambition, and policy need to pursue this actively. Nevertheless, the demand for a colony in China reached a fever pitch in the early part of the 1890s, and, coupled with Wilhelm’s new foreign policy, proved instrumental in the push to acquire Kiaochow Bay.

China’s struggles in the Sino-Japanese War were especially significant for it led many advocates for a Chinese colony to believe China was even weaker than they had thought. Max von Brandt’s successor as the ambassador to China, Baron Schenk zu Schweinsberg (1893-1896), even went so far as to suggest taking advantage of the war to
seize Kiaochow Bay in 1894. ¹⁰⁹ At this same time, Wilhelm played an influential role in the debate on Germany’s presence in China. The Kaiser increasingly worried about the presence of Russia, France, and Britain in the far east, and made it clear to his subordinates that if these states “attained important points in China, under no circumstances could Germany come up short.”¹¹⁰

Keeping up with the other Great Powers in Europe was not the only thing on the Wilhelm’s mind, however. Although German discourse on China continued to remain diverse and multivocal, notions about race and colonialism in Germany were changing rapidly in the final decade of the nineteenth century. At this time, the increasing frequency and importance of global cross-cultural interactions radicalized the study and interpretation of race, transforming notions of social, cultural, and religious identity and belonging and the role race played in the pursuit of empire. By the turn of the century, new “debates about degeneration, miscegenation, and assimilation, and about the ‘backwardness’ of the Africans, Asians, and Slavs certainly gave racial identities new purchase.”¹¹¹ Drawing on concepts of biological race, civilizational decline, social underdevelopment, and cultural shortcomings, proponents of colonialism were able to define foreign populations as inherently inferior, thus providing justification for imperial

¹⁰⁹ Schenck to Hohenlohe 23 November 1894, PA-AA, R 2165.
¹¹¹ Marchand, German Orientalism in the Age of Empire, p. 297.
conquest and the subjugation of native populations. Europeans-and the Germanic peoples in particular-had achieved an exalted position at the top of the racial and cultural hierarchy, and this position had to be guarded closely and protected to prevent, as Arnim Tille argued in a speech to the Pan-German League, “the permanent mixing between Germans and representatives of other peoples and races and the continued presence of racially poor elements inside our own Volkskörper,” thus preserving and cultivating the health and of the Germanic peoples.

As a result of the rapidly changing debate on race, Wilhelm himself grew more and more attracted to Sinophobia and beliefs on the exalted position of Europeans, leading him to boast that he coined the term “yellow peril” and fuel a sinophobic hysteria in Germany. This phrase found its greatest expression in 1895, when Wilhelm produced a sketch of a city awash in flames with a cloud of smoke above it taking on the form of a Buddha seated upon an Asiatic dragon preparing to do battle with the allegorical representations of the nations of Europe, led by Germany. In the sketch’s final version, Germania was replaced with St. Michael, the patron saint of Germany, who was also commonly represented as a “war cherub” (Cherub des Kriegs). The Kaiser was especially proud of this drawing, and had his royal painter, Hermann

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114 Although the exact origins of the phrase “yellow peril” are left open to debate, Wilhelm often claimed he was its originator, a fact that contemporary sources supported, as in, for example, G. G. Rupert, The Yellow Peril, or, the Orient Versus the Occident (London: Union Publishing, 1911). More recent scholarship, however, places the first appearance of this phrase in German anti-Semitic newspapers as early as 1882, as a means of comparing Jews and Chinese; Heinz Gollweitzer, Die gelbe Gefahr: Geschichte eines Schlagwortes (Göttingen: Vandenhoek & Ruprecht, 1966), p. 147ff. Nevertheless, Wilhelm was one of the strongest voices of the “yellow peril” at the turn of the twentieth century.
Knackfuß, make copies of it so that he could present one to each of the major royal houses in Europe. Individuals like the Kaiser thus saw the influence of China—marked by decline and decadence—as a growing threat to Europe that could only be quelled by complete and total dominance of the Chinese. The best way to do this, in their minds, was through conquest and subjugation.

Sinophobia gained further purchase in German foreign policy when Baron Edmund von Heyking replaced Schenk zu Schweinsberg as the German Ambassador to China in 1896 (a position Heyking would hold until 1899). Both Edmund and his wife, Elisabeth, shared the Kaiser’s strong anti-Chinese racism, adding a new layer of complexity to the rapidly changing discussion on race in Germany at the end of the nineteenth century. Elisabeth’s diaries from this period vividly capture German sinophobic sentiments. The baroness expressed her approval of an American official in China who expressed to her that “the Chinese are only fit to be sliced up by the different powers.” The Heykings were highly critical of the Chinese for their “inability to speak a European language passably.” Edmund von Heyking described the Chinese ministers in the Zongli Yamen (the Chinese Foreign Ministry) as “all complete idiots” and “forbidding, staring masks.” Elisabeth’s diaries reveal the Heykings as proud aristocrats that believed strongly in their exalted status and who felt no need or desire to cross cultural boundaries, identify with the Chinese, or display any specialized knowledge of China or its people. Otto Franke, one of Germany’s most prominent

116 Elisabeth von Heyking, Tagebücher, pp. 199, 204, 191.
sinologists who acted as an interpreter for Heyking during the negotiations concerning the annexation of Kiachow Bay, recalled in his memoirs that the Heykings adopted “an extremely high-handed manner with the Chinese,” regarding them as “dirty, cowardly, backwards, and disgusting.”117

As imperialist and nationalist fervor demanded Germany show its place in the world as Great Power, it became clear that Germany needed to make a firm choice about what role it would play in China and East Asia. Even though Wilhelm’s whipped up hysteria about the “yellow peril” came to dominate German discourse on China at the end of the century, discussions about China and Germany’s role there remained complex and deeply layered, a multivocality that continued to exert a heavy influence on German colonial practices in Tsingtau and China as a whole. In fact, in the precolonial discourse about China, neither Sinophobia nor Sinophilia offered a ready option for colonial government. As George Steinmetz argues, “by acknowledging China’s continuing cultural and political power and its radical alterity, European Sinophobia radically reduced the menu of options for colonial native policy. Sinophilia, by contrast, did not construe China as a place that even needed colonization.”118 As a result the predominate argument that emerged was a view that borrowed from them all, making practical and reasoned arguments that were decisive in the German decision to ramp up further its involvement in China and, ultimately, seize the fishing village of Qingdao and create the Kiaochow Leasehold: the notion of creating a “German Hong Kong.”

118 Steinmetz, Devil’s Handwriting, p. 431.
One of the most important reasons that the argument for a German Hong Kong gained so much influence was that it cut across the divides that existed in the other voices on German-China, as Sinophobes and Sinophiles alike found a place for their views within this argument. Sinophiles, for example, saw a “German Hong Kong” as an opportunity to “open” China and “make it useful for Euro-American capital interests and missionary work.”¹¹⁹ This would allow further interactions with China, and, since a colony like Hong Kong required cooperation with locals, would provide opportunities to work among China’s ancient cultural backdrop with a people that had a long history and tradition of self-government. Sinophobes, on the other hand, saw this model as their best chance to take the struggle against the Yellow Peril to the Chinese heartland, particularly since it appeared increasingly likely that the German Navy—where high-ranking officers were some of the strongest advocates of the Hong Kong model—would take charge of the colony. This meant an increased German military presence in China and, if the Navy’s influence was strong enough, a firmer European administration of the colony that would keep the locals in check. Doing so would also provide the opportunity to add a specifically German character to the process of “modernization/Westernization” already taking place across China. “In the eyes of German nationalists, Chinese modernity was already being given an overwhelmingly British (and French and American) stamp, threatening to shut Germany out in a much more fundamental way than the earlier lack of colonies.”¹²⁰ The Navy’s role in the control of a Chinese colony was integral to both

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¹¹⁹ Von Richthofen, as quoted in Schrecker, “Kiautschou,” p. 188.
¹²⁰ Steinmetz, Devil’s Handwriting, p. 430.
sides that argued from colonization because it seemed to share the goals of the other major advocates of a colony, commercial and colonial groups. Most importantly, perhaps, the German Hong Kong model more easily addressed the thorny issues associated with race and racial alterity that confronted both Sinophiles and Sinophobes alike. This was especially important in terms of how best and to what extent Germans should engage with the Chinese, as both parties recognized that, with China and the Chinese population as large as it was, creating a large-scale settlement colony was not feasible; the Chinese would have to play a leading role in the day-to-day life of any German colonial venture.

Although sinomaniacs found little appeal in the fact that a “German Hong Kong” required imperialist control, this model recognized China’s enduring cultural and political power, leaving room for the possibility that the local populace might be able to take greater responsibility for running the leasehold over time. Additionally, an international center might also open up more Europeans to the admirable characteristics of China, softening fear of the “Yellow Peril.” It was this broad-based appeal that seized the attention of a German government increasingly interested in imperialism, as this model allowed it to pursue its own foreign and domestic policy, while also appealing to the broadest spectrum of the population to this colonial project. As Admiral Eduard von Knorr, Chief of the Naval High Command (Oberkommando der Marine) from 1894 to 1899, commented, “everything depends on our creation of a German Hong Kong.”

122 Steinmetz, Devil’s Handwriting, pp. 430-432.
123 Eduard von Knorr to Wilhelm II, Immediatvortrag, 8 November 1895, BA-MA, RM 3/6692.
It was the German navy—more specifically, a new generation of officers in its upper echelons—that provided the final piece in the transformation of a domestic political issue into state policy. This group began its rise to prominence in 1894, with its influence secured by the appointment of Tirpitz as the new Secretary of State of the Reichsmarineamt in 1897. Tirpitz firmly believed in the necessity of a large and powerful fleet as an expression of national power, as a strong navy would allow Germany to “protect the homeland against possible rivals…[and] also directly support the activities around the world which were so crucial in establishing the nation’s international position.”\(^\text{124}\) In order to secure its interests at home and abroad, Tirpitz believed Germany needed a fleet that could Great Britain’s, the world’s largest and greatest power.\(^\text{125}\) Tirpitz viewed the projection of national power in the global level as a combination of a strong military, powerful political influence, and a clear presence in the international market economy. Having a dominant naval force would not only protect Germany from its enemies, but also secure all three of these important criteria for world power.

Tirpitz’s desire to develop German naval power and establish Germany as a Weltmacht fit well with the goals of the major advocates of a colony in China, namely commercial, missionary, and colonial groups. By accelerating Germany’s engagement in China, Tirpitz could secure each of the critical elements of global power projection, as China was a region of the world where the powers of Europe were still jockeying for

\(^{124}\text{Schrecker, Imperialism and Chinese Nationalism, p. 20.}\)

control. Whereas Europe had already largely carved up Africa and the pursuit of influence in Latin America required a more nuanced approach due to the efforts of the United States to resist European intrusion into its own backyard, the battle for China, East Asia, and the Pacific had yet to truly begin. That each of Tirpitz’s objectives fit well with those of other domestic groups interested in a colony in China only furthered the navy’s role in spearheading the drive for an imperial presence in the 1890s.

Although the Reichsmarineamt had reduced the East Asia Squadron to two gunboats and an occasional ship on a training mission due to the need to protect Germany’s colonial presence in Africa, the outbreak of the Sino-Japanese War in August 1894 led to a revival of interest in a greater naval presence in China. As a result, the Kaiser, afraid that the other states of Europe would take advantage of the crisis to seize additional territory in China and that Germany might somehow miss out on the opportunity for an imperial land-grab, authorized the creation of a squadron of cruisers under the command of Rear Admiral Paul Hoffman. This new naval unit—the Ostasiatische Kreuzerdivision—comprised the recently-commissioned light cruiser Irene and three older and smaller cruisers, the Arcona, Marie, and Alexandrine. Its principal orders were to protect German trade from attack by Chinese raiders as well as German missionaries and other nationals from crimes committed against them by Chinese subjects. Additionally, the division received authorization to engage in commerce raiding against ships belonging to Germany’s rivals in the region—principally Britain and
Russia, but also, increasingly, Japan-in the event of war. Finally, Wilhelm tasked Hoffman with seeking out potential sites for a permanent German naval base.¹²⁶

Hoffman tried his best to follow through on these directives but found that the three small cruisers under his command were inadequate for the tasks at hand, leading him to request newer ships to replace them. Knorr, acceded to Hoffman’s request, replacing the *Alexandrine* and *Marie* with the heavy cruiser *Kaiser* and the light cruiser *Prinzess Wilhelm*. Another cruiser, *Cormoran* also began to conduct operations in the Pacific at this time, although it acted under orders independent from those of the East Asia Division.¹²⁷

The re-outfitting of the *Ostasiatische Kreuzerdivision* made it easier for Hoffman to discharge his duties as commander, although the division still suffered from the same problems that had plagued German naval vessels when Diederichs and *Luise* made their tour in the 1880s, namely the lack of a suitable place for ships to coal, refuel, train, and conduct repairs. This problem became even more acute during the Sino-Japanese War, as German ships were denied access to the facilities at Shanghai and Nagasaki, significantly hindering the cruiser division’s ability to act quickly and decisively in a crisis. In Hoffman’s estimation, Germany needed to “seek the acquisition of a point of the Chinese coast…as a base of our interests in China.”¹²⁸

Hoffman was not alone in his belief about the importance of a permanent presence in China, as his assessment about Germany’s naval presence in East Asia

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¹²⁶ Imperial Decree, 25 September 1894; Goltz to Hollman, 6 October 1894, *BA-MA*, RM 4/83.
¹²⁷ Imperial Decree, 16 January 1895, ibid.
¹²⁸ Hoffmann to Knorr, 12 November 1895, *BA-MA*, RM 3/6692.
received considerable support at the highest levels of the imperial government. In 1894, Wilhelm II advocated the seizure of Formosa in order to protect German trade with China that now totaled over 400 million marks annually. Further backing on this point came from Chancellor Chlodwig von Hohenlohe-Schillingsfürst who asserted that acquiring territory in China would “fulfill the needs of our fleet and of commerce for bases which we have demanded for decades.” Even the State Secretary of the Foreign Office, Adolf Marschall von Bieberstein- despite his preference that Germany avoid imperial entanglements-agreed that Germany would suffer national humiliation if it failed to acquire any land from a partition of China. Additionally, German representatives on the ground in China, such as von Heyking, actively campaigned for stronger naval action in China: “We cannot wait [to acquire a base], because our warships cannot swim about here forever like homeless waifs, and we run the risk of losing prestige [in Europe] because we have expressed wishes without pushing them through.” Consequently, Hoffman received orders to investigate potential locations for a base in China, a mission that the head of the East Asia Cruiser Division took very seriously. Despite the strong advocacy from such high-ranking individuals, however, the government still hesitated to take decisive action.

Nevertheless, this lack of action did not deter Tirpitz. As early as 1895-while Chief of the Naval Staff-Tirpitz made strong overtures for the establishment of a base in

131 Marschall von Bieberstein to Hatzfeldt, 1 February 1895, ibid.
China. While Tirpitz’s frustrations with the German government’s unwillingness to adopt many of his recommendations (including his plans for building a powerful and modern fleet) led to his resignation from his post in autumn 1895, the push from within the navy for a base in China continued. With the help of his Chief of Staff, Otto von Diederichs, Eduard von Knorr prepared an *Immediatvortrag* in which he made an impassioned and thorough plea for the immediate creation of a base in East Asia. In crafting his argument Knorr cited military and strategic needs as well as economic ones. Modern warships needed constant maintenance at bases, and, coupled with the fact that the Far East was fast becoming a hotbed of economic activity, the lack of a permanent presence in East Asia at a time when the other world powers were consolidating their holdings seriously hindered the effectiveness of Germany’s power projection. In this report to the Kaiser, Knorr also highlighted the importance of a potential base being easily defensible with good access by land and sea. This would not only make it easy to provision naval vessels, but also foster the further development of German economic interests. Most importantly, by choosing a location centrally located between Shanghai in the North and Hong Kong in the South, Germany could build a port that would become a prominent location in China and a central axis of power in the Far East.

Of the potential sites available, Knorr found four that could possibly meet Germany’s needs: the islands of Chusan and Amoy, Samsah Bay (in the province of Fujian), and Kiaochow Bay, centered on the fishing village of Qingdao. While Kiaochow Bay was at the bottom of Knorr’s rankings, Diederichs noted the Bay’s
inclusion. Based on his own personal review of Knorr’s memorandum and his prior experience in the Far East, Diederichs concluded that a base located at Qingdao was Germany’s best option.

Upon succeeding Hoffman as the commander of the *Ostasiengeschwader* in late 1895, Tirpitz continued his predecessor’s work, investigating the viability of four additional locations in the Far East—including Kiaochow Bay—as possible bases for German activity. When he was recalled to Berlin in 1896 to become State Secretary for the Imperial Navy, he delegated the completion of this task to Diederichs, who readily plunged himself into determining the best fit for a German base that would fulfill all the needs of the navy and the German Empire. Like Hoffman and Tirpitz, Diederichs firmly believed that Germany needed to acquire a permanent presence in China. Indeed, while many high-ranking officials agreed on the necessity of a port in East Asia, there existed little consensus on its location. Whereas Diederichs preferred Kiaochow, Knorr and Gustav Freiherr von Senden-Bibran, the Chief of the Naval Marine Cabinet, favored Chusan. Admirals Friedrich von Hollman, the State Secretary of the Imperial Navy, and Hoffman advocated for Amoy (long a center of German activity in the Far East), while Wilhelm II actively campaigned for the seizure of Weihaiwei (Weihai), a port opposite Qingdao on the Shantung peninsula.
Despite the initial disagreement among members of the naval administration, other members of the German China interest group pressed for the selection of Kiaochow Bay as the site of a German base. In addition to needing to protect the overwhelming number of German missionaries based in Shantung and surrounding regions, the most important justification for choosing this location was that the area surrounding the bay fit all the necessary criteria for creating a “German Hong Kong.” As Ferdinand von Richthofen—who, at this time, was participating in a lecture tour of Germany extolling the value of a Germany colony in China—had pointed out in his writings on China, this region was rich in undeveloped mineral wealth, especially the coal necessary for refueling German warships, as well as land that could support a variety of agricultural produce. The landscape of the surrounding territory was highly suitable for the construction of railroads and, according to von Richthofen, a port on Kiaochow Bay would also be “the best terminus for a wider rail network which would cover all of northern China.” Furthermore, Shantung was located far enough north that a port there would be outside the influence of other major trade ports such as Hong Kong, Macao, Formosa, and Shanghai, and so a future port there would fill a valuable role.

Following his 1896 appointment as Tirpitz’s successor in East Asia, Diederichs undertook a comprehensive review of relevant files related to the Squadron and Germany’s presence in the Far East. Between his examination of these files, briefings with his superiors, and his own personal experiences in East Asia, Diederichs concluded

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that China’s currently weakened state presented a golden opportunity for Germany to expand its presence in China and acquire its own naval base in the Middle Kingdom. Achieving such a goal was even more pressing now than at any other time, largely due to the explosion of imperial expansion into China. British Hong Kong was becoming a major trading center and axis of power in the Far East, anchoring Britain’s presence elsewhere in China, particularly in Shanghai and along the Yangtze River. France had firmly established itself in the region around Canton as well as in Indochina, while Russia and Japan continued to seek a dominant position in Manchuria, as they continued to make inroads into Central Asia and Korea, respectively. If Germany waited much longer to act, then soon enough there would be no place for Germany to establish itself as a global power in China by having a base of operations to protect its interests.\footnote{Otto von Diederichs, “Die Besetzung von Tsingtau, 14 November 1897,” BA-MA, Nachlass Diederichs N 255/24, pp. 3-8. Written between 1906 and 1908, “Die Besetzung von Tsingtau” is Diederichs’ personal account of the seizure of Tsingtau and the Kiaochow Leasehold. Based on his memories, official documents, and personal correspondence with his wife, son, and his colleagues in the navy (often with direct quotations, including the report by Hoffman cited above), the manuscript offers a detailed look at the events leading up to and including the seizure of the German sphere of influence. The document cited here is the copy transcribed by Diederichs’ son, Fritz, in 1939. The original, handwritten, manuscript can be found in N 255/24d.}

In September 1896, Tirpitz prepared a follow-up report to Knorr’s \textit{Immediatvortrag}, in which he recommended that the German government should pick Kiaochow Bay as the site of Germany’s first Asian colony. While Tirpitz found that securing and developing either Chusan or Samsah Bay presented too many diplomatic and economic difficulties, Amoy still offered excellent potential. Nevertheless, despite his favorable evaluation of Amoy, Tirpitz spoke most highly of Kiaochow Bay. Many of the arguments Tirpitz made were clearly based on the arguments expounded by von
Richthofen. The German Admiral extolled the economic advantages of the bay, stressing that Kiaochow was “the only natural, good harbor in the whole of China northwards from Shanghai to Newchang,” and that it could become the chief trade outlet for both Shantung and all of northern China. Furthermore, he observed, “developing the bay would ease communications with the western part of Shantung where German missionaries are active.” Finally, Tirpitz included a sizeable description of the maritime and military capabilities of the bay, the ease in which it could be expanded into a harbor, and the advantages for defense this location offered.138

In recalling this quest for a naval base and port in China in his memoirs, Tirpitz expressed that from very early on he recognized the importance of following the British example in China for both military and economic reasons: “If German trade was ever to cease being a go-between for English and Chinese products, and to begin putting German wares on the Asiatic market, it needed its own Hong-Kong [sic] just as our squadron did.” In evaluating potential sites, he quickly realized-based on the reports of von Richthofen and numerous businessmen, merchants, engineers, and others on the ground in China-that “there was only one place for the German who had once more arrived too late…the unset pearl Tsingtau.”139 Soon after Tirpitz’s report reached Berlin, a consensus among religious, commercial, academic, and military interests rapidly developed that Kiaochow Bay was the perfect choice for a new German colony.

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138 Tirpitz to the German Naval High Command in Hakodate, 5 September 1896, BA-MA, RM 3/6692.
Nevertheless, despite Tirpitz’s glowing recommendation in September, the German quest for a base in China stumbled the following December, due to a follow-up report from Tirpitz. Not only did he reverse course by advising the government to consider a different site instead of Kiaochow, but he also questioned the very value of a base in East Asia. Tirpitz justified his reversal by revealing a troubling development from China that, according to the *North China Daily News* (an English-language newspaper published in Shanghai), the Chinese government had agreed to lease Kiaochow Bay to Russia. While he doubted the accuracy of the story, Tirpitz warned that “a smaller naval power such as Germany” might not be able to defend a base against a Chinese or European attack. Consequently, the head of the *Reichsmarineamt* feared that pushing too hard to acquire Kiaochow could lead to a potential conflict with Russia in the Far East. Tensions between the two powers were still high following Germany’s intervention in the negotiations to end the Sino-Japanese War, and, in Tirpitz’s opinion, further disagreements with Russia in this region might seriously imperil Germany’s position in Europe and the world. Consequently, it would take the efforts of men on the ground in China-particularly Diederichs-to rescue the plan to acquire Tsingtau. Despite Tirpitz’s gloomy report, Diederichs continued to advocate strongly for a German port in Asia, which, most importantly, he believed should be located on Kiaochow Bay. Between December 1896 and August 1897, Diederichs undertook an extended tour of

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140 Tirpitz to Knorr, 6 December 1896, *BA-MA*, RM 38/28.
141 Gotschall, *By Order of the Kaiser*, pp. 144-146.
the East Asian region, in which he assessed both the state of the East Asia Squadron and potential locations for a harbor and base.

As the debate about a base in East Asia continued to heat up, members of the Imperial Naval Ministry recognized that no true advancement in Germany’s naval presence in the region could take place unless it could build a larger and more powerful naval force that could rival Great Britain’s. While the center of Germany’s rivalry with Great Britain played out most noticeably in concerns over the control of the North Sea, Berlin and London faced a similar competition in China. Just as in the North Sea and the rest of Europe, Germany had now begun to challenge British hegemony, although it had to do so in a world in which England was already the dominant power. It was this notion of a competition with Britain that contributed to the powerful appeal of the “German Hong Kong” argument for gaining territory in China. The creation of a multifaceted, rich, powerful, and culturally significant international port along the model of one the crown jewels the British Empire, proved too alluring to be ignored. Given Tirpitz’s recent experiences in the Far East, the rivalry that existed here certainly carried over into the European context, pushing the navy to consider stronger action at home and abroad.

In order to achieve this goal, however, the navy needed a large influx of government funding, which the Reichstag was unwilling to give; in fact, it was the cutting of naval funding in 1896 that had resulted in the resignation of Hollman as head
of the Imperial Navy and the Tirpitz’s subsequent appointment. Although recalled from East Asia in early 1897, Tirpitz did not return to Berlin until 6 June, at which time the new Staatssekretär plunged into his responsibilities. On 15 June, Tirpitz presented a proposal to the Kaiser that outlined the makeup and purpose of the new German fleet he envisioned. His memorandum identified England as Germany’s chief enemy and located the principal area of conflict as the North Sea, where Germany could challenge the British with the greatest chance of success; Germany lacked numerous bases around the world, so it was impractical to make the battle with England into a global one. Instead, Tirpitz promoted the creation of two squadrons of eight battleships each, plus a fleet flagship and two reserves. The construction would be completed within seven years, with funding by the Reichstag fixed at 58 million marks per year, the same as the most recent budget. Wilhelm enthusiastically supported Tirpitz’s, and so the State Secretary plunged headlong into drafting the First Naval Bill.

Given the recent defeat of Hollmann’s proposal for increased funding for the navy, Tirpitz understood he needed to secure widespread support from key swing votes if he wanted to ensure passage of his naval bill. Tirpitz’s earlier experiences abroad had convinced him that “the relationship between a strong navy and the expansion of German colonial power provided one of the most persuasive arguments for enlarging the fleet,” a point that he pressed hard in selling his proposed bill. In order to win the

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142 On 12 March 1896, the Reichstag cut the navy’s yearly budget from 70 million marks to 58 million, prompting Hollman’s immediate resignation.
144 Schrecker, Imperialism and Chinese Nationalism, p. 21.
support of liberals (who generally represented commercial interests), Tirpitz emphasized the connection between a fleet and economic power and trade influence. Perhaps the most important and influential group that Tirpitz needed to persuade, however, was the Catholic Center Party, the largest single voting bloc in the Reichstag.

Comprised mainly of Catholics and South Germans, the Center Party (die Zentrumspartei) was not decidedly opposed to the notion of naval expansion, although aggressive foreign policy was never an issue that the party heavily supported. However, the growing presence of Catholic missions abroad was an issue of great concern to the Center, particularly the role that the government played in ensuring the protection of missionary rights overseas. This was of particular importance in China, where the SVD, the leading Catholic missionary group in China, led by Bishop Anzer, had a significant presence since 1880. Despite Anzer’s early prominence in Shantung and position as a leading advocate for German interests in China, the German government was slow to protect religious groups in the Far East. It was not until 1886—and then only after considerable pressure from the Center Party—that Bismarck showed a willingness to make the German government the protector of German Catholics in China, and it would be another two years before this became official government policy. In 1890 Kaiser Wilhelm finally assumed personal responsibility for the protection of German missionaries in China after a series of complex negotiations with Peking and Rome.\textsuperscript{145} Although this was a major success for the Catholics, the fact that Germany had a limited

military presence in the Far East was a cause for concern. Bishop Anzer played a crucial role in this regard, as, in the words of a Foreign Office spokesman, he called “vociferously for a more powerful German presence in China” in order to protect the missionaries from attacks and abuses of rights by the natives.\footnote{Klehmet to Foreign Office, 18 March 1896, \textit{GP}, volume 14, \textit{Weltpolitische Rivalitäten}, pp. 25-26.}

Although Tirpitz seemed to show little interest in missionary work—he was never keen on intervening on behalf of Anzer and his followers while stationed in Asia—he recognized that his interests clearly intersected with those of the Center Party. Consequently, in October 1897, he approached party leaders—including the head of the \textit{die Zentrum}, Ernst Lieber—with a proposal: if the party supported the passage of his naval bill, he would push for an increased naval presence in China with the protection of German missionaries as one of the chief reasons for doing so. The Center Party readily agreed to this proposal, promising to deliver the necessary votes at the appropriate time.\footnote{Tirpitz to Ernst Lieber, 6 October 1897, and Lieber to Tirpitz, 8 October 1897, \textit{BA-MA}, Nachlass Tirpitz N 253/40; Tirpitz, \textit{My Memories}, pp. 150-151.}

In addition to the convergence of political interests that resulted in the seizure of Kiaochow Bay, Catholic missionaries also played a crucial role in its selection as the location of a German base in China. While the primary reason that led the German government to take control of Tsingtau and its environs was its suitability for establishing a German Hong Kong, Kiaochow Bay was also located in the region where the SVD had its headquarters. Bishop Anzer’s continued advocacy for a stronger German presence in China as well as his interest in protecting his missionaries strongly
influenced Ambassador Schenk zu Schweinsberg to recommend the establishment of a colony and base on Kiaochow Bay in 1894. Furthermore, due to the strong presence of German missionaries in Shantung, choosing Qingdao as the center of a new German colony would ensure a strong relationship with the local population and provide a basic infrastructure for the development and administration of the new colony. As the enclave around the bay was also somewhat removed from Peking, the influence of both the Chinese capital and other European powers was greatly diminished, providing better conditions for placing a German mark on China’s development.

Just as Tirpitz and the Center Party reached their political agreement in Berlin, on 21 August, Otto von Diederichs completed his tour and review of Germany’s position in East Asia, preparing a forty-page report on his findings, entitled “A Military and Political Report on the Situation in China.” Placed in a sealed pouch to be carried to Hong Kong, the report was then transported to Berlin in a safe on a liner operated by Norddeutscher Lloyd. In his report, Diederichs immediately responded to the concerns raised in Tirpitz’s December 1896 memorandum about the strategic importance of an East Asian port. Diederichs asserted that “German interests here are indeed sufficient to justify corresponding [naval] strength,” adding, “we must energetically pursue the development of this power.” Diederichs further recommended to his superiors that the only way Germany could maintain its diplomatic and economic presence in China was through the creation of a German naval base there. If Germany wanted to be considered

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149 Heyking to Hohenlohe, 22 August 1896, BA-MA, RM 3/6693.
a Weltmacht, he argued, Berlin needed to act quickly before the major imperial powers—specifically Britain—destroyed China, severely damaging Germany’s presence and prestige both in China and as a global power.

Having addressed the matter of whether Germany should have a base in China, Diederichs then turned to the question of the best location, arguing that the most logical location for a port was Kiaochow Bay, with the tiny fishing village of Qingdao at its center. As the bay’s strategic value was unquestioned, Diederichs used other arguments to justify his support for Kiaochow. First, citing economic advantages, he asserted that the creation of a railroad network between a port city on the bay and the Peking-Hankow (Hankou) line would allow Germany to derive great wealth from the rich Shantung coalfields. Furthermore, as German commercial interests had been slowly expanding northward from Shanghai since the 1880s, he warned that “Germany’s economic interests in China might fail to expand hereafter unless Kiao-chou [sic] was developed as the center of future financial activities.” Determined to leave no question about Kiaochow’s suitability, Diederichs also pointed to religious interests, as Germany’s increased official presence in Shantung would afford greater protection for German missionaries in the region. With these arguments in mind, Diederichs concluded, “it is my firm belief that Kiao-chou provides the greatest fulfillment of our needs as a German base.”150 Adding further credence to the viability of Diederich’s recommendation was another report (also prepared in August) from Georg Franzius, a senior naval engineer

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and director of the Imperial shipyard at Kiel, whom Knorr had dispatched to China in December 1896 to conduct full surveys of the four sites that the Navy had identified for a potential German base. In considering the suitability of each location, Franzius found that, “Kiao-chou Bay far exceeded the other sites in every respect.”

In concluding his report, Diederichs conceded that seizing Kiaochow Bay might provoke a diplomatic crisis and opposition from one or more of the other powers in China, particularly Russia or Great Britain. Nevertheless, the commander of the East Asia Squadron also believed that France, Britain, Russia, Japan, and the United States were too preoccupied with other concerns to oppose such action. Here, Diederichs argued, Germany could take advantage of its traditional policy of avoiding considerable imperialistic action to produce a muted response from its rivals. Indeed, the only major roadblock that Diederichs envisioned was that Germany would need suitable cause to justify its aggression, most likely a violent attack on the part of the Chinese government or its subjects against German nationals or a German-sponsored project.

When Diederichs’ report reached the German Naval High Command in Berlin on 25 October, it made an immediate impression upon Hans von Koester, acting as Commander-in-Chief of the Imperial Navy in place of Knorr, who had fallen ill. Koester immediately sent copies of Diederichs’ report to Tirpitz and the new Foreign Minister, Bernhard von Bülow; Wilhelm II received a copy at a private audience with Koester on 1 November. Although von Bülow and Tirpitz still had their doubts,

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Diederichs’ impassioned argument convinced the Kaiser to act. The navy would seize Kiaochow Bay and Qingdao at the first opportunity.153

On 6 November, a few days after Koester’s briefing with the Kaiser, news of the murder of two German missionaries in Shantung on 1 November reached Diederichs, Wilhelm, von Bülow, and Tirpitz. Events proceeded rapidly as word of the attack spread. Remaining true to his agreement with Ernst Lieber and the Catholic Center Party, Tirpitz pushed for decisive military action in response to the violence. On 14 November, Tirpitz, supported by the Kaiser and the Foreign Office, ordered Diederichs to sail into Kiaochow Bay and seize Qingdao, providing Heyking with the leverage necessary to negotiate a settlement with China that resulted in the cession of the fishing village and its environs to Germany.

Initially, Tirpitz was afraid that the aggressive seizure of territory in China might backfire, as any naval misadventure might cost him the support for the naval bill (submitted to the Reichstag just a few weeks earlier, on 19 October) he had so carefully cultivated. Nevertheless, quite the opposite occurred. When Hohenlohe-Schillingsfürst opened debate on the naval bill on 6 December, his reference to Kiaochow was met with thunderous applause, none more loudly than from the Center.154

Although the debate lasted several weeks, Tirpitz retained the crucial support of the liberals and the Catholics, who provided the decisive votes in the passage of the Naval Bill on 26 March 1898, just as Lieber had promised. Wilhelm signed the Naval

153 Tirpitz, My Memories, volume 1, p. 98.
154 Germany, Reichstag, Stenographische Berichte über die Verhandlungen des Reichstags, 1897-1898, 5th Session, 4th Meeting, 6 December 1897, p. 60.
Bill into law on 10 April, two days after the Reichstag ratified its treaty with Chinese government (signed 6 March 1898) granting Germany a 99-year lease of the Bay and a wide swath of territory surrounding it. On 27 April, Wilhelm issued an Imperial Decree that placed Kiaochow Bay and Qingdao under official German protection. Now known as the Kiaochow Leasehold, the Kaiser put the new territory under the direct control of the Imperial Navy, with Kapitän zur See Hans Karl Rosendahl assuming the position of the Leasehold’s first governor. Tirpitz finally had his new navy, and Germany a place to establish the “German Hong Kong” so many had ardently desired.
CHAPTER III
LAYING THE FOUNDATION FOR A GERMAN HONG KONG

Having finally obtained the territory for which the German Chinese interest group had advocated for so long, the time had now arrived to establish a permanent presence on the Chinese coast that would meet the many and multifaceted visions for Tsingtau that had coalesced broadly around creating a German Hong Kong. Although the interested parties agreed on this plan as a general model for the new German colony, what this meant and how it should be implemented varied greatly. Consequently, while the Leasehold government supported the German Hong Kong vision, it never articulated clearly how this concept fit into its plans for the growth and development of the German colony and how this could be best accomplished.

In the first years of the colony, then, the colonial administration’s priority was developing a system of governance and infrastructure that would allow it to handle the various problems and concerns of the colonial community and foster the city’s development. This chapter examines these early years of the colony in which the Germans living and working in the leasehold laid the administrative foundations for the leasehold government and began to articulate a vision of empire that helped transform Tsingtau from a tiny fishing village into one of the largest and most prominent cities in China on the eve of World War I. During this phase in the colony’s history, the official policy regarding Tsingtau was unclear and ill-defined. Save for the broad notion that Tsingtau needed to become a German Hong Kong, the various factions in the colony fought to bring the specific contours of their respective visions to bear.
Although the naval government shared sinophobic sentiments in recognizing the importance of establishing a clear demarcation of German power through the enforcement of colonial policies and social hierarchy, strong liberal tendencies ultimately tempered these impulses as the Navy began to articulate its vision more clearly. In order for Tsingtau to be the German Hong Kong that government officials desired, the native population need to be willing partners in Tsingtau’s development and success. As a result, the naval government showed a willingness to engage with the Chinese and meet some of their immediate needs in the early years of the colony, with its ultimate goal being the creation of an educated and well-trained interlocutor class that could act as a liaison between the colonial government and Chinese leaders at the provincial and federal levels. While the commercial community certainly wished for Tsingtau to become a profitable and desirable entrepôt on the Chinese coast, it nevertheless worried that the Navy would be too heavy-handed in pursuing its strongly liberal plans in its pursuit to make the colony a projection of Germanness overseas. Instead, businessmen, merchants, and traders—often supported by members of the Foreign Office in China as well as Berlin—saw Tsingtau becoming a German Hong Kong through its development as an engine of economic growth and power, with little contribution or involvement on the part of the Chinese. While these plans were not opposed to each other, tensions between them certainly existed, often leading to clashes and protests as each party sought to protect and advance their respective imperial visions.

Indeed, the intra-elite battles between military leaders, diplomats, missionary groups, and middle-class businessmen and traders on the ground in Tsingtau—all of which
had similar objectives, but also competing interests in the German colony-made it difficult to establish a concrete set of goals for Tsingtau and a plan for how best to accomplish them. In the early years of the colony, the more racist and sinophobic elements in the leasehold began to win out initially in shaping colonial policy, forcing those who desired a more ordered and liberal imperial rule to embrace harsher racial policies designed to entrench Germany’s dominance and authority in the region, recalling the manner in which Germans engaged with the native Ovaherro in German Southwest Africa. Nevertheless, by 1905 the early tensions over the future of the colony were resolving in favor of those who wanted to build a sustainable and self-contained community that would connect easily, efficiently, and profitably to China, the Far East, Germany, and the world.

On 15 January 1898, the German and Chinese governments agreed to the basic tenants of an “Atonement Treaty” that resolved the conflict that erupted between the two states following the murder of two German missionaries on 1 November 1897. Although both governments agreed to these general terms in January, they would not sign the final version of the treaty until 6 March 1898. According to the terms of this treaty, Germany acquired the sole right to exercise sovereignty over an area that became known as the “Kiautschou Leasehold” for ninety-nine years. The leasehold was a 553 square kilometer area-based around the fishing village of Qingdao-that encompassed several larger towns and 275 smaller villages. The treaty also established a fifty-kilometer buffer

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155 The full text of the treaty can be found in John V. A. MacMurray, ed., Treaties and Agreements with and concerning China, 1894-1919, volume I (Oxford: Oxford University Press, 1921), pp. 112-116. Quotations from the treaty that follow in this and subsequent paragraphs are taken from this published copy.
zone that China had sovereignty over, but where Germany also retained special rights, particularly in terms of troop movement and deployment. Furthermore, China agreed “to abstain from taking any measures, or issuing any ordinances therein, without the previous consent of the German Government.” In securing this buffer zone, Germany gained an additional level of territorial protection without having to increase dramatically the amount of land that it had to govern directly.

The treaty also granted the Germans a series of economic privileges regarding the regulation of trade, commerce, and transport through the Leasehold and Shantung more broadly. China granted Germany a concession to build three railroad lines in the province and the right to establish and operate coal mines within 10 miles of the railroad beds on either side. The agreed-upon routes not only passed through every major coalfield that Ferdinand von Richthofen had identified during his extensive travels in Shantung, but also ensured that Tsingtau and the Leasehold would be the nexus of economic activity in Shantung. Furthermore, Germany also received the right to extend this network of railroads to the border of the province, once it had completed construction of the rail line from Tsingtau to the provincial capital of Tsinan. This stipulation became an important step in connecting the German colony to the world beyond China as Tsingtau began to emerge as a prominent trade destination on the Chinese coast.156

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156 The unspecified railroad extension described in the treaty would ultimately become a trunk line that connected Tsingtau and the Leasehold to the Trans-Siberian Railroad, allowing direct passage from Germany to Tsingtau via rail. The railroad and mining concessions, and their importance in establishing Tsingtau as a nexus of economic and commercial activity in the Far East are discussed in further detail in Chapters III and IV, respectively.
The final section of the treaty enshrined additional rights in Shantung that established the province as a virtual German sphere of influence. In this portion the Chinese government “binds itself in all case where foreign assistance, in persons, capital, or material, may be needed for any purpose whatever within the province of Shantung, to offer the said work or supplying of materials in the first instance” to Germany. In securing the terms outlined above, Germany had acquired all that the various parties interested in territory in China had desired: an area of land on the Chinese coast that could be developed into a prosperous port and center of power, as well as series of concessions that “opened the way to economic and political domination over an important Chinese province which formed to colony’s hinterland.”\textsuperscript{157}

Despite the delay between agreement of the terms of the treaty and its signing, the German government wasted no time in laying the groundwork for its new overseas possession. One of the first matters of concern for the new territory was establishing a structure of administrative control and authority. Although normally such responsibility would fall to the Colonial Office, Admiral Tirpitz lobbied strenuously that control of Germany’s East Asian colony should remain in the hands of the Imperial Navy, arguing

If the matter [Tsingtau] was going to prosper, it had to be left in the hands of one department. The navy had immediate military interests there such as a base demands…As we [the navy] have assumed responsibility for this Eastern Asiatic Base, it is my opinion that we are better suited to push on its economic development.\textsuperscript{158}

\textsuperscript{157} Schrecker, *Imperialism and Chinese Nationalism*, p. 42.
\textsuperscript{158} Tirpitz, *My Memories*, volume 1, p. 100.
Despite objections from the Foreign Office, Kaiser Wilhelm found Tirpitz’s argument persuasive and, with the promulgation of the German Imperial Ordinance of 27 January 1898, the *Reichsmarine* was given full responsibility for the governance of Germany’s newest territory.¹⁵⁹ As Secretary of State for the Imperial Navy, Tirpitz now controlled the naval station that Otto von Diederichs had established upon the seizure of Qingdao the previous November, as well as serving as the direct representative of the Leasehold’s interests to the Emperor and the Reichstag. Conversely, Tirpitz also represented the will of the Kaiser and the Chancellor to the inhabitants of the Leasehold, countersigning and enacting all legislation that affected the East Asian colony.¹⁶⁰

Tirpitz’s authority over the Leasehold was further solidified with the passage of an act on 1 March 1898 that granted the head of the *Reichsmarineamt* the powers of a commanding admiral, which normally the *Staatssekretär* lacked. This new authority made Tirpitz as the commander of all naval units at sea and ashore, directly subordinate to Kaiser Wilhelm. In essence, Tirpitz now possessed the main powers of both the First Lord of the Admiralty and the First Sea Lord in the British Navy.¹⁶¹

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¹⁵⁹ In general, the Reichstag was responsible for decisions related to the governance of Germany’s colonies, including all colonial activities. Nevertheless, the Imperial German Constitution was unique in that the Emperor could act in concert with the Chancellor-appointed to the post by the Emperor and responsible only to him-to bypass and supersede the Reichstag’s authority. This was mainly achieved through imperial decrees and ordinances from the Emperor, which required only the counter-signature of the Chancellor to take effect. In the case of the administration of Tsingtau, Wilhelm II believed strongly enough in Tirpitz’s arguments for the Navy to govern the colony that he was willing to override any potential opposition in the Reichstag to bring this about. For more on the intricacies and peculiarities of the Imperial Constitution, see Matthew S. Seligmann and Roderick R. McLean, *Germany from Reich to Republic, 1871-1918: Politics, Hierarchy, and Elites* (London: Macmillan, Basingstoke, and London, 2000).


result, Tirpitz established a new department in the *Reichsmarineamt* – the Central Administration of the “Kiautschou Protectorate” – which would handle the duties of the Emperor in military matters and those of the *Reichskanzler* regarding civilian affairs.\footnote{Otto Hövermann, “Kiautschou: Verwaltung und Gerichtsbarkeit,” in *Abhandlungen aus dem Staats-, Verwaltungs-, und Völkerrecht*, (Tübingen: Mohr, 1914), Volume 13, No. 2, p. 8.} With the above structure enshrined in law, Tirpitz became fully responsible for the day-to-day administration, planning, and supervision of Germany’s newest colony. While he was certainly remained accountable to the Chancellor, the Emperor, and the Reichstag, Tirpitz took on a virtually autonomous role in Berlin regarding Tsingtau.

On the ground in China, the new Leasehold government evolved from the structure established by the occupation forces in 1897. As the Senior Office Present and the commander of the East Asia Cruiser Squadron, Diederichs assumed control of the occupying forces until 11 February 1898, when naval infantry and artillery arrived to fortify Germany’s presence. From that point until 16 April 1898 (when the newly appointed Governor arrived), *Korvettenkapitän* Oskar von Truppel took control of the occupation forces and temporary administration of the Leasehold, a position independent from Diederichs’ command of the Cruiser Squadron. With the signing of the treaty with China in March 1898, Kaiser Wilhelm II, acting upon Tirpitz’s recommendation, appointed *Kapitän zur See* Hans Karl Rosendahl the first Governor of the *Kaiserliches Gouvernment Kiautschou*. Assuming the office following his arrival in Tsingtau in April, Rosendahl was now directly responsible to Tirpitz in the governance of Germany’s newest imperial territory. During the first year of the colony, Rosendahl’s
overall authority was somewhat limited, as any of his policy decisions first had to be approved by the naval leadership in Berlin before they could be published and enforced. Beginning in 1899, however, in an effort to streamline and simplify matters related to the governance of the colony, prior approval was deemed necessary only for “the most important and far-reaching regulations.” Indeed, over the course of the colony’s existence, naval authorities in Berlin never overruled or overturned a policy or law that the governor of the colony had enacted, even if Berlin would occasionally force the governor to adopt policies with which he personally disagreed.163

The goals that the Reichsmarineamt pursued for Tsingtau, then, developed out of the same concerns that had originally motivated the push for a German presence in China in the first place. Tsingtau had to be a model colony that reflected the best of German administration in every area, from the justice system to education, infrastructure to cultural and social development, matching-and surpassing-Germany’s chief rival, Great Britain, in the realm of colonial endeavors.164 Most importantly, the Leasehold needed to become the premiere trading entrepôt in East Asia that would enhance German trade and prestige both at home and abroad, becoming the focal point of activity in the Far East for the Great Powers of the world. As a result, then, the Navy could achieve a twin objective in raising public awareness of and support for German imperialism and the Reichsmarine, particularly among the liberal commercial interest groups.165

163 Steinmetz, Devil’s Handwriting, p. 437; Seeleman, Social and Economic Development of the Kiautschou Leasehold, pp. 57-58.
164 Tirpitz, My Memories, Volume 1, p. 91ff.
165 Volker Berghahn, Der Tirpitzplan (Düsseldorf: Droste, 1971); Peter-Christian Witt, “Reichsfinanzen und Rüstungspolitik 1898-1914,” in Herbert Schottelius and Wilhelm Deist, eds., Marine und
Nevertheless, these objectives lacked any full expression as Germans—both in Berlin and also “on the ground” in the Leasehold—did not have any clear common idea of what, exactly, they were trying to accomplish in building a German Hong Kong and how they were going to do it.

While the naval administration certainly agreed with the Foreign Ministry that Tsingtau should serve as a premiere coaling, repair, and shipbuilding station for the Imperial Navy, the Reichsmarineamt remained uncertain as to how it should best accomplish this goal. One of the early guiding principles that the Navy embraced was that a harbor in China would be of little value if it were not also a flourishing center of trade, a point that Eduard von Knorr pressed home in his 1895 *Immediatvortrag* arguing, “everything depends on creating a German Hong Kong.”\(^{166}\) Tirpitz agreed with Knorr in this regard, as he too believed that Tsingtau would never flourish as just a naval base, but rather had to become something greater: a major center of trade, culture, and imperial power, an axis of German power much like what the British were building in Hong Kong.\(^{167}\) In achieving this goal, the colony would showcase the navy’s skill in organization and management, disarming Tirpitz’s rivals in the Foreign Ministry, and also justifying further support for the further build-up of the navy. Armed with this powerful image of what Tsingtau could become, Tirpitz succeeded in his vigorous campaign to keep the administration of Tsingtau and the Leasehold in the hands of the Imperial Navy.

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\(^{167}\) Tirpitz, *My Memories*, Volume 1, p. 91.
Tirpitz’s desire to ensure the successful development of Tsingtau into a major axis of power in East Asia was profound and earnest, often echoing the same concerns for the colony in private as those he expressed in official statements. That Tirpitz remained head of the navy through the entire life of the colony afforded him a guiding hand in maintaining the stability and continuity of his development plans, a vision that permeated down to the local level: in a 1900 memo to the Naval Office, then-Governor Paul Jaeschke (1899-1901) commented that “the existence of the colony has no justification if it does not become the home base for large German companies trading in the interior.”

Consequently, the first years of the colony were dedicated to establishing a system that would allow the different visions of a German Hong Kong to coalesce into a successful, and profitable, reality: establishing an administrative structure capable of handling the various problems that might arise in establishing the new colony, developing trade and increasing profits through construction of roads and railroads, opening coal mines, improving and enlarging the harbor, and building a naval shipyard, all of which were designed with the intent of supporting both German and foreign trade interests. In accordance with this plan, the German government designated Tsingtau a “Free Port” like Hong Kong (a status that ended in 1905), and customs duties were only charged only on goods whose final destination was not Tsingtau.

Even though Germany’s new territory in China was technically a leasehold according to the March 1898 treaty with China, “the Germans never considered its status

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169 Denkschrift betreffend die Entwicklung des Kiautschou-Gebiets, Oktober 1898-September 1899, Staatsarchiv-Bremen, 3-R.1.g.5. For more on these developments, see chapters III and IV.
to be different from that of the other German colonies.” On 27 April 1898, Germany officially declared Kiaochow a German “protectorate” (Schutzgebiet), the standard term for a colony in the German legal system. As George Steinmetz notes, “although this aligned Kiaochow with the general legal framework in force in all of the overseas colonies, those laws said nothing about the specific regulations, decrees, and policies that would be implemented in any given colony.” Thus, while the Navy was bound generally by German colonial law, it retained a relatively free hand in how it could go about running Tsingtau and the Leasehold. While German colonial officials operated the Leasehold quite differently from Germany’s other overseas territories, the legal status of the colony was not one of the factors that differentiated it. Rather, the fact that Kiaochow was “located in China, whose place in German geopolitical calculations began to change in the years leading up to World War I” played a critical role in distinguishing the Leasehold from the other German colonies. In nearly all other respects, however, “the Germans defined Kiaochow as a colony, just like the colonies in Africa and the Pacific.”

This understanding of Kiaochow’s status fully permeated the Navy’s approach to the colony. In establishing the governmental structure of Tsingtau, naval administrators

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170 Schrecker, _Imperialism and Chinese Nationalism_, p. 60. The intricacies of Tsingtau’s legal status under German and international law are discussed in chapter 2 of Ralph A. Norem, _Kiaochow Leased Territory_ (Berkeley: University of California Press, 1936).

171 Mohr, _Handbuch_, pp. 6-7 contains the imperial decrees issued in 1898 that established the necessary legal framework for the Leasehold and the various right and privileges appertaining in German and international law. As Steinmetz, _Devil’s Handwriting_, p. 437n15 notes, “the codification of German colonial law started in 1886, culminating in the 1900 ‘Schutzgebietsgesetz’ (Law on German Protectorates);” see _Das Schutzgebietsgesetz…Textausgabe mit Einleitung, Anmerkungen und Sachregister_ (Berlin: Mittler, 1901).

172 Steinmetz, _Devil’s Handwriting_, p. 437.
worked carefully to ensure that both the central Chinese government in Peking and the provincial authorities in Tsinan had no role in the governing of the Leasehold. Nevertheless, German leaders also recognized that they would need to work with their Chinese counterparts at times to ensure that laws, decrees, and measures were being properly followed and that policies remained consistent inside and outside of the colony. In embracing the German Hong Kong vision for Tsingtau, the navy endeavored to ensure that there would be no hint of Chinese authority that might negatively impact German control of the Leasehold.

As such, the chief administrator of the new German colony was the governor of the Kiaochow Leasehold, based in Tsingtau. As noted above, the governor was a naval staff officer who, in essence, had complete and total authority over the Leasehold. This officer was responsible for all military and civilian affairs, ruling over a population of Chinese and foreign nationals from a variety of different homelands including Germany, Great Britain, France, Russia, Italy, the United States, and Japan. All of these civilians, whether Chinese, German, or foreign, were under the full and complete organizational and legal authority of Germany.

The governor’s military power stemmed from his rank as an officer and the fact that he was also the commanding officer of the newly established German naval base at Tsingtau.\footnote{For more on the legal status and authority of the governor in the Leasehold and in relation to leaders both in Berlin in Peking, see, Norem, Kiaochow Leased Territory, 99 -106.} The governor’s jurisdiction over the civilian population lay vested in his ability to issue local ordinances that took effect immediately upon their promulgation. In

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establishing the role and power of the governor, the navy sought to grant the governor
“as great a degree of autonomy as possible in relation to the homeland authorities.”\(^{174}\) By
doing so, the governor would have the ability to take actions that “take local conditions
into consideration and permit him to act vigorously and without delay in meeting the
demands of a fast-growing and quickly evolving community.”\(^{175}\) Although the
Reichskanzler retained the authority to overrule or revoke any of the colonial ordinances,
this occurred very rarely in practice. As the head of the Imperial Navy and thus the
superior officer to the governor, Tirpitz had total control over and responsibility for
Tsingtau and the surrounding environs that comprised the Leasehold. Although Tirpitz
remained personally (and publicly) interested and vested in the success of Tsingtau, he
rarely felt the need to intervene or interfere in the running of the colony, largely due to
the fact that he attempted to select officers who shared his vision for Tsingtau (and the
navy’s role in securing this) to serve as governor.\(^{176}\) Should a governor fail to follow
through on that important point, however, Tirpitz did not hesitate to replace him, such as
in 1911 when Tirpitz removed Oskar von Truppel as governor of the colony for
continually resisting policies that he (Truppel) felt forced to adopt.\(^{177}\)

The power of the governor was limited to the territorial boundaries of the
leasehold. Consequently, while the governor might have need to consult and-on
occasion-work with the Chinese provincial authorities in Tsinan to ensure good

\(^{174}\) Denkschrift, 1898-1899, Staatsarchiv-Bremen, 3-R.1.g.5.
\(^{175}\) Otto von Diederichs, as quoted in Norem, p. 105.
\(^{176}\) Tirpitz, My Memories, vol. 1, pp. 100-107.
\(^{177}\) Steinmetz, Devil’s Handwriting, p. 437. As will be seen later in this chapter, a similar fate befell the
first governor of Tsingtau, Hans Carl Rosendahl, when it became clear to Tirpitz that Rosendahl was not
sufficiently or properly pursuing his objectives for the colony.
governance, it was not his responsibility to do so on a regular basis. Rather, according to an agreement between the Foreign Office and the Imperial Navy in 1898, “political and commercial affairs that affect German endeavors outside of Kiaochow, such as railroads and mines, will remain within the purview of the Auswärtiges Amt.” Nevertheless, in these early years of the colony, the principles of this agreement were rarely enforced, and the governor of Tsingtau also served as the main German official who handled all matters related to German activities and endeavors in Shantung and, on occasion, in the Chinese interior in general.

Immediately below the governor in the Tsingtau’s hierarchy were a chief of staff and a civilian commissioner. The chief of staff oversaw the military side of the Leasehold administration, which accounted for approximately 2500 German soldiers in the colony’s early years. Most of these troops were members of Tsingtau’s new garrison, the III. Seebattalion (Naval Infantry Battalion), which comprised 1132 men and 22 officers, and the Kiaochow Naval Artillery Detachment (272 men and seven officers). In addition to these main forces, the chief of staff also oversaw several elements of the East Asia Expeditionary Detachment, the naval dockyards, and any of the crews belonging to the East Asia Station or vessels that might be passing through the port. Finally, an additional fifty or so senior naval officers and NCOs affiliated with the colonial government (but not members of either the III. Seebattalion or artillery detachment) came under the jurisdiction of the governor’s chief of staff; these individuals could bring

178 Auswärtiges Amt to Bülow, 4 December 1901, PA-AA, R 18246.
179 Norem, Kiaochow Leased Territory, p. 107ff.
their families to live with them, and, by 1914, 300 military families resided in the colony. The military headquarters in Tsingtau served as the base for the majority of the German colonial troops, although some detachments were also stationed along the Leasehold’s borders and at more important and sensitive areas of Germany’s new territory.

Furthermore, to help maintain peace and order within the leasehold territory outside the city limits (as well as cut the overall operating costs for the military in the colony), the naval administration created a company of 100 cavalry and infantry units drawn from the local Chinese population. The decision to recruit this “Chinese Brigade” stemmed from the success that locally recruited Chinese troops had while serving under Charles George Gordon during the Taiping Rebellion. Under Gordon’s command, his Chinese soldiers showed considerable ability and potential for understanding and implementing modern warfare tactics and strategy. If, then, a well-paid group of Chinese soldiers could fight under a German commander, the naval

180 Tirpitz, My Memories, vol. 1, p. 90.
181 Governor’s Report of Troop Activity at Kiautschou, 16 May 1900, and Tirpitz to Wilhelm II, 18 September 1900, BA-MA, RM 2/1838. For more on the establishment of these units, see, North China Herald, 20 March 1899, p. 468.
182 The Taiping Rebellion (1850-1864) was a massive civil war waged between the established Manchu-led Qing dynasty and the Taiping Heavenly Kingdom under Hong Xiuquan. The Taiping Heavenly Kingdom was an oppositional state based in present-day Nanjing with a Christian millenarian agenda to initiate a major transformation of society. A self-proclaimed convert to Christianity and brother of Jesus Christ, Hong Xiuquan led an army that controlled a significant part of southern China during the middle of the 19th century, eventually expanding to command a population base of nearly 30 million people. In 1860, Britain intervened on the side of the Qing Dynasty, sending forces led by Charles George Gordon. Recruiting Chinese citizens from the region to supplement the British force under his command, Gordon and his “Ever Victorious Army” found tremendous success in driving back the rebel forces and ultimately restoring control of the Yangtze valley to the Qing Empire. For more on this rebellion—and Gordon’s career in China—see, Stephen R. Platt, Autumn in the Heavenly Kingdom: China, the West, and the Epic Story of the Taiping Civil War, (New York: Knopf 2012); Philip A. Kuhn, Rebellion and its Enemies in Late Imperial China (Cambridge: Harvard University Press, 19700; and Brad C. Faught, Gordon: Victorian Hero, (Washington, D.C.: Potomac Books, 2008).
administration reasoned, then the difficulties of policing internally the local population and defending the German colony from outside threats could be made that much easier. Recruiting a Chinese regiment to help maintain the security of the leasehold reflects the ambivalent role of the Chinese in the colony and German attitudes toward them. Due to the prevalence of Sinophobia at this time and the worry of uprisings by anti-foreign groups, the Foreign Office and its diplomats in China (not to mention the German commercial community, whose interests often aligned with the Foreign Office) preferred Germany not utilize such a military force.\textsuperscript{183} Despite these sentiments, the generally more sinophilic naval leadership in Berlin and China argued that the realities of governing the colony efficiently, coupled with the military potential the Chinese had already showed for effective military service under a European officer, easily justified this policy. Doing so, then, allowed the Chinese to take on a key position in the leasehold, which would, over time, become one of many ways in which the local population came to play a leading role in the growth and day-to-day life of Tsingtau.

While the governor’s chief of staff handled control over the military forces stationed in Tsingtau and the Leasehold, a civilian commissioner was responsible for the management of the civilian population and represented the needs and desires of this segment of the population on the governor’s council. The civilian administration was divided into separate branches responsible for Westerners (including Japanese nationals) and Chinese, as well as along geographic lines, with individual offices overseeing urban and rural zones. The urban district encompassed Tsingtau and its immediate

\textsuperscript{183} Tirpitz, \textit{My Memories}, volume 1, pp. 101-103.
surroundings, while the rural zone comprised the rest of the land in the leasehold. Nevertheless, as the majority of non-native Chinese civilians worked and lived within the bounds of Tsingtau, the regional separation only impacted the governance of the Chinese on any notable level.184

The civilian commissioner directly oversaw the foreign population, working directly with a variety of bureaus and agencies under his authority to ensure efficient and effective governance of the day-to-day affairs of the colony. As it was often the case that German colonists did not have the opportunity to participate actively in the running of the colony—a point of contention raised by various colonial groups and organizations back in Germany—the naval administration made it a point of emphasis to encourage civilian engagement in the colony’s governance.185 To this end, the navy established, “organs of self-government [in Tsingtau] that will use the skills of the civilian population, and especially the economically important members of the leasehold in service of the colonial government.” In 1899, Governor Jaeschke issued a decree organizing a Government Council of western citizens that would advise him and his advisors on colonial matters. Comprised of three members, one chosen by the governor after consultation with his civilian council, one elected by the business community, and the final member was chosen by landowners in the colony who paid at least 105 marks in land taxes.186 Chinese landowners and businessmen were permitted to vote for this final member as well, in the hopes of securing “the fullest possible participation of the

184 Norem, Kiaochow Leased Territory, p. 112ff.
185 Steinmetz, Devil’s Handwriting, pp. 433-434.
186 Denkschrift, 1899-1900, Staatsarchiv-Bremen, 3-R.1.g.5.
Chinese through their ‘natural’ leaders.’”\textsuperscript{187} Even though the committee functioned in mostly an advisory capacity, it played an important role in bringing the interests of landowners and businessmen to the governor’s attention in these early years, bringing together the disparate visions of empire into a more unified whole. After 1902, a Chinese Committee was formed to better represent the interests of Chinese merchants and landowners, as the imperial government recognized the import role these members of the colonial community provided in ensuring the smooth functioning of the Leasehold.\textsuperscript{188}

Existing from 1902 to 1910, the Chinese Committee was comprised of twelve members chosen by Chinese merchants from the three main provincial guilds active in the Leasehold: the Jiran Guild (merchants from Shantung and Tianjin), the Sanjiang Guild (the lower Yangtze region), and the Guangdong Guild (Canton).\textsuperscript{189} Additionally, three of these members had to be compradors of German firms based in Tsingtau.\textsuperscript{190} In general, the Chinese representatives to the Committee voted as a block, whether backing a candidate in an election or in choosing to support or reject a government proposal. Intense debate and discussion was quite common amongst the Chinese representatives, but the guilds always made sure to present a united front when it came to final votes, something that often frustrated the colonial administration.\textsuperscript{191} In 1909, when the unified

\textsuperscript{188} Further details on the rationale for the creation of the Chinese Committee and its composition are provided later in this chapter.
\textsuperscript{190} Mohr, Handbuch, pp. 19-20.
\textsuperscript{191} Ostasiatischer Lloyd, 1 April 1904; Truppel to RMA, 17 March 1908, BA-MA, RM 3/6737. Tsingtau Neueste Nachrichten, 11 October 1908, “The Chinese Committee has frequently exceeded the powers
voice of the Chinese Committee torpedoed a new policy that would grant German merchants additional space on the transport liners of the German Far Eastern Shipping Conference travelling from Tsingtau to Europe, the outcry from the commercial community compelled the colonial government to curtail the power of the Chinese guilds. Although the outraged merchants and traders preferred that the Chinese Committee be stripped of all its power, the naval administration recognized that it was important to take into account the legitimate interests and wishes of Chinese merchants.

As the Chinese Committee comprised members from a wide variety of backgrounds, fighting between representatives and the Leasehold’s leadership was not uncommon. Furthermore, government officials often grew concerned with the conscious attempts on the part of Chinese Committee members to take on (unofficially) the functions and duties of the provincial government. Recognizing the power that the Chinese were able to wield over government policies, leaders in Tsingtau decided that it would be better to work with the Chinese rather than curtail their voice completely. Consequently, in 1910 the Chinese Committee was reformed and replaced by the Chinese Advisory Committee. The most important change in the establishment of this organization was that the governor himself selected four representatives. Although Chinese merchants lost the ability to select their own leaders, this loss was balanced out by the fact that these four individuals became members of the governor’s advisory

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committee, which had previously been comprised solely of Europeans.\footnote{Mohr, *Handbuch*, p. 161.} As a government-appointed organ, Chinese Advisory Committee was overall more open to supporting the colonial administration’s goals than the original Chinese Committee.

As the members of the Advisory Committee were more trade-oriented and much better trained and educated, they were much more aligned with and supportive of naval government’s plans for the commercial development of Tsingtau and its overall vision for the creation of a German Hong Kong. Such support was further strengthened by the flood of liberal, educated, and highly-placed Chinese officials that poured into Tsingtau as exiles following the 1911 republican revolution.\footnote{Meyer-Waldeck to Tirpitz, “monatliche Bericht – Juni,” 18 July 1913, *BA-MA*, RM 3/6747.} In addition to providing insight on plans and policy, the Advisory Committee also helped resolve disputes between German and Chinese merchants, something that was accomplished with greater efficiency and less hostility than had been the case under the Chinese Committee, resulting in smoother relations between the native and foreign populations.

The Chinese community in Tsingtau and the Leasehold fell under the jurisdiction of a commissioner for Chinese affairs, who served under the civilian commissioner in the colonial administration.\footnote{Denkschrift, 1898-1899, Staatsarchiv-Bremen, 3-R.1.g.5.} Assisting the commissioner were two German officials who served as the heads of *Bezirksämten* (district offices) that were responsible for overseeing the urban and rural districts, respectively. Although this administrative structure was employed in Germany’s other colonies (particularly in Africa), the duties and responsibilities of these officials were modified in the Chinese context to more
closely mirror the role of the district magistrate (*chih-hsien*) that played such a key role in China’s governance of its provinces. These magistrates served as both administrative and judicial authorities, and, much like their Chinese counterparts, were charged with full responsibility for the security and welfare of the individuals in their respective districts. In addition to wielding an authority similar to their Chinese equivalent, the *bezirksamtmänner* were also charged with enforcing a legal system that “came as close as possible to Chinese practices,” and were encouraged to “learn Chinese law by listening to village elders and other knowledgeable persons and local leaders.”

Much like a *chih-hsien*, the German magistrate in charge of the rural district had only one main duty: to ensure the effective maintenance of local law and order. In the early years of the colony, this remained the only goal for the naval administration in overseeing the area of the Leasehold outside Tsingtau, something that changed in later years following the Boxer Rebellion (the initial phases of which began in areas of Shantung that included the rural regions of the Leasehold) and as business and commercial interests began to grow and expand. Following the example of the Chinese district magistrates, the German commissioner worked with local Chinese elites and lower-level provincial leaders in pursuit of his objectives, making use of troops and police when necessary. In managing the urban Chinese, the head of the *Bezirksamt* performed functions similar to his counterpart overseeing the non-native population, working with semi-administrative offices, the police force, and members of the Office of Surveying and Land-Use to ensure smooth and efficient administration. Although no

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197 *Denkschrift, 1899-1900*, Staatsarchiv-Bremen, 3-R.1.g.5.
specific provisions existed for making members of the urban Chinese community a part of their local government, the navy “sought the advice and cooperation of the most distinguished members of the local population, whenever possible.”

Overall, this system of management of the Chinese population of the leasehold worked well for the naval administration. Thousands and thousands of Chinese flocked to Tsingtau in these early years, resulting in a dramatic rise in the population of the new city. Moving into the colony from other parts of Shantung as well all across China, these migrants were attracted by the overall smooth operation of the colony and the vibrant economic activity stemming from an influx of investment in the Leasehold. Although it is difficult to pinpoint an exact number of émigrés that arrived in Tsingtau at this time, the numbers provided by the 1899-1900 Denkschrift for the colony reflects that an increase of approximately 4,000 urban Chinese in Tsingtau’s second year. At the same time, the rural Chinese population in the leasehold held firm at roughly 80,000, a strong reflection that the rural Bezirksamt was just as effective as its urban counterpart.

Overall, the Chinese appeared to handle the transition to German rule with relatively little trouble. Although uprisings and protests did occur, reports from the naval administration make no mention of any serious opposition from the native population to German control. The decision to work with and within traditional forms of Chinese

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198 Denkschrift, 1898-1900, Staatsarchiv-Bremen, 3-R.1.g.5.
200 Denkschrift, 1899-1900, Staatsarchiv-Bremen, 3-R.1.g.5.
government certainly played an important role in limiting difficulties, although this did not mean the Germans were opposed to using force when necessary. In February 1899, for example, a conflict arose concerning the theft of government survey equipment. The rural magistrate identified twelve villages that might have been responsible and ordered their leaders to surrender the thieves or be subject to harsh fines and penalties. As the villages either could not or would not turn over the guilty parties, Governor Jaeschke sent a detachment from the III. *Seebattalion* to seize cattle as recompense for the lost equipment. As a result, members of the villages rose up in protest, provoking an armed confrontation that left two Chinese dead.201 Uprisings such as this were not uncommon in the rural zone, and some level of tension between Germans and Chinese persisted through the life of the Leasehold, although to a much lesser degree over time.

From the very start of the colony, the Imperial Navy prioritized the goals they established for Tsingtau, particularly the city’s economic development and its growth as a port and trade center. To this end, Tsingtau’s governor and its naval administration were evaluated by their abilities to secure these objectives, despite their overarching—and critical—military duty to protect Germany’s interests in China and East Asia. Indeed, it was the inability of Tsingtau’s first governor, Hans Rosendahl, to meet the non-military demands of his assignment that resulted in his transfer a mere six months after his April 1898 arrival in Tsingtau. In governing the colony, Rosendahl chose to pursue a policy that focused clearly on the colony’s military role as naval base and rather than its civil one as a commercial port and center of trade. In reporting the reasoning for this decision

201 Jaeschke to Tirpitz, 21 April 1899, BA-MA, RM 2/1838.
to Wilhelm II, Tirpitz explained Rosendahl “failed to set his sights on the important goal of the economic development of Kiaochow or to contribute to the advancement and achievement of this goal” despite the fact that he had told Rosendahl repeatedly that “ensuring this development was his primary duty and that he had been given as free a hand as possible to carry out this mission.” Although Rosendahl had proven himself highly competent in discharging his military duties in establishing the Leasehold’s garrison and the battalion, his decision to focus on these objectives, Tirpitz reported, “turned him even more from his higher task of developing the colony.”

As a result, Rosendahl was replaced by Paul Jaeschke, who, like Tirpitz, had a long history with the Imperial Navy in East Asia and had been an early advocate in the Navy for the seizure of German territory in China, even participating in the 1895 expedition to identify potential suitable sites for a German sphere of influence. Jaeschke’s views on his responsibilities as governor were much more in alignment with Tirpitz’s expectations and, under his governorship, Tsingtau’s development began to take off. The outbreak of the Boxer Rebellion and Jaeschke’s untimely death in this armed conflict blunted these efforts for a brief time, but his successor, Oskar von Truppel, who remained governor of Tsingtau for a full decade, oversaw a true flourishing of the colony during his tenure.

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202 Tirpitz to Wilhelm II, 7 October 1898, BA-MA, RM 2/1837. As will be discussed later in this chapter, Tirpitz’s decision to remove Rosendahl was also partly motivated by continual demands for Rosendahl’s removal that came from the commercial community in Tsingtau, who found the governor’s liberal policies of offering fair and equal opportunities to the Chinese in the distribution of land in the Leasehold to be anathematic to their vision for Tsingtau.

203 For more on the search for German port and naval station in China and East Asia and the role Jaeschke played in advocating this policy, see chapter I.
As high as the expectations were for the officers in charge of the colony, the sailors and soldiers that served under them were evaluated just as highly for the effectiveness in bringing about the navy’s vision for Tsingtau. In addition to their primary task of protecting the colony and German interests in China more broadly, the troops were also responsible for surveying, construction, road building and repairs, and health-related tasks. Although Jaeschke clearly recognized the value that the soldiers provided in developing Tsingtau, he complained to Tirpitz in 1900 that “their nonmilitary duties are becoming a source of trouble, as they obstruct their training and limits their effectiveness in defending German interests.”

In responding to this report, however, Tirpitz was unconcerned about this diversion from military preparedness. The head of the Reichsmarineamt asserted, “it is the recurring experience of all states that at the start of colonial endeavors one relies on troops to do the required labor. [Furthermore,] the common work of officials, colonists, and troops leads to a strong bond between them that is critical in order for the colony to survive and prosper.”

Tirpitz believed wholeheartedly in the plan to turn Tsingtau into a German Hong Kong, supporting and pushing this objective in both official/public statements as well as his private correspondence. Additionally, as Tirpitz was a particularly savvy politician, he recognized the political value of pursuing this vision of empire for Tsingtau, particularly if the navy could merge its specific vision with those of other prominent interest groups in China and East Asia, much as he was able to do in the drive to acquire

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204 Governor’s Semiannual Report on Troop Activities in Kiaochow, 16 May 1900, BA-MA, RM 2/1838.
205 Tirpitz to Wilhelm II, 18 September 1900, ibid.
territory in China in the first place. To this end, Tirpitz made certain to keep the Reichstag fully appraised about the Navy’s policy vis-à-vis Tsingtau, providing constant updates about plans for the development of Tsingtau and their successful execution. Just as Tirpitz used an alliance of interests to garner the critical support he needed for the Navy Bill, Tirpitz used the successes in the growth and development of the Leasehold to demonstrate that the Reichsmarine was the best manager of overseas colonial interests (within both Germany and Europe), and win public support for the navy. In doing so, Tirpitz could easily argue for additional increases to the navy’s annual budget that could be used in the development of Tsingtau as well as the navy in general, key needs in Germany’s attempt to prove itself a worthy rival to Britain.

In order to generate maximum exposure and support for Tsingtau during the annual budget appropriation debates, Tirpitz had the Reichsmarineamt prepare an annual publication on the colony, Denkschrift betreffend die Entwicklung des Kiautschou-Gebiets (Memorandum Concerning the Development of the Kiautschou Leasehold). These memoranda provided detailed and thorough accounts of the colony’s growth and developments, devoting especial attention to successes attained during the previous year. The booklets (usually 35-40 pages in length) provided considerable support for the claims contained therein, including charts, maps, tables, and photographs. Filled with copious details about the development of the Leasehold over the year they covered, these reports showcased the high level of competency in colonial administration the Navy

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206 For more on how Tirpitz used this alliance of interests to help shepherd the 1895 Naval Bill through the Reichstag and secure the Kiaochow Leasehold in 1897, see chapter I.
sought to cultivate, making them some of the best and most valuable sources of
information on Tsingtau even now.

As a result of these efforts, the Leasehold (not to mention the Navy in general)
received considerable funds from the Reichstag in comparison to Germany’s other
colonies. In the crucial first decade of the colony, in which the colonial government
laid much of the foundation for Tsingtau’s growth and development, the annual budget
for the Leasehold totaled 102,337,442 Marks. In just the first two years of the colony
(1898-1900) the German government appropriated 23,280,000 marks to Tsingtau, an
average of nearly 8 million marks per year. The annual amount appropriated to Tsingtau
continued to increase each year until 1906-1907, when opposition to colonies in the
Reichstag reached its peak. Indeed, aside from the expenditures to suppress the 1904-
1906 revolts in Africa, more funding went to Kiaochow between 1898 and 1907 than
any other German colony, despite the larger size and longer history of Germany’s
territories in Africa.

The willingness to commit so much funding to Tsingtau largely stemmed from
Tirpitz’s personal advocacy in the Reichstag, convincing many of the politicians there
that the colony was extremely well managed and developed. Indeed, even as opposition
of the Reichstag to German colonies reached its peak, Tsingtau remained extremely
popular. While many of the Kolonialamt’s most virulent critics attacked Germany’s
other colonies for the poor management, lack of development, and overall waste of

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207 Townsend, Rise and Fall of Germany’s Colonial Empire, p. 240.
208 Mohr, Handbuch, p. 453. Yearly appropriation peaked in 1905-06, when the colony received
14,660,000 marks for its annual budget. Although the government provided less funding in subsequent
years, this figure never went below 7,700,000 Marks.
funds, they heaped acclaim on the effective running of Tsingtau. In 1905, for example, as the Reichstag engaged in heated debates about funding for the colonies, the vote on the Leasehold’s budget elicited only praiseworthy speeches about Tsingtau that members widely cheered. One of the most significant of these speeches was the one that Richard Eickhoff, the deputy of the Progressive Party (which usually staunchly condemned Germany’s colonies), delivered on behalf of the party’s leader Eugen Richter. Widely applauded on both sides of the parliament, Eickhoff noted the “gratifying development” of the Leasehold and commented, “certainly over the years we have committed a large amount of money for Kiaochow, but the Navy used it in a rational way.” As John Shrecker notes, “the adjective ‘rational’ was probably the highest compliment a Progressive could pay to any expenditure.”

As the naval administration shared the sentiment that achieving broad economic goals would make Tsingtau into a viable colony and a one of the most desirable ports in East Asia, supporters of this policy argued that these objectives needed to remain a cornerstone of the Navy’s plan for the Leasehold. Longtime members of the Leasehold’s government such as Otto Hövermann believed that “the state must not only prepare those installations which serve immediate needs but also such undertakings, which will be useful in later years.” If followed through on properly, “these ventures will serve as examples to the outsiders [i.e. Chinese businessmen], who will then bring relations with the creators of these examples in order to obtain and equally high cultural level” that was

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central to making the colony manageable and profitable. Consequently, it was up to the state to see to it that development of this infrastructure would continue to bolster Tsingtau’s long-term economic successes and viability.

As Tsingtau remained split between German/Western (including Japanese) and Chinese commercial communities, colonial policy had to give some attention to native businessmen as well. This need was particularly acute since there was never a desire to turn Tsingtau into a settler colony, meaning that colonial leaders needed to attract Chinese inhabitants, businesses, workers, and personnel to form an integral part of daily life in the colony. As Hövermann expressed above, Tsingtau needed the Chinese to act as “intermediaries” or willing partners in the economic growth of the Leasehold, and so the naval administration had to keep opportunities open to all investors. This vision of an educated and well-trained interlocutor class that could act as a go-between for the colonial government with Chinese leadership at the provincial and federal levels became a keystone of the navy’s idea of what it meant to create a German Hong Kong.

While the naval government even in this early period exhibited a willingness to engage with the native population and meet some of their immediate needs, its civic planning reflected a more “traditional” sense of colonial rule. As Germans moved in to the colony following its annexation, the Chinese were “driven out of old Tsintau [sic],” the village [Qingdao] razed, and a new city built to take its place.212 The guiding principle of Tsingtau’s urban plan was the strict separation of Europeans and Chinese in

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order to produce “a clear demarcation of our territory from China,” and so that the
Germans might “avoid being in direct touch with China.”

Although the Navy’s city planners certainly recognized the necessity and importance of the Chinese to Tsingtau’s livelihood, they also feared and looked down upon the Chinese due to the overarching prevalence of the racially-charged sinophobic views at this time. The European district, known as “Upper Tsingtau,” then, was filled was large villas, open space, scenic parks, and wide curving roads that all bore German names. Large numbers of trees, bushes, and flowers were planted, most of which were imported from Germany and were used to form a belt of greenery to surround the European zone. Only Chinese servants were allowed to live in this district, and then only in small “cooler houses” separate from the main villas on any particular estate. The other buildings in the European district-houses, hotels, official buildings, shops, etc.-retained a very distinct German or European style, many of which evoked the traditional appearance of Bavarian buildings. Once this area was fully realized, visitors to the city almost felt as if they were not in China at all, but rather back home in Germany. Once such individual, Georg Schweitzer commented, “when I arrived in Tsingtau

214 Wilson Leon Godshall, *Tsingtau under Three Flags* (Shanghai: Commercial Press, 1929), p. 150. Today, the streets still retain their German names, although they have newer Chinese names as well. One example is Kaiser Strasse, which is also known as Guan tao lu or Kuan tao Strasse; these names appear on street signs, in German and Chinese.
and…looked around…I was overcome with the feeling: you’re in a completely German territory here. This feeling accompanied me everywhere during my stay."\(^{216}\)

In addition to this separation spatially, the Chinese were also subject to a different legal system and other regulations as well. Europeans and Chinese used separate hospitals, schools, prisons, burial grounds, and even chambers of commerce in these early years, and were forbidden to join elite social clubs, such as the *Tsingtau-Klub*.\(^{217}\) While the Chinese were allowed to use the same beaches as the Europeans, they were restricted to using separate changing houses and bathrooms. Furthermore, natives were required to be in the homes by nine o’clock in the evening, unless they had a specific reason to be out after dark and had to carry a lantern with them if doing so.\(^{218}\) Further regulations were promulgated by “Chinese Ordinances” that were used to help keep the local population under control and in check whenever necessary. In the second decade of the colony, as Tsingtau began to prosper and more and more Chinese elites found themselves drawn to the city, civic leaders softened their approach towards the native population, particularly those who worked their way up into positions of prominence. Chinese and German members of the colonial community interacted freely in organizations such as the Confucius Society and colonial leaders exerted pressure on more sinophobic organizations, such as the *Tsingtau-Klub*, to allow the Chinese members access.\(^{219}\)


\(^{217}\) Deutsch-Asiatische Warte, 5 April 1899.


\(^{219}\) Those clubs and social groups that were more sinophobic in their attitudes towards the Chinese tended to be dominated by those members of the colonial community that were middle or lower-middle class Europeans. Although many of this organizations did give way to pressure from the colonial government to
Another important part of the colonial government’s policy in the Leasehold at this time was the aggressive and harsh campaign to extend and establish German control in the region outside the city and the 50-kilometer buffer zone. While this was justified through the need to protect missionaries and defend the colony from violent anti-Western religious organizations (such as the Order of the Sacred Fist, which was largely responsible for the outbreak of the Boxer Rebellion in 1900 and based in southern Shantung), Germany used any opportunity it could find to develop its military dominance. In his memoirs, Tirpitz describes how “the risings in China compelled us to carry out the so-called Boxer protection, the walling-in of the town area to an extent of 5 kilometers from water to water. Thus we avoided being in direct touch with China and prevented these disturbances from affecting us, to the great satisfaction of the rich Chinese who flocked to Tsingtao.” Military campaigns were violent and expressed an “aggressive disdain for the Chinese, especially for Chinese literati, antiforeigner secret societies, and symbols of Chinese tradition and religion.” Temples were routinely sacked, villages were destroyed, and often hostages were taken, ransomed for food and supplies. All of this was part of a plan, as the Ostasiatischer Lloyd described, to show Chinese officials that “the German government in Kiaochow cannot be toyed with.”

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220 This policy and its implications are best described in Schreker, Imperialism and Chinese Nationalism, pp. 85-140.
221 Tirpitz, My Memories, volume I, p. 103.
222 Schreker, Imperialism and Chinese Nationalism, p. 87.
Much of this response stemmed from the powerful strains of Sinophobia that permeated Germany and Europe in this period. Such disdain for the Chinese reached its height during the Boxer Rebellion, when Wilhelm II, in his infamous “Hunnenrede,” encouraged the East Asian Expeditions Corps to “emulate King Etzel’s Huns of a thousand years ago,” so that “no Chinese will ever again dare to look disapprovingly at a German.”

Troops were stationed in towns outside the Leasehold’s borders after 1900 under the pretext of preserving law and order, even though this meant, “contradicting all of the contractual agreements that had been previously forced on China.”

In time, many of the regulations aggressively directed against the Chinese in Tsingtau came to be tempered or altogether changed, and the aggressive military actions launched from the colony’s capital largely came to an end by 1905. Nevertheless, in the early years of Tsingtau, the naval administration’s view of a German Hong Kong had to strike a balance between its desire for a more ordered and liberal imperial rule with more common colonial practices that reflected the strong sense of Sinophobia that was prevalent and quite commonplace at the end of the nineteenth century.

Despite the fact that the merchant community in China shared the broad interests of the naval administration in terms of its economic goals-businessmen and traders had long called for a German trading enterpôt like Hong Kong-its own vision of empire did

\[^{224}\text{Although publications of the text of this speech were suppressed by government officials, Bernd Sösemann, in his pioneering study of the speech in 1976, was able to reconstruct and verify the speech’s actual content, quoted herein; Bernd Sösemann, “Die sog. Hunnenrede Wilhems II. Textkritische und interpretorische Bemerkungen zur Ansprache des Kaisers vom 27. Juli 1900 in Bremerhaven,” Historische Zeitschrift, 222, part 2 (April 1976): 349-350.}\]

not directly mesh with that of the Imperial Navy. Whereas the navy considered it its duty to share German capital, culture, and competence freely, merchants were much more interested in their bottom line: securing wealth and profit through the exploitation of favorable trade agreements, cheap and replaceable labor, and easily acquirable land for growth and development. Thus, their ideas of empire were much more in line with those of the Foreign Ministry, which stubbornly insisted on ensuring that all the stipulations and concessions wrested from the Chinese government should be rigidly enforced. The division of power between the Imperial Navy and the Foreign Office, particularly the fact that administration of the colony was in a naval governor’s hands, infuriated German merchants in China. A naval commander as governor, they argued, stood in direct opposition to their trading interests, as they viewed the colony as their own personal and exclusive territory like other treaty ports such as Hong Kong or Shanghai.\textsuperscript{226} These merchants dreamt of acquiring vast riches overnight since they had already laid the groundwork for their companies many years before and now had finally secured favorable treaties to guarantee their rights. Thus, they tended to draw upon other colonial models, such as Africa, and did not wish to see their dreams whisked away by a series of orders from a simple naval bureaucrat.

Chief among the initial complaints and opposition of merchants and investors was the colonial government’s plan to give both Chinese and Europeans an equal chance to purchase land in Tsingtau and the Leasehold. Although natives were prohibited from

residing in the European sector (unless employed as servants), they were able to buy land, develop it, and then sell it back to a European buyer at fair market value.\footnote{Duerr to Reichsmarineamt, “Report on the Items Raised by the Newspaper Articles in Germany, 6 December 1898, BA-MA, RM 2/61018.} Though a plan such as this was certainly what German land speculators envisioned for themselves, they were incensed that a wealthy Chinese individual might turn the tables on them.\footnote{Haenisch, Jebsen & Co., p. 58; Deutsche Asiatische Warte, 23 April 1902.} German businessmen launched a wave of protest over Governor Rosendahl’s actions, campaigning vigorously in both the German and German Asian press (primarily the Ostasiatischer Lloyd, based in Shanghai) to have these measures repealed and Rosendahl recalled for his failure to understand what was in Germany’s best interests vis-à-vis colonial policy.\footnote{Rosendahl to Reichsmarineamt, 22 December 1898, BA-MA, RM 2/61018; Eugen Wolff, a well-known traveler and journalist wrote a series of articles in the Berliner Tageblatt about this issue, vehemently denouncing Rosendahl’s policy, which appeared in editions published on 2, 7, and 8 July 1898.}

Although Rosendahl came under heavy fire for his land distribution policy, he was ultimately able to weather this storm. Between the land ordinances and strong policies regarding the limited legal status and overall rights of the Chinese, German merchants and businessman saw elements of their vision for Tsingtau being channeled constructively. Such restrictions on the status of the Chinese left the commercial community with enough space to exploit the native population, much in the same way the colonial settlers had done in Africa, allowing Tsingtau to become their own personal hunting grounds like Hong Kong or Shanghai.\footnote{Wilhelm Berensmann, “Wirtschaftsgeographie-Schantungs unter besonderer Berücksichtigung des Kiautschougebietes,” Koloniale Monatsblätter, vol 6 (1904), p. 660.} That the Navy’s plans for the economic development for the colony aligned with those of the commercial community in the
long-term also provided Rosendahl with some leeway to square the interests of the two sides. Nevertheless, Rosendahl was never able to win over commercial leaders in the colony fully, as they believed he remained insensitive to the needs of trading companies and investors. The commercial community cared little for the Navy’s insistence that the Leasehold needed to be operated differently from the other treaty ports and that, as a result different policies and plans needed to be put into practice.231 Rosendahl further eroded the confidence that merchants and businessmen had in him as someone who would advocate for and protect their interests by expressing vocal and public support for the scholarly German official Wilhelm Schrameier.232 A philologist and interpreter at the German consulate in Shanghai, the Foreign Office sent him to Tsingtau following the German occupation of the Leasehold, playing an active role in the organization of the Leasehold administration, particularly the land system, and was later appointed the first Chinesenkommisar responsible for overseeing the Chinese Bureau in the Leasehold. The German commercial community, however, saw Schrameier as responsible for many of the policies—such as the equal chance for Chinese and Europeans to purchase land—that pre-empted their profit-making plans from the outset. As a result, a wave of negative stories and editorials about the governor flooded German newspapers (something that Tirpitz actively disliked when it was focused on the Imperial Navy), causing Tirpitz to recall Rosendahl from his post after only eight months in office.233

231 Rosendahl to Reichsmarineamt, 22 December 1898, BA-MA, RM 2/61018.
232 ibid.; Deutsch Asiatische Warte, 23 April 1902.
233 Haenisch, Jebsen & Co., p, 58.
Just as it would be too simplistic to label the colonial government’s vision for Tsingtau as purely sinophilic, middle class businessmen and investors in the colony were not just sinophobic in their outlook regarding the local population and its role in creating a German Hong Kong; the civic plan for Tsingtau is an excellent example of this. Like most treaty ports, Tsingtau was to have an exclusively European district (discussed above), as well as regions of the city where only Chinese would live, Taidongzhen\textsuperscript{234} and Taixizhen. These two zones were built with the needs of merchants, businessmen, and traders in mind, as they were filled with rows of “cheap coolie houses” for the large number of workers that the major firms in the city would require.\textsuperscript{235}

Though quite satisfied with having their labor needs met in this way, the middle class also backed the creation of a mixed “middle district” between the purely European and Chinese zones, known as Tapautau, or \textit{Chinesen-Stadt}, which would represent a middle ground between the two groups.\textsuperscript{236} Due the powerful strain of racially-charged Sinophobia at this time, civic planners initially conceived Tapautau as a one of the segregated districts of the colonial city that was typical of other European-controlled territories on the coast of China such as Tientsin’s “walled city” or the Daowai district in Harbin where wealthier Chinese merchants could live and trade.\textsuperscript{237} Where Tapautau

\textsuperscript{234} During the colonial era, this district was also sometimes known as Taitungchen.
\textsuperscript{235} Schrämle, \textit{Aus Kiautschous Verwaltung}, p. 27.
\textsuperscript{236} Today, Tapautau is known as Daobaodao.
differed from Tientsin or Harbin even in these initial stages is that did not emerge out of original indigenous settlements that were later incorporated into the city but was rather an intended part of the plan for Tsingtau from the start. Furthermore, unlike Daowai— which remained solely under Chinese administration even under Russian rule—Tapautau remained under the control and supervision of the colonial government.  

Nevertheless, this initial plan to make Tapautau into a fully-formed “Chinese town” within Tsingtau but completely separated from the European district never came to fruition. Between shortages of good land for houses and businesses in Tsingtau and the notable shift towards Sinophobia in the early years of the colony, the meticulously planned division between the European and Chinese towns (represented physically by the “green belt” designed for “Upper Tsingtau”) rapidly crumbled. “Moreover,” as Philip Demgenski argues, “different groups of European business people that were by now [i.e. 1900] living in Qingdao pursued different aims vis-à-vis the local population, competing with each other over business opportunities and resources.” Consequently, then, the plan for Tapautau changed quickly, resulting in the creation of a city district with a wholly new identity that had yet to be seen in any other Chinese colonial city.

With this shift in plans for the Chinesen-Stadt, this district now became an ethnically “mixed zone of commercial, industrial, and residential activity in which both

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240 Demgenski, “Dabaodao”, p. 11.
Europeans and Chinese could live, work, shop, and own property.”241 In addition to the well-to-do Chinese that lived and worked here, some German merchants chose to set up shops here, and mid-level German bureaucrats in the colony, as well as managers and white-collar employees of the German merchant firms, lived there as well. While Tapautau was still landscaped and laid out with an eye towards aesthetics, buildings were clustered together more densely, and the architecture was much simpler and more diverse. European-style houses and business were mixed with a Chinese architectural style typical of the lower Yangtze region and Canton—a nod to the fact that many of the residents were businessmen from middle and Southern China.242 The architectural style of these early buildings also paved the way for the type of building that would become emblematic not only of Tapautau but also, later, for Tsingtau itself: the Liyuan houses. Though similar in design to houses that could be found throughout northern China, these courtyard-style houses were heavily influenced by German building regulations and partly designed by German architects.243 Furthermore, residents could even find large European-style department stores in Tapautau, such as the Tsingtau branch of Ruifuxiang, which sold a range of goods from cloth to luxury items such as silk, satin, tea, and furs, as well as items that were popular and trending in Europe. As a result, Tapautau assumed an ambiguous identity that was never fully part of the European district, but also never fully segregated from it. Although Tapautau “had been planned as

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241 Steinmetz, Devil’s Handwriting, p. 442; Mohr, Handbuch, pp. 105-106.
242 Steinmetz, Devil’s Handwriting, pp. 448-449.
243 For a description of this unique architectural style, see Demgenski, “Daobao dao,” pp. 9-11. Not only did this form of architecture come to define the German colonial city (elements even permeated the design for the Governor’s mansion built in 1905-1906), but it also remains a defining feature of the modern city of Qingdao, celebrated as an important part of the city’s history and heritage.
a segregated ‘Chinese town’ and also governed accordingly…it quickly transformed into an ethnically and spatially mixed area” that represented a hybridization of German and Chinese identity.\textsuperscript{244}

While cultural distinctions and divides remained in this zone-the civil ordinances were still in effect, for example-laxer racial restrictions and greater opportunity for intermingling certainly reflects a willingness on the part of German businessmen to work with the Chinese. Photographs taken during the colonial period show people in Tapautau wearing a mixture of European and Chinese clothing, and European businesses and residences were often neighbors with their Chinese counterparts.\textsuperscript{245} This cultural hybridization was even extended to the street names in this district, as they had Chinese names (usually taken from towns in Shantung) with the German word \textit{strasse} appended to it, such as the main avenue, \textit{Kiautschoustrasse}. Furthermore, Chinese financiers were eventually allowed to invest in German companies and businesses, although they were not permitted to sit on their boards of directors.\textsuperscript{246} The existence of a district like Tapautau, and the merchant community’s support for its creation and willingness to live and work with the Chinese reflects an understanding that, in order for Tsingtau to be the German Hong Kong that German investors desired, the boundaries between Europeans and Chinese needed to be blended, even if only in a limited fashion.

\begin{footnotesize}
\footnote{\textsuperscript{244} Ibid., p. 12.}
\footnote{\textsuperscript{245} Numerous photographs of Tsingtau exist in archival collections. One of the best examples of the type of photograph described above can be found in the yearly \textit{Denkschrift} for Kiaochow covering 1902-1903: \textit{Denkschrift betreffend die Entwicklung des Kiautschou-Gebiets, Oktober 1902-September 1903}, anlage 6, Staatsarchiv-Bremen, 3-R.1.g.5.}
\footnote{\textsuperscript{246} Stichler, \textit{Das Gouvernement Jiaozhou}, p. 149.}
\end{footnotesize}
While German merchants continued to resist the strongly liberal plans of the colonial government, their somewhat sinophilic tendencies often left room for compromise that allowed the Navy’s plans for the colony to continue apace. This is not to say that the conflict between commercial and naval leaders was nothing more than a game of protest and appeasement, but rather that the sides were able to find common ground and harmonize the differences in their visions for making Tsingtau into a viable, desirable, and powerful center of power in East Asia. Wilhelm Schrameier perhaps best expressed this in his 1910 study of German influence in China:

> The thought of taking advantage of the decay of China is contrary to anything Germany desires…Germany knows…nothing but her trade interests. Germany is a trading power and has to guard her trade and industrial interests in China [and East Asia], and to develop them further. What we need for this trade is a prosperous, rich China; a country which finds increased prosperity in steady development…Germany will, and must, be anxious to help the Chinese government by all possible means in its attempts at reform.\(^\text{247}\)

Though a broad desire of protecting trade and industrial rights was certainly prevalent among leaders in the commercial community, German politicians and diplomats often tied this economic vision of empire to their own desires for Germany to be regarded as a major global empire and a power to be reckoned with both in East Asia and on the world stage. In summing up merchant interests in China to the Kaiser in 1907 in order garner his support for privatizing the naval yard and related shipbuilding shops, Arthur Graf von Rex, the German Envoy to Peking, 1906-1911, argued that

> the Imperial government had always wanted to turn Tsingtau into an example of German Kultur in China, and that German-Chinese undertakings would be a

good basis for such cooperation of the two peoples. The British had lifted the Japanese to the same level, [and] we should do this for the Chinese. Whoever fulfilled the new cry: China for the Chinese would realize the greatest benefits. Wilhelm eagerly agreed with Rex’s plan and line of argument, filling his personal copy of this dispatches with notes of “yes!!”, “agreed”, and “correct” in the margins.248 With ideas such as those expressed by Schrameier and Rex gaining the Emperor’s support, all that remained was implementing these plans successfully.

Although the period prior to 1905 did reflect a hybridized view-point of the Chinese and what it mean to make Tsingtau into a German Hong Kong, much of this early phase was colored by an overwhelming Sinophobia that stunted the colony’s growth. By 1905, however, economic pressures, changing geo-strategic considerations, and a resurgence of deeply resonant sinophilic ideas that China possessed an admirably ancient culture that could serve as the foundation for its modernization all led to a dramatic shift in colonial policy, as new institutions began to overlay the overall existing colonial structure. Sinologists who had trained as translators, studying in China and maintaining close contact with local Chinese, began disseminating China-friendly sentiments, encouraging their superiors to “create the dynamics that altered the formulas of colonial governance.”249 As a result, “there emerged a serious program intended to ‘influence the spirit and character’ of the Chinese in the colony.”250 Sinophobic views gave way to a greater sense of Sinophilia, allowing for a reorientation in colonial policy.

248 Rex to Auswärtiges Amt, 18 July 1907, PA-AA, R 18255.
250 Steinmetz, Devil’s Handwriting, p. 460.
As a result, those who believed in following the model of British Hong Kong—that cultural development and influence was the best means of making Tsingtau successful—gained greater influence in Kiaochow’s politics. The time for creating a fully realized German Hong Kong was now at hand, where Germany would “show China the paths that will lead contemporary Chinese cultural to the superior Christian-Germanic culture.”

After 1905, economic considerations and interests came to have a much greater influence in the colony, as German capitalists became much more vocal in their criticism of the colony as being too militaristic, calling for its further liberalization, in order to realize the profits that they, their superiors, and the German government itself, had hoped for. While this did not necessarily mean more liberal native policies—the Ostasiatischer Lloyd and Detusch-Asiatische Warte, both the voices of German businessmen, frequently criticized the open and fair treatment of the Chinese—the pressure from middle-class businessmen to realize Tsingtau’s full economic potential exerted a powerful, if less direct influence over colonial policy. Destroying villages and towns and driving the Chinese away, German commercial leaders argued, would accomplish little, and turn the Germans into “the most hated foreign devils.” Realizing that losing the Chinese labor force and Chinese-owned businesses needed to support the

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251 Hans Weicker, Kiautschou, das deutsche Schutzgebiet in Ostasien, (Berlin: Alfred Schall, 1908), p. 110.
colony and its growth would be an economic disaster, colonial leaders now understood they needed to find ways to make the Chinese a more active part of the colony.

Between shifting power dynamics in East Asia and a growing feeling of isolation in Europe, the idea of turning China into an ally gained greater appeal to leaders in Germany after 1905. If China could be uplifted like Japan, the more liberal and sinophilic elements in Tsingtau argued, Germany could counterbalance Japan’s rising influence in East Asia, as well as place greater pressure on Britain to defend its own interests. Doing so meant working more closely with the Chinese, as well as promoting a new hybrid interlocutor class in the colony capable of defending and promoting German interests in Peking and the rest of China. In this way, then, the desire of Sinophiles for the colonial government to embrace a policy of Bildungsaufrag (cultural imperialism) meshed perfectly with Berlin’s new geopolitical strategy. Consequently, the colonial government moved away from a policy of segregation and militarism towards one of inclusion and exchange that emphasized more direct cultural assimilation and active civilizing projects, most notably through education and infrastructure development projects. The important strategic considerations of using Tsingtau as a means of leveraging better relations with China influenced native policy by urging leaders in the Foreign Office and in the Imperial Navy to censure Governor Truppel when he resisted reforms or attempts to include the Chinese more in the daily life of the colony, as well as to give greater weight and influence to a different group of Germans in the Leasehold: the middle-managers of empire, including academics, missionaries, translators, consuls, businessmen, and lower-level civil servants in Tsingtau who fully embraced a vision of a
German Hong Kong in which Germany's rule in Tsingtau represented “a balancing of the differing [Chinese and German] ways of thought.”

The earliest signs of this change in policy began with an exchange of official visits between Truppel and the governor of Shantung, Zhou Fu (1902-1904), in 1902 and 1903. This simple interaction between the two governors had an immensely positive effect as Richard Wilhelm, the leader of the Protestant Weimar Mission in Shantung, remarked that this “put an end to the antagonist atmosphere by showing more could be achieved on both sides by mutual trust and goodwill,” resulting in “bringing the two cultures into contact.” Soon after these initial visits, Truppel and the colonial government finalized an agreement with Zhou Fu’s successor, Hu Tingqian, to withdraw all German troops in Shantung back into the Leasehold proper. This November 1904 agreement to roll back the German military presence in China marked the beginning of Germany’s shift in colonial policy towards “cultivating cultural-political relationships, especially with the educated Chinese upper strata.”

Although this change in policy did not occur officially until 1904-1905, the seeds for this type of collaboration were sown in 1902 with the formation of the Chinese Committee in Tsingtau, which, as noted above, formed a powerful and influential voice in the running of Tsingtau and many of the new development projects and policies that the leasehold administration pursued.

Despite some dissension and protest from more conservative elements in the colony, the response to changes such as these were overwhelmingly positive. In 1904,

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254 Imperial Government of Kiaochow to von Rex, Bundesarchiv-Berlin (hereinafter cited as BA), R 9208/1258.
256 Stichler, Das Gouvernement Jiaozhou, p. 117.
the local director of the *Deutsch-Asiatische Bank* in Tsingtau offered public praise to Governor Truppel for making the Chinese “what they should be, that is, citizens [*Bürger*] of our colony.” While the bank director’s words are perhaps an overly-hopeful exaggeration, it is clear that Tsingtau was moving towards greater legal and cultural equality, and that the Chinese were becoming a more integral part of the colony. Such a move in this direction represented a critically important development upon the British model of rule in India and East Asia, as colonial leaders began to recognize that they could no longer remain completely “aloof and distant [from the native population], maintaining their separation by refusing to engage in proper conversation or treating…[the Chinese] as static objects.” While Germans in Tsingtau had started out as strangers in their new territory, they were now beginning to assimilate themselves with the indigenous population, while also allowing the Chinese to do the same with the non-native one.

Although the competing visions of empire espoused by the naval administration, the Foreign Office, and the commercial community began to come into greater harmony after 1905, they remained in tension with each other over the degree to which Tsingtau was to be an economic engine or a projection of Germanness (*Deutschtum*) abroad. The lack of definition of what “German Hong Kong” meant still overshadowed Tsingtau’s progress, even as it grew from a tiny colonial outpost into a prominent colonial city on the Chinese coast, a well-connected and modern trading entrepôt in East Asia.

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258 Wilson, *Domination of Strangers*, pp. 188-192. The quotation can be found on p. 191.
CHAPTER IV

BRINGING TSINGTAU TO THE WORLD, AND THE WORLD TO TSINGTAU

The seizure of Tsingtau and the area surrounding Kiaochow Bay provided Germany with the opportunity to seize what many leaders in Germany had long considered Germany’s rightful place in China and the Far East. Following the German takeover, the colonial administration began to shape a general administrative concept for the colony that would provide for its steady growth and development. As the central facet of the naval administration’s vision for Tsingtau was making it into a model colony and a focus for commercial growth (a German Hong Kong), an important element in this plan was the effective and efficient administration of the Leasehold. As Tsingtau began to take off after 1900, the administrative structure the navy had established proved capable of coping with the problems a governing the increasingly larger colonial community. With such an effective governing structure in place, and a general vision for what Tsingtau should become—an international hub of trade and culture—to guide it, the colonial government’s next task was to develop a core infrastructure that would allow for Tsingtau’s rapid and sustained development.

As the previous chapters have shown, the vision of Tsingtau becoming a German Hong Kong, while prevalent from the earliest years of German interest in China, remained varied and not very well defined, particularly among the various leadership groups in the colony, such as the Navy, members of the Foreign Office, and the

commercial community. Although this lack of a unified vision for the colony did, at times, lead to conflicts over Tsingtau’s continued development (most notably the role that Chinese were to play in the colony), these tensions did not stunt the colony’s growth, despite sometimes pulling plans for the colony in multiple directions at once. To begin to even approach the creation of a German Hong Kong (in whatever form it might yet take), however, the Germans sent to Tsingtau had to determine how to make the new city of Tsingtau an international hub of activity. Central to this plan, then, would be to ensure that the necessary infrastructure existed that would connect Tsingtau and the Leasehold to the rest of China and the world beyond effectively and efficiently. Over the life of the colony, then, leaders in Tsingtau oversaw the construction of a network of routes that would allow Tsingtau to be easily accessible via land, sea, and, eventually air. This chapter, then, examines the naval government’s attempts to work with, alongside, and through commercial, diplomatic, cultural, and political leaders to develop a working, multifaceted infrastructure of good roads, a vast and comprehensive railroad network, and a large modern harbor and naval facilities that would make Tsingtau into a central hub of activity in the Far East and a showcase for German power, prestige, and colonial rule.

As discussed in chapter II, Tirpitz’s views on how to run the Leasehold permeated throughout the colonial government. Otto Hövermann perhaps best expressed Tirpitz’s vision for the development of Tsingtau when he wrote,

The power to achieve the far-reaching goals for which Kiautschou was occupied can only be found with the state... The state must ensure its own participation in the process of colonization. The state must establish itself in the colony for the initiation of trade-relations and participate in the financial ventures which come
from the Fatherland. The state must not only prepare those installations which serve immediate needs, but also such ventures that will be important in the future. These ventures will serve as examples to outsiders [i.e. non-state actors, particularly the native population], who will then begin to interact with the creators of these examples in order to achieve an equally high level of achievement.  

Although Hövermann’s description of the Reichmarineamt’s colonial policy was not published until 1914, the idea that the state rather than individuals or private businesses (who would readily exploit the opportunity for their own gain) needed to assume responsibility for the development of infrastructure to ensure the smooth operation of a colony and to benefit those who lived, worked, and visited the city was one that had existed since the earliest days of Tsingtau. In the evening edition of the Hamburger Korrespondent published on 25 June 1898, the naval administration earned “high praise for its long-range planning and firm implementation of its policies. In the future, the results [of such forward-thinking] will become even more apparent, both in the finances of the state and the well-being of future settlers, visitors, and residents.”

In order to turn its vision into concrete results, the naval administration had to complete a considerable amount of preliminary groundwork. First and foremost was conducting a survey of the land in Tsingtau and the Leasehold. Not only would a thorough examination of the Leasehold’s geography aid German officials in determining what land was most suitable for the construction of farms, housing, transportation, water supplies, and industry, but this study would also help set accurate borders and allow for the development of a well-thought-out plan for the colony. The first survey teams

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261 Hamburger Korrespondent, 25 June 1898.
arrived in April 1898, and immediately set out on their task, working diligently to determine Tsingtau’s exact geographic location, install accurate means of calculating time, and, finally, construct a meteorological station. They also conducted topological surveys, measured and documented the islands dotting Kiaochow Bay, and calculated the tides and high-water marks. This was the primary task for much of the first year of the colony, and the first annual Denkschrift for Tsingtau contained an important supplement filled with much of the data that the surveyors collected. Governor Rosendahl pushed strongly for the quick completion of the surveys so that development planning for the colony and the all-important land sales could begin.

On 2 September 1898, the colonial administration published the Land-Use Ordinance, which contained detailed descriptions of the plans for Tsingtau and the Leasehold and maps laying out the new city. Roads, railways, the harbor, military installations, and even parks appeared on these plans, with special attention paid to the locations of the railway station and harbor, and the development of the areas surrounding them. Recognizing the pragmatic need for the construction of a city in which Europeans and Chinese would need to live separately but also have space to work with and interact with each other, the city was divided into three parts: a place where wealthy Europeans could live and work, the “mixed” section of the city where the more well-to-do Chinese

262 Denkschrift Betreffend die Entwicklung des Kiautschou-Gebiets Abgeschlossen Ende Oktober 1898, Staatsarchiv-Bremen, R.1.g.no. 5.
263 Rosendahl to RMA, 18 June 1898, BA-MA, RM 3/6744.
could conduct business with Europeans, and, finally, two purely Chinese sections for laborers, farmers, and local businesses. 264

In addition to maps of the new roads planned for the city, the Land-Use Ordinance also contained important provisions related to their design and construction. The naval administration established strict regulations regarding the gradient, width, and angle of entrance of private driveways, and the streets themselves were designed to be wide and curving, so as to reduce the amount of dust created by prevailing winds. 265 Furthermore, the colonial government made copious use of dynamite to carve out smooth graded roads from the granite hills upon which Tsingtau lay, covering the new streets with crushed stones that could be watered down and smoothed out by steam rollers. Storm drains and sewers were also a central feature of the general road plan as an additional measure to prevent the erosion of road surfaces and the surrounding land. 266 In general, the roads were designed to meet the needs of both private and public construction, as the use of land warranted. This posed a considerable challenge in the early years of the colony due to the extremely high volume of land sales and building construction, although the Leasehold government strove to respond to all requests as expeditiously as possible. 267 By 1903, demand for new roads began to slow, finally

264 A copy of the 1898 Land-Use Ordinance can be found in Mohr, Handbuch, 238ff. For additional information about the construction of buildings in Tsingtau and the layout of the three zones (particularly the European district and Tapautau), please see chapter II.


267 Denkschrift Betreffend die Entwicklung des Kiautschou-Gebiets in der Zeit von Oktober 1899 bis Oktober 1900, Staatsarchiv-Bremen, 3-R.1.g.5; Denkschrift Betreffend die Entwicklung des Kiautschou-Gebiets in der Zeit von Oktober 1900 bis Oktober 1901, Staatsarchiv-Bremen, 3-R.1.g.5; Kapitän zur See Vollerthun to Austwärtiges Amt, “Der Kampf um Tsingtao,” 5 January 1914, BA, R 85/773.
providing colonial leaders with the opportunity to complete the initial network of roads laid out in the Land-Use Ordinance.  

As far as naming Tsingtau’s streets, civic planners utilized a distinct pattern. In the European section of the city, roads were named after German rulers and other well-known-or at least well-placed-Germans. In the mixed-population district of Tapautau, the east-west streets bore the names of Chinese provinces (Shantung, Shansi, Kiangsu, etc.), while the north-south roads took their names from Chinese cities (Peking, Shanghai, Nanking, etc.). In a nod to the “mixed nature” of the district, each of the streets had the German word Straße added as an enclitic (e.g. Shantungstraße). In Taidongzhen and Taixizhen, the streets followed more traditional Chinese naming conventions, such as “Golden Dragon” and “Silver Wing.” As the city grew and districts were added or expanded, the naval administration continued to utilize these naming patterns, providing continuity to the layout of the rapidly growing city.  

While aesthetics was an important factor in the design of the streets, pragmatic considerations were also a primary concern for city planners. In addition to being able to accommodate wagons, the roads within Tsingtau were especially wide to accommodate the Chinese “wheelbarrow.” A cart with a single wheel fastened just under its center of gravity, this vehicle for transporting goods allowed an individual to push a heavily-laden cart with considerable ease. While the cart’s design reduced the strain placed on the  

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268 Denkschrift 1902-1903, Staatsarchiv-Bremen, 3-R.1.g. 5.  
269 Truppel to RMA, 16 August 1903, “Names in the Leasehold,” BA-MA, RM 3/6643. Following the Communist take-over of the city in 1949, the German-named streets in Qingdao changed their official names. Nevertheless, most of these roads retain their original names and have them printed on street signs just below the official ones. For example, Prinz-Heinrich Strasse, one of the main avenues in Tsingtau, is now named Guang xi lu, although the German name remains on street signs and tourist maps of the city.
individual moving it, the cart’s narrow wheel of the cart did substantial damage to the road beneath it. To accommodate the cart while also mitigating the wear and tear on the roads, civic engineers in Tsingtau added a 30-centimeter-wide “cart lane” on either side of the road made from granite slabs, passing through all major intersections. Furthermore, as the heavy loads on the wheelbarrows often resulted a wide berth, the roads were three meters wide in each direction.\(^\text{270}\)

During the dry season, laborers watered down the roads with sea-water in order to “counter dust as well as provide a more permanent and pleasing appearance.” To prevent the opposite problem of the roads being washed away during the heavy rains of the monsoon season, the leasehold government built a system of storm drains and storm sewers, as well as constructing a hard road surface made of crushed granite, seated in place by steamrollers operated by a two-man team of Chinese laborers.\(^\text{271}\) In places where the road gradient was steeper, engineers used cobblestones instead to prevent the roads from washing out. Having taken the threat of downpours and constant heavy rain into consideration, city planners also covered sidewalks with granite or concrete slabs, separating them from the roads with curbstones. These curbstones also served as gutters to help direct the flow of water away from the roads and into the catch basins that led to the storm drains.\(^\text{272}\) The catch basins helped sift sand and dirt from the water that entered the storm sewers, keeping the whole system clean and rainwater flowing freely.

The European section and Tapautau each had their own storm drainage networks, which


\(^{271}\) Ibid., p. 476.

\(^{272}\) Ibid., p. 475-476.
the colonial government renovated and expanded as the city grew and new roads needed construction. In the exclusively Chinese areas of the city, storm drainage networks initially existed only in the eastern outskirts. In 1907, however, the naval administration built a mixed storm and sewage system in the predominately Chinese Harbor District, a cheaper and equally safe alternative to the separate drainage systems found in the European areas.  

Between 1899 and 1909 (where specific data is available), the Leasehold government constructed over 20,000 meters of storm sewers in Tsingtau, with connections to 463 houses.

The drainage systems filled a critically important role in the city’s infrastructure that supported its rapid growth and development. Since the storm and sewer systems carried rainwater away immediately, the city roads rarely flooded or turned into mud pits, as commonly occurred in the rest of the Leasehold and Shantung. Traffic could thus continue to flow freely once the rain ceased, and pedestrians could move about the city without fear that carts, wagons and, in later years, motor vehicles, might soak them as they passed by, a benefit that made an exceedingly positive impression on visitors and tourists. In July and August 1903, Governor Truppel hosted a delegation of German investors and representatives of the Ministry of Foreign Commerce. In reporting back on the results of this visit, Truppel noted that several members of the delegation reacted quite favorably to the streets’ appearance: “walking around on the wide avenues of Tsingtao, one cannot help but imagine that he is walking down the modern streets of a

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273 Ibid., p. 486.
274 See Seeleman, figure 6, p. 152, for a chart breaking down the number of meters of storm drainage laid per year and the areas in which storm sewers were constructed.
275 Truppel, 1 June 1903, Nachlass, BA-MA, Nachlass Truppel N 224/19.
European city.” Another one of the delegates expressed his great pleasure to Truppel, telling the governor, “I greatly feared [after the rains of the last few days] that I might need to replace my boots. I am glad to say I did not!” Furthermore, the storm drains limited erosion in and around the city—an important consideration for an otherwise dusty and sandy region. Regular flushing with sea water mitigated the build-up of silt and sand in the storm sewers, keeping the drainage system working at or near full capacity year-round.

While the leasehold government remained proactive in constructing roads to meet the demands of its German populace, doing so was often easier said than done. Complaints about the roads—or lack thereof—ran rampant at times. In 1910, for example, the Tsingtauer Neueste Nachrichten lampooned Leasehold officials over the long delays in the completion of Kieler Strasse, one of the main avenues in Tsingtau’s European district. Having already been under construction for eight years, the newspaper reported, somewhat sarcastically, that the construction contract had been awarded to a prominent Chinese family living in Tapautau, the Man-man-ti (“Slows”), who were expected to complete the road project when the 99-year lease on Leasehold was set to expire. Additionally, in 1911, residents of Tsingtau repeated criticized the unfinished condition of roads throughout the city, including one that had been under continuous repair for over three and a half years.

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276 Truppel to RMA, 13 August 1903, “Monatsbericht – Juli,” BA-MA, RM 3/6742; Truppel to RMA, 10 September 1903, “Monatsbericht – August,” ibid.
277 Tsingtauer Neueste Nachrichten, 3 September 1910.
278 Truppel to RMA, 18 March 1911 and 7 October 1911, BA-MA, RM 3/6744.
Financing for the construction of the roads came from the Roads division of the Construction Department in Tsingtau, using the profits from land and property auctions. The maintenance of the roads was paid for through taxes on connections to the city’s water system. The Construction Department was only responsible for roads within Tsingtau as well as the main roads that ran from the city into the rest of the leasehold. The building and preservation of roads in the rural districts of the Leasehold came under the aegis of the individual Chinese villages that the roads passed through. The Bezirksamtmänner took on the responsibility of identifying which villages were needed to supply funds for road materials as well as laborers for construction. In general, villages provided any strong and able-bodied men that could be spared from their daily labor. Although these workers were required to give up their time in serving the community in this way, the local commissions offered little in the way of compensation, aside from a midday meal and a nominal sum at the end of each day’s work.

Consequently, the majority of road construction and repair took place during the winter months when this “volunteer” labor could be spared from working in the fields with minimal disruption to their means of living. One of the last roads built in this manner connected Tsingtau to the Mecklenburg-Haus, a beautiful convalescent home nestled on the northern side of the Mount Lao, or Laoshan. Originally, it could take upwards of a full day to navigate the paths, footbridges, and narrow mountain trails to reach this mountainside retreat and the nearby Taoist Monastery (Waldfrieden or Weizhaun).

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279 Bökemann, Stadtanlage, p. 476.
the completion of this road in early 1914, however, an automobile could make the journey in a little under one hour, further bolstering the burgeoning tourist industry that was becoming a hallmark of the colonial city. In addition to the village-built roads, the Schantung Eisenbahn Gesellschaft, the German railway company established in the Leasehold, also took on the responsibility of building a series of extra-city provincial roads that linked Tsingtau with major towns and cities in the Leasehold and the province beyond. These roads served as the main conduit of people and products to the railroads, which was not only one of the main supports for Tsingtau’s growing trade economy, but also one of the main conduits for connecting the city to destinations in China, Asia, and beyond. While only a handful of these roads were fully completed and useable by the end of the German occupation, these roads succeeded in connecting Tsingtau to its surrounding hinterlands and the cities beyond Kiaochow and Shantung.

While roads were the lifeblood of a burgeoning Tsingtau, the railway, harbor, and seaways beyond were the life-lines that made Tsingtau into a rapidly-growing city and potential rival to Hong Kong, Shanghai, and the other major ports in East Asia. By designing all aspects of rail and sea trade for the maximum benefit of the colony’s residents and investors, the colonial administration hoped to support and spur the growth of agriculture and trade in Tsingtau, the leasehold, and Shantung. In doing so, Tsingtau would be transformed into the premiere destination port in North China and, ultimately, all East Asia.

281 Tsingtauer Neueste Nachrichten, 30 April 1914.
As the leasehold agreement provided for a variety of special rights for German business and investors in the colony, the prospect of generating considerable profit in major industries such as banking, shipping, coal, and steel were relatively safe. Consequently, the Imperial Government took special interest in the rapid construction of a railroad that would connect Tsingtau-and the Leasehold-to the rest of China, East Asia, and beyond. If, as leaders in Tsingtau and Berlin hoped, Tsingtau was to become a successful major trading colony, it needed to develop a strong railroad network that would support the other major industries and foster the growth and development of the coal mining industry as well. As the mining and railway industries were two of the central economic interests of that encouraged German expansion in Shantung, German investors anticipated high profits. Additionally, the railroad was also critically important to those groups and individuals-particularly in the Imperial Navy and the Foreign Office-who saw Tsingtau as crucial to Germany’s global security posture. An efficient railroad system would allow for the rapid transport of troops and supplies, as well as additional support for a sizeable naval presence on the Chinese coast. For this reason, protecting and guaranteeing the safe construction of the railway and the mining industries was a central concern of the leasehold government and the state offices in Berlin overseeing Germany’s new colony in China.

The railroad and mining concessions offered a host of potential opportunities for German economic interests. Various syndicates formed seeking large and profitable government contracts for the construction of the railroad and the operation of the mines. Chief among these was the Shantung Syndicate, which counted the large China-based
German trading houses such as Carlowitz and Company, as well as companies involved in heavy industry such as Siemens and Krupps among its members, the Magnate Syndicate, comprised of Prussian landowners, and the German Industry Syndicate for the Settlement of Kiautschou and the Hinterland (*Deutsche Industrie-Syndikat zur Erschließung Kiautschous und des Hinterlandes*), in which the Augsburg-Nürnberg *Maschinenfabrik* and other industrial enterprises were involved.\(^{282}\) With all of these potential investment groups pursuing government contracts, the primary concern for the *Auswärtiges Amt*, under whose jurisdiction the railway and mining industries fell, was to bring an end to the competition between individual German companies, and instead form a consortium of capital-rich investors that would maximize corporate involvement in the leasehold’s industries.\(^{283}\) On May 24, the various syndicates applied jointly for the rail and mining concessions as a single corporate entity, the *Schantung Eisenbahn Gesellschaft* (SEG).

Formally incorporated in Berlin on 14 June 1899 with a capital investment of 34 million gold Reichsmarks guaranteed by the *Deutsch-Asiatische Bank*, the SEG successfully bid on and received an exclusive railroad and mining contract from the imperial government on 1 June.\(^{284}\) In order to spur Tsingtau’s rapid development, the Leasehold needed an immediate connection via rail to Tsinan, the economic center and


\(^{284}\) The *Deutsch-Asiatische Bank* was mainly backed by capital from *Deutsche Bank* and *Diskonto-Gesellschaft*, the two largest financial institutions in Germany. Other investors included the *Preußische Seehandlung*, *Norddeutsche Bank* and the *Bank für Handel und Industrie Darmstadt*; Leutner and Mühlhahn, *Musterkolonie Kiautschou*, p. 382.
capital of Shantung. Located on the Grand Canal, one of China’s major transportation arteries linking Peking and Hangchow (Hangzhou), the quick and efficient transportation of goods and people to Tsinan was vitally important to Tsingtau and the Leasehold. Consequently, the primary objective of the government contract awarded to the SEG was to construct a new railroad from Tsingtau to Tsinan within five years. A subsidiary provision of this agreement also tasked the SEG with building a branch line from Tsingtau to Linyi, the largest city in southern Shantung. Upon the successful fulfillment of this initial project, the German government promised additional contracts that would provide for the expansion of the railroad to other cities such as Port Arthur, Shanghai, and Peking, as well as connections to other major railways such as the recently-completed Trans-Siberian railway.

Although an independent business entity, the SEG had considerable ties to the imperial government and the other government-sponsored corporation in the colony, the Schantung-Bergbaugesellschaft (SBG), which received a contract to develop the mining concessions in Shantung on the same day as the SEG received its one for the railroad.

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285 Although the Tsingtau-Tsinan line was completed per the March 1898 Treaty, the SEG never completed the line from Tsingtau to Linyi. For a copy of the contract awarded to the SEG, see Bau- und Betriebskonzession für die Shandong-Eisenbahngesellschaft, 1 June 1899, BA, Bestand kleine Erwerbungen 623, band 2.


287 The SBG was founded by the same consortium of financial interests that formed the SEG and was officially incorporated on 10 October 1899 with an initial capital investment of 12 million Reichsmarks. Per the March 1898 Treaty, the SBG owned the rights for the construction of mining facilities in a zone of 30 Li (roughly 18 km) along the two originally licensed railway lines; Bau- und Betriebskonzession für die Shandong-Bergbaugesellschaft, 1 June 1899, BA, Bestand kleine Erwerbungen 623, band 2. Although the SEG and SBG were closely connected, the emphasis in the chapter is the construction of the railroad and its importance in helping establish Tsingtau as a “German Hong Kong,” and so the role and actions of the SBG will be discussed here as it relates to the SEG and the railroads. For further discussion of the SBG and its role in the development of Tsingtau, please see chapter 4. A much more in-depth discussion of the
The Reich-as well as the colonial government-had considerable sway with both Boards of Directors, and never hesitated to make its desires known. Furthermore, any dividends over 5 percent were taxed at varying percentages, meaning that the more successful SEG was in generating profits, the more those profits had to be shared with the leasehold government. Despite such taxes limiting the company’s profit margins, however, the imperial government was content to leave construction decisions and day-to-day operations largely in the hands of the SEG’s managers and directors.  

German industry also benefited greatly from the creation of the SEG and its close ties with the imperial government. German firms crafted all the manufactured equipment necessary for the railroad, from rails and ties to locomotives, cars, and colliers, in Germany and prominent German shipping companies-including Hamburg-Amerika Linie and Nordduetscher Lloyd- transported these materials to China, exporting twenty-five thousand tons of goods. By the summer of 1899, these material and transport contracts totaled over 20 million Reichsmarks, a major economic boon for the German companies and the state’s economy. Once these goods arrived in China, they passed into the control of Heinrich Hildebrand, a Prussian railway executive and municipal engineer who had been in China since the early 1890s as a representative of German interests and

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an adviser on Chinese railroad projects and was now responsible for overseeing the construction of the Tsingtau-Tsinan railway. 291 Although the right-of-way for the railroad was wide enough to accommodate a double track, the SEG completed only a single track by the time Germany had to cede the Leasehold at the end of World War I. The project was indeed an ambitious undertaking, but all parties concerned were confident of its success and the myriad benefits it would bring to Germany’s new colonial project.

Following the establishment of the SEG and the SBG, work on the railroad began immediately, following the general route mapped by Ferdinand von Richthofen in the 1860s and modified by the contemporary survey that SEG engineers conducted upon receipt of the company’s government contract. 292 Earthwork began in Tsingtau on 23 September 1899 with a groundbreaking ceremony over which Crown-Prince Heinrich, the Commander of the East Asia Squadron, presided. While German engineers oversaw all aspects of the construction, Chinese subcontractors carried out most of the actual work. In some cases, these contractors received payment for the completion of a specific task, such as backfilling, the transportation of materials, or moving a fixed amount of earth, while in other circumstances they were responsible for supplying a fixed number of Chinese workers to carry out hard labor tasks while under the supervision of German contractors or railroad officials, such as the construction of bridges, laying of rails, or smoothing of grades. These local workers were generally peasants that lived in villages

292 Details of the original route laid out by von Richthofen can be found in von Richthofen, China, volume 1, pp. 267-271.
along the railroad’s route, providing a steady stream of easily accessible labor.\textsuperscript{293} As the conditions for the workers were relatively good and the pay reasonable, local workers came to appreciate the opportunities that working on the railroad offered and often quickly volunteered for whatever jobs the contractors came to recruit.\textsuperscript{294} In addition to local labor, contractors also employed workers from northern China who had already had previous experience building the railroads there. At the height of the railroad’s construction, somewhere between 20,000 and 25,000 Chinese workers provided their manpower for the railway line.\textsuperscript{295} Furthermore, due to the fact that many in the local population looked favorably upon the potential options for employment that the railroad offer, the SEG founded a small school in 1899 that provided the necessary education “create…the personnel for stationmasters, conductors, fireman, engineers, and watchmen, etc.”\textsuperscript{296} While the SEG initially preferred to hire Germans (and other Europeans) to handle much of the operation and maintenance of the railroad upon its construction, due in no small part to the prevalence of Sinophobia within the commercial community at this time, the extremely high wages that foreigners commanded in China compelled SEG officials to turn to the local population to fill many of its low and mid-level positions, particularly in the areas outside Tsingtau.\textsuperscript{297}

\textsuperscript{293} Stichler, \textit{Das Gouvernement Jiaozhou}, p. 138.
\textsuperscript{294} \textit{North China Herald}, 7 February 1900.
\textsuperscript{296} \textit{Denkschrift 1899-1900, Staatsarchiv-Bremen}, 3-R.1.g.no. 5.
\textsuperscript{297} The rationale for the employment of the Chinese in the daily operations of the railroad, as well as the use of schools for training in the more advanced positions, is covered in further detail in chapters IV and V.
Aside from river crossings whose seasonal variances the SEG engineers would have to plan for, construction of the route was manageable with few natural obstacles or difficult grades to contend with. Perhaps the most difficult problems facing the SEG were negotiating the time and distance required for such a project and the negative reactions from the local populace directly affected by the railway’s presence, particularly in terms of buying land and maintaining the security of the railroad as its work proceeded further into Shantung’s interior. Chinese peasants were often unwilling to sell their land, and the process could be slowed significantly due to the difficulty involved in determining who, exactly, owned the property the SEG wished to purchase. Security of the railroad was critical as the SEG’s activities left the SEG extremely vulnerable to attacks and disturbances. Unrest from the Chinese was not only costly to the company in terms of property damage, but also due to long construction delays that inevitably resulted. Nevertheless, despite such concerns the SEG did little to encourage its engineers to work with the native population and to treat them fairly, particularly in the sectors just outside protectorate’s borders.298 In an early report on the progress of the railway’s construction, Governor Jaeschke reported to the Reichsmarineamt that “the Chinese population outside the Leasehold is being systematically excited against foreigners. This is largely due to the actions of engineers along the route of the new railroad.”299 As a result, local officials and members of the native educated elite began to campaign vigorously against the presence of foreigners in Shantung and China in

298 Jaeschke to RMA, 4 March 1900, BA-MA, RM 3/6749.
299 Jaeschke to RMA, 25 April 1899, ibid.; Auswärtiges Amt to von Bülow (copy to RMA), 3 March 1899, PA-AA, R 25104.
general. The unrest that the railroad encountered, then, “grew out of local grievances but gained momentum because the local authorities reflected the anti-foreign sentiments them in ascendency among their superiors.”

Further trouble erupted over the refusal of the SEG and the SBG to compromise with or seek assistance from provincial and local leaders regarding these disturbances. Although Part II, Article III of the Leasehold Agreement stipulated that special arrangements should be made concerning the regulation of railroad construction and mining, the German consortia showed no interest in negotiating such contracts, despite repeated demands from the governor of Shantung, Zhang Yongmei (1897-1899). The SEG and SBG feared that further regulations would limit the influence of their respective companies, reducing the administrative power they wielded and the profits they might earn. Any problems or difficulties that might arise, they argued, would be solved better on a case-by-case basis rather than with any sort of broad-based agreement. This approach, which meant completing the railways and mining projects without consulting or cooperating with the Chinese, became a major factor in the

302 Alfred Gaedertz to Auswärtiges Amt, 21 October 1899, PA-AA, Peking II 1294. Alfred Gaedertz (1853-1907) was a prominent German railway engineer during the late nineteenth century. In the early part of his life, he served as a foreman for the Prussian government at the port of Wilhelmshaven and on the Board of the Building Administration for Württemberg. Following his governmental service, Gaedertz oversaw the Romanian state railway system and then moved on to be a lead engineer for the Chemins de fer Orientauz (Oriental Railway)-the host railway for the Orient Express from 1889-1937-in 1889, where he helped build trunk lines from Thessaloniki (Salonika) to Bitola, and Thessaloniki to Alexandroupoli (present-day Deadagac). Upon completion of these projects, Gaedertz served as the Head of Technical Construction for the Anatolian Railway Company’s new line from Smyrna (Izmir) to Ankara. In 1898, Gaedertz was charged with overseeing the preparations for the construction of the Tsingtau-Tsinan Railway, becoming a member of the Technical Board for the newly-established SEG in 1899.
vehement resistance to the railroad by the Chinese population and segments of the provincial administration in 1899 and 1900.\textsuperscript{303}

As a part of their resistance to the railroad’s construction, leaders in Shantung sought to delay the construction of the railroad and mines. By passing a series of “Regulations” in March 1900, the Governor of Shantung tried to implement a treaty governing the construction of railroads and mines that would force German companies to comply with certain procedures in their building projects. These regulations were the first attempts to recover lost rights in the railway and mining industries and thus regain control over the economic development of Shantung, a central facet of Chinese policy towards the German-occupied territory. In addition to the conservative Anti-Foreigner movement brewing at the time, a broad regional political movement arose focused on ending German special rights in Shantung and the Leasehold, as well as the restoration of Chinese sovereignty. This movement employed several varied tactics to accomplish this goal: presenting German companies such as the SEG and SBG with administrative difficulties that ate away at their profits, granting Chinese mines and mining companies massive state subsidies, and aiding in the purchase of stock in German companies in order to gain greater influence over them. This economic resistance, coupled with local protests and resistance to German authority, as well as competition with Chinese companies, both in the railroad and above all in mining, succeeded in forcing the

\textsuperscript{303} For a more detailed examination of this political and social backlash, see Leutner and Mühlhahn, \textit{Musterkolonie Kiautschou}, pp. 241-252.
German government to slow construction of the railroad and mines, two elements essential to bringing the Navy’s vision for Tsingtau to bear.

The first major disturbances to strike the railroad occurred in June 1899 at Kaomi (Gaomi), one of Shantung’s regional capitals. Here, the local Chinese tore out the surveyors’ rods that marked the railroads’ route, chiefly because they did not understand the purpose of the rods and feared that they would lose the land on which the rods had been placed. 304 On 21 June, Hildebrand requested Jaeschke send military assistance on the pretext that the railroad’s work at Kaomi could not progress unless Germany occupied the district capital. 305 Although Tirpitz opposed military interventions that might force the Chinese to escalate the situation, Jaeschke promptly responded to Hildebrand’s request, dispatching a marine and mounted artillery force to Kaomi. His primary reason for doing so was the critical importance of maintaining the railroad’s construction schedule and, therefore, “diplomatic treatment of the situation would take far too long to resolve.” Additionally, Jaeschke believed that it was strategically necessary to strengthen Germany’s military power in the fifty-kilometer buffer zone, arguing that pursuing a purely diplomatic solution might provide the provincial officials “with a pretext for sending large numbers of troops into the zone, which would be inconvenient for us.” 306 The expedition at Kaomi lasted only two weeks, but in this time, the troops occupied the district capital and suppressed the unrest harshly and quickly, preventing it from spreading further along the railroad’s route. The troops did so by

304 Jaeschke to Tirpitz, 21 June 1899, PA-AA, R 18243; Capt. Mauve to Jaeschke, 27 June 1899 and 11 July 1899, ibid.
305 Jaeschke to Tirpitz, 21 June 1899, ibid.
306 Ibid.
fighting two decisive battles against the local militia, including one at the village of Titung, where the first riots occurred. On 5 July, the leader in Kaomi signed a peace agreement and the troops returned to Tsingtau.  

As experiences like the Kaomi riots suggested that conflicts with the Chinese could become long-standing, Ambassador Clemens von Ketteler and Governor Jaeschke—on instructions from von Bülow and Tirpitz in Berlin—advised the SEG and SBG to negotiate on an agreement with the governor of Shantung. Considering that the German government refused to carry out any permanent military action in Shantung at this time, Ketteler and Jaeschke particularly desired such a peaceful outcome. Indeed, this push to reach some sort of arrangement with the provincial government was one of the few points on which the Ambassador and Governor agreed regarding the administration of the Leasehold in these early years. Nevertheless, despite this concordance of views, the two sides differed greatly on the means to achieve it. In confronting their difficulties with the Chinese, many of the railroad personnel chose to follow the more aggressively anti-Chinese policy of the Chinese Legation rather than that of the Governor of Tsingtau and the colonial administration. As crises with the local population worsened, members of the Foreign Ministry in China—led by Ketteler—advised the SEG that it would be useful to use liberal measures for compensation for the sale of their [the Chinese] land. At the same time, buying the good will of the elite, timely

307 Jaeschke to Tirpitz, 1 July 1899, Capt. Mauve to Jaeschke, 11 July 1899, and Jaeschke to RMA, 25 August 1899, ibid.
308 For more on the debate about the merit of reaching an agreement with the Governor of Shantung, Yuan Shikai, and what form this agreement should take, see Schrecker, *Imperialism and Chinese Nationalism*, pp. 116-120.
309 Tirpitz to Jaeschke, 27 June 1899, ibid.
gifts of money to local officials, and the general involvement of local leaders in the success of the company is of primary importance. This will be least troublesome in breaking any remaining resistance… and thus secure unimpeded continuation of construction.310

Although recognizing that this advice reflected a possible solution to the SEG’s problems, Governor Jaeschke could not have disagreed more with the Foreign Ministry. While he certainly believed such “gifts” could secure some measure of goodwill from local and regional officials, the amount of money spent in this way would have little effect in the end, as these bribes would have to continue to go up the chain of command. Furthermore, if these schemes were somehow exposed, not only would the resulting scandal likely lead to the resignation of the individuals who accepted the bribes, but it would also provide fertile grounds for the Chinese press to attack the SEG and turn the local population further against the colony and Germany’s presence in Shantung. Finally, Jaeschke objected to bribery because such actions would destroy the notion that German law was above reproach and that such corrupt practices were a crime that came with real consequences. Without the proper rule of German law, the Governor argued, it would be impossible to set the proper example for Germans and Chinese alike, and ensure the good relations with the Chinese that the naval administration viewed as critical to Tsingtau’s success going forward.311 Although the legation in Peking disagreed with Jaeschke’s policy on interacting and working with native officials and

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311 Jaeschke to RMA, 31 May 1899, ibid.
leaders, the leadership in Tsingtau embraced the colonial governor’s policy, as it provided a strong basis for solid long-term relationships with the Chinese.\textsuperscript{312}

Conflict between the Foreign Ministry and the colonial government continued to rage, as the German Legation jealously defended its position as the official representative of the Kaiser and his Imperial Government in China and thus the proper authority to mediate disputes with the provincial government in Shantung.\textsuperscript{313} Despite this careful guarding of power, however, Ambassador Ketteler and his ministers found themselves unable to control the relationship between the SEG and the local Chinese population, particularly as the railroad company moved further into Shantung’s interior. As a result of the ongoing conflicts over the railway construction in the region around Kaomi, Yuan Shikai, newly appointed as Governor of Shantung in late 1899, issued a decree in February 1900 that prohibited the SEG from continuing their work without a special agreement because, as Yuan claimed, “at present there is no treaty between Germany and China which regulates the matter.”\textsuperscript{314} Consequently, “the resumption of work further north [of Kaomi] depends on the negotiations [with Yuan] in Tsinan.”\textsuperscript{315} In calling for negotiations to take place at the provincial capital, Governor Yuan intended to deal with the larger problems that the German companies in Shantung—primarily the SEG and SBG—caused as a result of their uncontrollable behavior. In preparation for this meeting, Yuan drafted three sets of protocols designed to regulate the railway, the mines,

\textsuperscript{312} Rosendahl to RMA, 11 February 1899, BA-MA, RM 3/6749.
\textsuperscript{313} Heyking to Rosendahl, 12 February 1899, PA-AA, Personalakten Heyking 5999.
\textsuperscript{314} Bericht über die Verhandlungen in Kao-mi, February 1900, PA-AA, R 17860; see also, Mühlhahn, Herrschaft und Widerstand, pp. 247-250.
\textsuperscript{315} Jaeschke to Tirpitz, 25 February 1900, PA-AA, R 18244.
and, most importantly, address the relationship between the Leasehold and Shantung, with the expressed goal of establishing a Chinese representative in Tsingtau to safeguard Peking’s interests within the German colony and limit the Leasehold’s overall independence.\(^{316}\)

At the same time, Yuan sought to establish a Provincial Foreign Office in Tsinan that was directly responsible for handling matters with the Germans. Yuan’s plan for creating such an office was likely based on a similar one in Manchuria (with the same name) that the provincial governor there established to handle problems with Russia and the railroad it was building.\(^{317}\) Although the office in Shantung was to become the second of its kind in China, the success of this institution in Tsinan resulted in the office becoming a staple of provincial administrations throughout the Qing Empire.

Negotiations between the Germans and Chinese began in February 1900, when Shantung Railway Commissioner Heinrich Hildebrand—under advisement from Jaeschke to do so in order to end the unrest in the province and resume construction on the railway—went to Tsinan to meet with Governor Yuan. The SEG’s Board of Directors in Berlin were dismayed when they received word that Hildebrand was opening talks with Yuan, complaining to Chancellor von Bülow, “we never expected Hildebrand would enter negotiations after we explicitly instructed him not to do so. We only sent him to Tsinan to secure the speediest end of the unrest.”\(^{318}\) The SEG added further, “It is

\(^{316}\) Yuan Shikai to Zongli Yamen, 1 April 1900, Wang Yenwei and Wang Liang, eds. qingmo choubei lixian dangan shiliao [Historical Materials Concerning Foreign Relations in the Late Qing Period], (Peking: Department of Archives, 1980), vol. 142, p. 12ff.


\(^{318}\) SEG (Berlin) to Bülow, 5 March 1900, PA-AA, R 17858.
damaging to our interests [that] negotiations began in Tsinan before the unrest was ended."\textsuperscript{319} Although incensed by these actions, the SEG’s directors ultimately authorized them when it quickly became clear that this was the only option that would ensure the resumption of work and the board learned that Hildebrand and Yuan were already deep into discussions. In addition to Hildebrand and Yuan, other participants in the conference included General Lieutenant Yin Chang, whom the central government in Peking sent to represent the Qing government’s interests, and Captain Freiherr Treutsch von Buttlar, whom Governor Jaeschke dispatched to represent the colonial government and serve as Hildebrand’s Military Attaché.

Although both sides met with a considerable amount of equanimity, several difficulties arose during the negotiations. As early as the first round of talks, Yuan “definitively declared that uninterrupted progress on the railway’s construction as well as effective protection of the railways by the authorities of the Province of Shantung would only be possible after the Chinese government and the railroad company [SEG] reached a fully-settled agreement."\textsuperscript{320} Nevertheless, after lengthy negotiations on certain individual provisions, the SEG and the provincial government concluded two private-law agreements on 21 March 1900: the Mining Regulations and the Railway Regulations.\textsuperscript{321} Both settlements established various responsibilities on the part of

\textsuperscript{319} SEG (Berlin) to Foreign Office, 10 March 1900, ibid.
\textsuperscript{320} Erläuterungen zu den Eisenbahn-Rgulativen von Heinrich Hildebrand, 7 April 1900, BA-MA, RM 3/6780.
\textsuperscript{321} Both the Railway and Mining Regulations are nearly similar in their language and content, with only minor changes relating to the specific industry in question. For a copy of the Mining Regulations, see, Bergbau-Regulative zwischen der Shandong-Bergbaugesellschaft und dem Gouverneur von Shandong, Yuan Shikai, 21 March 1900, PA-AA, Peking II 1309. For the Railway Regulations, see, Vera Schmidt, deutsche Eisenbahnpolitik, pp. 154-161.
German companies—notably the SEG and SBG, but also any new companies that might be established in the future—regarding the construction and operation of railroads and mines. Of particular importance were the regulations governing the purchase of land and the settlement of conflicts between Germans and members of the local populace directly affected by any new construction. In return, the Governor of Shantung agreed to ensure the protection of any German facilities built to support the railroad and mining industries outside the fifty kilometer "neutral zone" surrounding the Kiaochow Leasehold.

While Yuan succeeded in achieving these important concessions, Hildebrand rejected the provincial governor’s demands that he have a say in determining the route of any railroads or where mines might be established, as well as Yuan’s request that the provincial government be permitted to tax a company’s profits. Although Hildebrand succeeded in resisting these restrictions, he nevertheless had to accept certain other limits placed on the authority of German firms, such as the requirement for Germans to apply for a passport from Chinese authorities to travel in Shantung’s interior, or that the companies would need to discuss the effects of new projects on farming and the local populace with community leaders and local officials.322

Overall, though, the Germans were satisfied by the terms of the two agreements. In their estimation, they achieved peace and security for the new railway in exchange for relatively minimal concessions. While the Chinese had secured a small amount of control over the railroad, the SEG and SBG’s original plans were not affected

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considerably. Yuan, for his part, was quite pleased with the results. By the fact that Germany had agreed to sign to regulations, the provincial governor had secured an acknowledgment that the railroad was nominally under Chinese jurisdiction, and the powers granted to the province in the regulations served to emphasize the fact that, outside the Leasehold itself at least, the railroad fell under Chinese control. Furthermore, the regulations provided a stepping-off point for further agreements related to when and how the Chinese government might ultimately take full control over the railway in the future. The general treaties also reiterated that, in the near future, the railroad would be controlled by a joint Sino-German company in which Chinese businessman would participate in the management of the SEG and SBG, although the line would remain under full German management for the time being.

The completion of the railway and mining regulations was a great personal success for Governor Yuan and the basis of his rise to prominence as one of the most important political figures in North China during the Late Qing Dynasty and the Early Republic.323 These agreements represented a major step forward in China’s foreign policy as well, as they provided a template for how the Qing Dynasty might deal with the economic advance of European powers. Furthermore, the regulations succeeded in preventing further violent conflicts related to railway construction and mining after 1900, even though such peace came at the price of having to use Chinese troops against their own people to suppress any protests. Nevertheless, Yuan proved that he was not

just a simple tool in the hands of foreign imperialists. On the pretext of maintaining peace and stability in Shantung, Yuan Shikai and his successors began to implement a policy of demanding broad and widespread government support for domestic industry and commercial enterprises that could compete with German companies. Such a policy began a process of economic resistance against foreign commercial dominance that, over time, chipped away at many of the special rights that had been granted to Germany and other European powers in Shantung and elsewhere in China, while also laying the groundwork for China to play a larger role in the Leasehold and Tsingtau.

Yuan’s new policy succeeded largely due to a greater willingness on the part of the SEG and the German government to negotiate with the Chinese about the railroad, a change of heart justified by the provincial governor’s skillful diplomatic maneuvering and the respect German leaders felt for him. The SEG also softened its stance because further delays would result in even more severe financial losses than the company had already endured.\(^\text{324}\) The company and its shareholders could expect no returns on their investments unless and until the railroad was completed and fully operational. Furthermore, it became crucial to meet the construction schedule for the necessary bridges and dams on the route to Kaomi before the spring floods made such work impossible. As the value of the SEG’s property continued to increase (reaching 4.5 million marks by the start of 1900), the SEG stressed that “the most important thing is the immediate resumption of work.”\(^\text{325}\) The Naval administration also showed a desire to

\(^{324}\) SEG (Berlin) to Auswärtiges Amt, 26 March 1900, PA-AA, R 18244 and Jaeschke to Tirpitz, 5 February 1900, PA-AA, R 17858.

\(^{325}\) SEG (Berlin) to SEG (Tsingtau), 7 February 1900, PA-AA, R18244.
work with the Chinese because it had grown uneasy about sending German troops into
the interior of Shantung to quell unrest there. Between the rampant violence resulting
from the rising Anti-Foreigner Movement and the presence of Yuan’s troops in
Shantung, Jaeschke shared Tirpitz’s fear of war. In discussing the matter with the Naval
Secretary, Jaeschke reported, “the possible result of German military measures is now
less clear than in the first Kaomi expedition.” Jaeschke clarified his convictions in a
later letter when he noted, “one cannot do anything with the one or two hundred men we
can now spare for such purposes against the modern troops which Yuan Shikai has
brought to the province.”

Nevertheless, the SEG’s troubles were only further exacerbated by the eruption
of the Boxer Rebellion. Although the disturbances that ultimately resulted in the siege of
the legations in Peking originated in the southern part of Shantung, the impact of the
events that took place in the neighboring provinces was relatively minimal within
Shantung in terms of lives lost and property destroyed. This was largely due to the fact
that Yuan Shikai opposed the conservative militarism that he Boxers represented.
Nevertheless, although Shantung avoided major destruction, the unrest that did occur
had a significant impact on German endeavors in the province and its position there. As
a result of the Boxer uprisings, Governor Jaeschke ordered all Chinese troops out of the

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326 Jaeschke to Tirpitz, 22 Jan 1900, PA-AA, R17858.
327 Jaeschke to Tirpitz, 4 March 1900, PA-AA, R 15859.
328 The introduction provides a more in-depth look at the broader circumstances that led to the Boxer
Rebellion and its effects on Tsingtau and the Leasehold. For further information on this important moment
in modern Chinese history, see, Esherick, The Origins of the Boxer Uprising, Cohen, History in Three
Keys; Bickers and Tiedemann, The Boxers, China, and the World; and Xiang, The Origins of the Boxer
War. Spence, In Search of Modern China, pp. 230–235, offers an excellent general overview of the events
related to this uprising, its course, and aftermath.
Leasehold the and the fifty-kilometer buffer zone and replace them with German soldiers in order to protect the railroad and German interests. As the Boxer crisis began to reach its critical phase in June and July 1900 (with the murder of Ketteler that led to the siege of the legations in Peking), Shantung remained relatively calm. When the diplomats in Peking began requesting support at the end of May, Ketteler asked Berlin to send a detachment of marines from the III. *Seebataillon*, a request that von Bülow readily agreed to, noting that the Germans has already “successfully restored order to what concerns us the most, the province of Shantung,” and could therefore be readily spared for use further north.  

On 29 May, 51 marines left Tsingtau and arrived in Peking with the other German reinforcements at the beginning of June, remaining there for the duration of the siege of legations.

As Yuan did his utmost to keep order in Shantung, relatively little trouble erupted until the last week of June, when Chinese rebels threatened and assaulted missionaries in various parts of the province. At Weihai (Weixian, now known as Weifang), both the American Presbyterian mission and the German mining activities there came under attack, and the railroad encountered renewed violence at Kaomi. Consequently, construction of the railroad ground to a halt, and employees of both the SEG and SBG, both Chinese and German, were victims of physical assaults. A local armed band even attacked Heinrich Hildebrand himself, as he was in Kaomi at the time that the riots began again.

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331 *North China Herald*, 4 July 1900, and 11 July 1900; Hildebrand to Jaeschke, 1 July 1900, *PA-AA*, R 17859.
Germany’s initial response to this renewed violence was to send aid to the endangered Westerners. On 26 June a small volunteer force of naval and civilian residents of Tsingtau went to Weihsien to recuse the missionaries and mining engineers under attack. Two days later, Jaeschke dispatched one of the locally recruited Chinese companies to the city, followed by troops from the III. Seebataillon on the next day. Fearing that the presence of German troops deeper in Shantung’s interior might exacerbate the unrest that was bubbling over, Governor Yuan asked Jaeschke to delay the advance of these troops, promising that he would defend all foreigners and their property with his own forces. Yuan also encouraged Jaeschke to order the SEG and SBG suspend all operations outside the Leasehold and evacuate their personnel to Tsingtau so as to guarantee their safety.332 Trusting that Yuan would fulfill his promise, Jaeschke ordered his troops to remain at the town of Chiaochou for the time being and also gave instructions to the SEG and SBG to suspend their operations and have their employees head to the Leasehold and Tsingtau.333 The missionaries and engineers had already begun returning to Tsingtau en masse, with the first groups reaching the safety of German protection by 2 July.334 Once the SEG and SBG’s workers were out of danger, Yuan began to carry out the guarantee he made to Jaeschke, sending Chinese troops to guard the abandoned installations and construction sites. In the area around Kaomi, Yuan’s provincial troops began to arrest the local groups that had been fomenting unrest,

332 Jaeschke to Tirpitz, 3 July 1900, BA-MA, RM 3/6698.
333 Ibid.
334 Jaeschke to Tirpitz, 20 July 1900, ibid.
executing their main leader and exiling some more minor ones.\textsuperscript{335} Although the disturbances continued in this region, these troops brought greater peace and security than had existed at the end of May.

Despite the success that the provincial troops had in suppressing the violence in Shantung, the third suspension of railroad operations in a year convinced Hildebrand and the directors of the SEG that work on the railroad would never be completed uninterrupted unless German troops provided their protection. Both Hildebrand on the ground in Tsingtau and the SEG directors in Berlin thus demanded the Imperial Navy and Foreign Office provide this assistance.\textsuperscript{336} Both parties emphasized that unless the work resumed soon, the SEG would consider executing the escape clause in its concession that granted it the right to postpone the completion of the railroad in the event of unforeseen circumstances. This course of action represented a powerful means for the SEG to force the Imperial Navy—which was reluctant to use German troops in Shantung’s interior—to provide this assistance, as Tirpitz strongly believed that Tsingtau could not realize its potential as a German Hong Kong without the completion of the railroad. Due to these concerns, as well as those for the security of the neutral zone immediately outside the leasehold, in early July Jaeschke agreed to use naval troops to protect the construction work in the area between the Leasehold and Chiaochou, where the German troops had remained stationed. Consequently, the troops based at Chiaochou began

\textsuperscript{335} Jaeschke to Tirpitz, 14 July 1900, ibid.; \textit{Shan-tung chin-tai-shih [Source Materials on the Modern History of Shantung]}, p. 97.

\textsuperscript{336} Foreign Office to Tirpitz, 8 July 1900 and Tirpitz to von Bülow, 12 July 1900, \textit{PA-AAA}, R 17859.
patrolling the region and on 10 July construction of the railroad resumed in the area surrounding Kaomi.\footnote{Jaeschke to Tirpitz, 14 July and 23 July 1900, ibid.}

Although Tirpitz preferred that the Navy not use military force to support the SEG in Shantung’s interior, he did not give Jaeschke specific orders that he could not do so. Furthermore, Tirpitz personally wrote the SEG’s board of directors in Berlin to inform them that the Reichsmarine would do everything in its power to ensure that the railroad’s construction could proceed uninterrupted.\footnote{Tirpitz to SEG, 21 July 1900, ibid.} While the security concerns that the Boxer Rebellion raised was an important reason why Tirpitz chose to pursue an actively militant course of action in Shantung, an even more critical consideration was that the navy came under increasing pressure in the summer of 1900 to take an even more aggressive stance. Following the murder of Ketteler and the intervention of the Eight-Nation Alliance in Peking, many leading officials in Germany-including Kaiser Wilhelm-called for Germany to send a punitive expedition to China as well. Those that supported this plan believed that Shantung was the perfect place for Germany to seek revenge for the events in Peking, as Germany could combine its punitive actions to seize firmer control over Shantung and expand Germany’s interests in the region.\footnote{Holstein Papers, Volume 4, pp. 195-196} Although Wilhelm, the Army, and a majority of the members of the Reichstag supported this plan, Tirpitz did not share this fervent desire. Indeed, Tirpitz was “one of the few German military leaders who questioned the whole idea of sending a large expeditionary force to China and, after it arrived, worked to keep the influence of it and its commander [Field
Marshal Alfred von Waldersee on Shantung to a minimum. Though Tirpitz was willing to undertake military action to protect the railroad and pacify the neutral zone, he was opposed to any broader adventures in the province and tried, on the whole with success, to thwart them.\footnote{Schrecker, Imperialism and Chinese Nationalism, p. 136.} In opposing these calls for aggressive military action, Tirpitz argued that, if the Leasehold became an official theatre of war,

one could expect a complete paralysis of the flowering commerce of the colony for whose growth the government and private persons have for years sacrificed much. Until now, in agreement with the Foreign Office, I have done all in my power to indicate to...business and commercial interests that everything would be done to avoid having the current crises in China result in deleterious influences on the peaceful economic development of the colony, that was, after all, the real reason for its acquisition...[If Kiaochow was declared to be at war] the economic stagnation would not only last during the military operations but also for a long time afterwards, and that other competing commercial centers on the China coast would make use of the situation.\footnote{Tirpitz to Ministry of War, 18 July 1900, BA-MA, RM 3/6698.}

Ultimately, Tirpitz’s arguments won over von Bülow and, with the Chancellor’s support,\footnote{GP, Vol. 16, document 4582.} the calls from military, colonial, and commercial interest groups for German expansion deeper into Shantung came to naught. While many of the troops from the German forces still landed at Tsingtau, they did not contribute to any of the navy’s actions in the Leasehold and Shantung as they made their way to Peking.

As the conflict with the Boxers and their supporters moved away from Shantung and then were finally resolved by the intervention of the Eight-Nation Alliance, the Leasehold and provincial governments reached a point of mutual understanding and cooperation, at least within the borders established by the 1898 treaty granting the
Kiaochow Concession. On 7 October Governor Jaeschke informed Yuan Shikai that the railroad construction in Kaomi would resume at once under the protection of German troops and that the fifty-kilometer buffer zone would now come under the control of the German military. Consequently, Jaeschke requested Yuan remove the provincial forces from the area by 12 October as their presence was no longer necessary. With China’s power incredibly weakened by the failure of the Boxer Rebellion, Yuan had little choice but to comply and so, on 10 October, Chinese troops left Kaomi and the buffer zone.343 In the middle of October, a strong naval force arrived at Kaomi and engaged in a pacification campaign to ensure the safety of the railroad and the SEG’s personnel. Following the end of this military action, the German forces continued to occupy Chiaochou and Kaomi, using them as bases of operation for protecting the buffer zone and the railroad. Construction continued apace, then, although the SEG still encountered opposition, protests, and trouble with and from the Chinese as its operations moved to the north and west towards its initial terminus at Tsinan. To ensure the continued protection of the railroad and to prevent another major uprising, the Imperial Navy and the SEG reached an agreement in which the SEG promised to construct all the larger stations on the Tsingtau-Tsinan route in such a manner as to ensure that they could be used to house troops and be easily defended from attack.344

Even after the end of the Boxer Rebellion and the negotiation of the Regulations, however, the SEG still encountered numerous problems. Chinese companies contracted

343 Jaeschke to Tirpitz, 10/11 October 1900, PA-AA, R 18244 and Yuan Shikai to Jaeschke, 7 October 1900, PA-AA, R 18245.
344 Jaeschke to Tirpitz, 13 November 1900, ibid.
to provide laborers from outside Shantung, for example, never delivered on their promises, resulting in critical labor shortages. In addition, the laborers employed by the SEG often came into conflict with local rural populations, causing slow-downs and delays. Compounding these difficulties was the widespread corruption that resulted from the allocation of orders to Chinese companies; abuses that were heavily criticized by German authorities in both Tsingtau and Berlin. Nevertheless, at the end of 1900, the SEG moved its headquarters from Berlin to Tsingtau. In part, this move was an attempt to sway public opinion back in the SEG’s favor, as it projected a desire on the part of the company to be more involved in daily operations in China. This change was also required by the terms of the Kiautschou Concession Treaty, which stipulated that any joint German-Chinese business ventures must be located in China and close to Chinese control. Despite this shift in physical location, however, the SEG’s board of directors remained based in Berlin, exercising control of the company from there. Furthermore, the provincial government in Tsinan did not accept the standing option for Chinese investors to purchase shares in the SEG until Governor Zhou Fu did so in 1902, finally making the SEG a fully-fledged joint German-Chinese business venture.

Despite these difficulties, construction of the railroad moved ahead at a steady pace, due in no small part to the protection offered by German soldiers in the Neutral

346 Wedel to Mumm, 6 February 1904, PA-AA, Peking II 1310; also, Schmidt, Deutsche Eisenbahnpolitik, p. 87.
348 Lange to Auswärtiges Amt, 21 September 1902 and 8 October 1902, BA, R9208/1265. Governor Chou-fu bought 300 shares in the SEG for 150,000 Reichsmarks, or 125,000 Chinese Taels.
Zone and by Chinese police forces outside it. The SEG completed the first major section of the railroad line-connecting Tsingtau and Kiautschou City (a county-level city just outside the Leasehold)-in April 1901, and major traffic along the route between Tsinan and Tsingtau began on 1 June 1904 to much fanfare. Despite the initial starts and fits the project encountered, the SEG met one of the most important provisions of its railroad concession: completion of the main railway within five years. With this line completed, the SEG then proceeded to build a trunk line to Boshan/Poshan to support the growth and development of the coal fields. In all, the construction costs for the railroad amounted to roughly 52 million Reichsmarks, coming in just under the original budget of 54 million. Over the life of its control over the railroad, the SEG repaid more than half of the construction costs to the German government in the form of raw goods and delivery orders.

The railway established its main repair and supply facilities in the small village of Ssufang, on the northern extremes of Tsingtau’s city limits. It was here that Chinese workers began training not only in the assembly of locomotives and train cars, but also in the nuances of steam engines so that they could repair and maintain the intricate machines up and down the Tsingtau-Tsinan line. That so many local Chinese were involved in the daily upkeep of the trains was no coincidence. From the very start, the SEG and the Leasehold government intended to have as few Europeans as possible servicing the railroad, preferring instead to rely upon German-trained local Chinese. Not

350 Funke to Reichsmarineamt, 10 June 1906, BA-MA, RM 3/6715.
351 Schmidt, Deutsche Eisenbahnpolitik, p. 89.
only would this keep operating costs down (as noted above, European skilled labor in China commanded high wages), but this plan also provided another means of creating a specialized interlocutor class of native Chinese that understood Germany’s plans for the colony and China and would, as a result, support German interests. From the inception of the railroad until its completion in 1904, around fifty to sixty Germans were responsible for the railroad’s upkeep, but that number decreased to fifteen to twenty once the line was fully established.\textsuperscript{352} Furthermore, all the personal on the trains, as well as in the stations, were Chinese. The only notable exception to this were the main stations located in Tsingtau, Weihsien, Chou-ts’un (Zibo), and Tsinan, as the employees at these stations had to manage both regional and local train traffic, something the SEG preferred to leave in the hands of Germans.\textsuperscript{353}

The SEG and Leasehold government both agreed that employing local Chinese laborers instead of Germans and Europeans was a wise move that offered mutual benefits. In training the native population how to maintain and run the railroad, the SEG provided hands-on experience in learning how to build and manage a modern transportation system, something that China sorely needed at the time, particularly if Germany and the other European powers wanted to move goods and people around the Far East quickly and efficiently. Furthermore, by utilizing the Chinese as station managers, conductors, porters, and ticket collectors, among other customer-service roles, the SEG and colonial administrators could make the railroad appear to be a less

\textsuperscript{352} Mohr, \textit{Handbuch}, p. 454.
“foreign” and intrusive entity, a matter of special importance given the protests and unrest the SEG faced during construction of the railroad and the Boxer Rebellion. That the Chinese were also able to find acceptance from colonial leaders as capable and effective craftsmen, administrators, and middle managers in a large and profitable company-earning a good wage in the process-further bolstered the railroad’s reputation, making it a desirable place to gain employment as well as generating considerable profits for the railroad. The Chinese employees, as a result, became willing interlocutors between foreign investors and their fellow Chinese consumers, supporting the Leasehold government and the SEG and its subsidiaries and advancing their interests wherever and whenever possible.\footnote{For some examples of this, see Godshall, \textit{Tsingtao Under Three Flags}, pp. 140-142.}

The passenger side of the Tsingtau-Tsinan railroad’s business developed quite rapidly, providing a major transportation boon and bringing in considerable profits.\footnote{Leutner and Mühlhahn, \textit{Musterkolonie Kiautschou}, p. 427.} Where the journey between the two cities had previously taken ten to twelve days, a train needed only about twelve hours to traverse the entire line and its fifty-six stations. On the other side of the SEG’s business-the transport of cargo freight- the rail line initially fell short of expectations. Although the company generated profits each year between 1904 and 1908, the increase over the previous year was relatively modest, usually around 2.5-3.25%. This was due in part to the fact that the German coal mines did not produce as much raw material as investors had initially anticipated. As such, mine exports did not match the large transport volumes that the SEG’s shareholders had hoped
for. Although the board of directors could not be blamed for this shortfall, they also did not help their company’s cause by setting high freight transport rates. Consequently, Chinese merchants and traders continued to prefer older, more traditional transport routes, such as the Grand Canal to South China or the Xiaoqing River to North China. This early preference for more traditional modes of transport proved to the SEG and officials in Berlin and Tsingtau just how competitive and resilient these other routes could be due to their cost-effectiveness.

Nevertheless, despite the early struggles that the SEG encountered on the freight side of its business, by 1908 the company began to see strong growth there as well, largely due to a dramatic increase in the ability of the SBG to extract the type of coal required to power the steam engines of German manufacturing and ships. This rise in the amount of available coal from the mines at Boshan placed even greater demand on quick and efficient transport, exactly as the founders of the SEG had envisioned. Although the return on investment remained modest throughout the life of the company and colony, particularly given the financial risk involved, the railroad turned a consistent profit, particularly after the 1908 spike, when dividend profits rose to 5% in addition to a preferred dividend (“Superdividende”) of 2.5%. Financial gains aside, the Tsingtau-Tsinan railroad succeeded most admirably in its other main goal of becoming a vital lifeline for Tsingtau, the Leasehold, and the hinterland beyond. By 1910, the SEG completed a connection to the Trans-Siberian Railroad, making it possible to travel from

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356 Schmidt, deutsche Eisenbahnpolitik, pp. 92-94.
357 Bericht des Gouverneurs von Kiautschou, Truppel, an das Reichsmarineamt, 4 January 1903, BA-MA, RM 3/6718
358 For specific statistics vis-à-vis SEG stock: Schmidt, deutsche Eisenbahnpolitik, p. 96.
Berlin to Tsingtau in roughly three weeks. The economic impact of the railroad on trade and tourism as well as in extending Belin’s global reach will be returned to in the following chapters, but the mere fact of its completion and presence was—along with roads and the harbor (discussed below)—a critical factor in securing the various visions for Tsingtau as a significant commercial center and trading entrepôt.

The roads within the Leasehold and in the hinterland beyond filled a critical role in funneling goods and people to the railway, which, in turn, acted as one of the main supports for Tsingtau’s trade, locally, provincially, nationally, and, in time, internationally. The final and most important element in transforming the tiny fishing village into a prominent focal point in East Asia, however, was the harbor, where commodities and individuals could be transferred from rail to ship and ship to rail to continue their journey to destinations worldwide. Much as was the case with the railroad, Tirpitz and the Reichsmarineamt saw the development of the harbor not just as a central element in German global security and power projection, but also as a means of stimulating and developing agriculture and trade both in the Leasehold and Shantung. Consequently, in designing the new harbor, the navy ensured every element of it maximized its benefits to those who made use. The harbor, then, served as the linchpin for the integrated development of the Leasehold and, as a result, construction on it began almost immediately upon the establishment of the colonial government in 1898.

The navy assumed sole responsibility for building and operating the port facilities in Tsingtau. Although originally planned to be located on the northern edge of the Tsingtau Peninsula, at Governor Truppel’s urging, the Imperial Navy built the main
port installation, the *Großhafen* (Great Harbor), on the southern side of the peninsula, where the original fishing village stood, allowing the harbor to occupy the northwestern portion of Tsingtau proper. Together with the trading firm Carlowitz and Company and Alfred Gädertz, the head engineer for the SEG, von Truppel drew up plans for a state of the art harbor complex that would see to all the needs of the Navy, shipping and passenger services, and the railroad. Their plan envisioned all harbor works centered around the existing land bridge that jutted out from the peninsula, with the shipyards, dock, and industrial buildings located on the northern side of the peninsula, close enough for speed and convenience but without obstructing the flow of daily harbor activities. 359

While *Reichsmarineamt* received von Truppel’s design with some enthusiasm, Tirpitz, Georg Franzius, and Richard Gromsch, the Harbor Inspector and Head of Construction in the Leasehold, ultimately rejected it, primarily due to concerns about the effect heavy summer rains might have on harbor traffic. As storms usually rolled in from the south and southwest, ships docked on the southern side of the peninsula would find themselves completely unprotected from heavy winds; sea swells, high waves, and swirling tides could pose dangerous threats. On the northern side, however, the hills of the city and the newly constructed embankments would provide excellent wind-breaks that would protect ships. Difficulties in constructing a sea-wall and dykes also raised concerns, particularly in terms of their respective costs; although the naval administration was willing to spare no cost in constructing the centerpiece of the colony, its budget did have its limits. Tirpitz also raised objections from a city planning perspective, as he believed

359 Truppel to RMA, 16 April 1898, *BA-MA*, RM 3/6740.
that the natural division of Europeans and Chinese would be better served by placing harbor facilities that the Chinese would staffed on the northern side of the peninsula, where the native population lived and worked; the harbor installations that Germans and Europeans would utilize most should then be much more conveniently located on the southerly side of the hills.\textsuperscript{360}

Despite Tirpitz’s recommendations, delays in communication led the colonial administration to adopt the Truppel-Carlowitz-Gädertz plan, which was already readily available, particularly since Truppel had held initial charge over the Leasehold in between its seizure and the appointment of Rosendahl as the first governor of Tsingtau. Lacking any specific direction from Berlin, Rosendahl had begun construction on the harbor according to the original plans, and, by the time the objections of Tirpitz, et al. reached Tsingtau, Rosendahl had already completed the land surveys, analyzed soil samples, and driven the test pilings for the foundations of the major harbor structures.\textsuperscript{361} When Jaeschke replaced Rosendahl as governor in early 1899, the final plans for the harbor arrived and were grafted onto the original design from which Rosendahl had already begun working.

The surveying of the harbor and the ground soundings proved to be quite difficult for the technicians and laborers of the Harbor Construction Department, particularly when summer storms interrupted their efforts. Nevertheless, these tasks were of primary importance in order to ensure a solid foundation for the dyke that would enclose the

\textsuperscript{360} Seeleman, p. 163.
\textsuperscript{361} Rosendahl to RMA, 8 May 1898 and Jaeschke to RMA, 8 March 1899, BA-MA, RM 3/6740.
entire harbor, as well as begin the process of pile driving necessary for bearing the hefty loads of the quays and harbor buildings. The harbor administration also needed to construct a small harbor to provide a location for loading and unloading the barges and light haulers that brought materials to and from the ships that anchored in the bay. After some initial difficulties, however, construction was ready to begin: the *Reichsmarineamt* and colonial government completed each of the surveys, fully agreed upon a plan of development, and made all the other necessary preparations.

With material and technical support from the SEG, colonial officials oversaw the construction of a narrow-gauge steam railway from the harbor to two rock quarries that would provide all the required building materials for the dykes as well as crushed rock for grading the building sites along the harbor’s shoreline. The first order of business was to create a rocky reef on the northwestern side of the harbor as a part of the dyke. These granite outcroppings would be connected via vibrated concrete, rather than the cut stone and concrete that formed the rest of the dyke; using concrete for the dyke ensured the strength and stability of the seawall. While the Chinese laborers recruited to work on this project were new to this method of construction, they quickly mastered the process. The versatility offered by the concrete dyke provided a wind break for ships during storms from the north and west, alleviating one of the strongest concerns Tirpitz and naval engineers raised when considering the plan for the harbor.\(^\text{362}\) Once the quarried rock and stone arrived at the harbor, junks carried it to the construction site and workers unloaded it by hand. Although the process was slow and tedious, Rosendahl (and later

Jaeschke) preferred this course of action to building the dyke forward from the land. Construction of the reef was cheaper than hauling the materials an additional fifteen kilometers by a section of railway that had yet to be constructed due to difficulties the colonial government encountered in securing the necessary building concessions. Furthermore, the Harbor Construction Department had yet to settle firmly on where, exactly, the outer dyke would connect to the reef, and the governor preferred protecting the exposed side of the harbor first before establishing the dyke’s final northern boundary.  

The *Reichsmarine* had little trouble securing investors and hiring contractors to oversee the various facets of the harbor’s construction. The Hamburg-based construction firm, F. H. Schmidt of Altona, readily agreed to a contract for the construction of the dyke, which allowed this phase of the building program to proceed on schedule. The leasehold government provided the necessary materials and reimbursed F. H. Schmidt for the cost of hiring Chinese laborers, while the contracting company paid the colonial administration five percent of its budget for the use of machinery and a further ten percent for the administration and oversight of the project. The Imperial Navy, contracted the Hannover-based company, C. Vering, one of the largest civil engineering firms in the German Empire, to construct the three large piers planned for the great harbor. Carl Hubert Vering, the company’s founder and chief executive, was an engineer from Bremen who began his career in the railroad industry before switching to harbor

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363 Ibid.
364 Ibid.
works. In 1879 he assisted in the construction of the naval facilities at Wilhelmshaven, and from 1883-89 he built the three deep harbor basins for ocean-going ships in Hamburg. After the completion of the Hamburg project, Vering participated in the building of the Kiel Canal connecting the North and Baltic Seas. Although the imperial government initially balked at the amount of funds that Vering sought for the construction of the piers, after a series of long negotiations the imperial government agreed to pay C. Vering 9.3 million marks for the job, signing the final contract in Hamburg on 25 March 1901.  

A number of private investors and firms based in Germany showed strong interest in securing a government contract for the construction and management of the harbor itself, something that the Reichsmarineamt found highly desirable, particularly since the list of potential investors included many of the wealthiest-and most financially stable-trading houses in China. Despite this enthusiasm, however, many of these firms expressed a desire to wait until Tsingtau was designated a free port before making any firm investments in the harbor.  

By the time Jaeschke became the new provincial governor in February 1899, commercial firms in China further delayed providing any financial resources for the harbor, citing a desire to wait for construction on the Shantung Railway to begin. Nevertheless, with the promise of private funds soon to be forthcoming, Tirpitz agreed to proceed with the construction of the harbor.

366 Truppel to RMA, 16 April 1898, BA-MA, RM 3/6740.
367 Rosendahl to RMA, 11 February 1899, ibid.
Despite such a robust and promising start to the development of the harbor’s critical infrastructural, the construction project quickly ran into difficulties. The site for the harbor was not nearly as deep as the engineering surveys had indicated, resulting in a costly need for underwater rock blasting and dredging of silt. As a result, many of the potential private investors withdrew their support, forcing the Imperial Navy to turn elsewhere for capital investment or risk abandoning the project completely. With the construction of a state-of-the-art harbor critical to securing the navy’s imperial vision for Tsingtau, failure to follow through on this project was not an option; though less desirable, the Reichsmarineamt turned to the Reichstag’s Naval Appropriations Board for the necessary funds.\textsuperscript{368} In the end this proved to be a wise move, given that the costs of the construction turned out to be much higher than Harbor Construction Department initially estimated. The small harbor, built to handle smaller vessels as well as support the activities of the Great Harbor, cost nearly 200,000 Marks, a marked increase from the initial budget of the 37,000. With the additional preparatory work that needed to be done, Rosendahl estimated that the Navy would need 40 to 50 million Marks to complete the large harbor.

Due to the massive nature of the harbor’s construction and cost, the Navy was eager to chronicle its extraordinary efforts in the engineering, dredging, and building taking place in the waters surrounding Tsingtau. Every annual \textit{Denkschrift} on Tsingtau drew attention to the progress of the harbor’s construction, containing detailed descriptions of new advances in building, how much earth was moved, what

\footnote{368 Tirpitz, \textit{My Memories}, volume 1, p. 117.}
construction the navy and its engineers completed, and any especially difficult troubles they had overcome.\textsuperscript{369} Upon its completion, the \textit{Großhafen} consisted of a semi-circular dam three miles long with a 330-yard opening into Kiautschou Bay. The area within the dam comprised roughly 725 acres, dredged to a depth of 31 feet, and able to accommodate the largest commercial and military ships sailing the high seas. Located at the end of the dam were private and government wharves, occupying an area 220 yards wide. Projecting into the harbor from the shoreline were the three large piers, one of which was reserved specifically for petroleum; there were also several lesser piers and docking locations for much smaller, usually private craft. Taken together, the large general-use piers provided nearly a mile of modern, state-of-the-art docking facilities. Railroad connections ran along the entire length of both piers, allowing for the direct loading and unloading of goods between railroad cars and ships. C. Vering connected the petroleum pier directly to railroad storage tanks whose construction the navy subsidized through contracts with the Asiatic Petroleum Company and U.S. Standard Oil. The Harbor Construction Department also built warehouses both on the piers as well as on the shoreline where the navy had filled in the land. The dam and the first main pier (Pier I) opened for use in March 1904, nearly the same time as the completion of the railroad connection to Tsinan. C. Vering completed Pier II in 1907, and the petroleum facilities the following year.

\textsuperscript{369} Copies of the \textit{Denkschrift} covering the period of construction (1899-1908) can be found at the \textit{Staatsarchiv-Bremen}, 3-R.1.g.no. 5; the specific reports on the building of the harbor appear under “Building Activities.”
Due south of the *Großhafen* was the Small Harbor (*Kleinhafen*). Containing roughly the same facilities as its larger counterpart, the navy constructed the Small Harbor with the intent of supporting smaller sailing vessels such as barges, tugs, and junks. This installation was the first of the two harbors completed, as its original purpose was to provide a point of landing for barges while the *Großhafen* was under construction and ships were unable to load and unload directly at a pier. The smaller harbor’s dyke enclosed a dredged-out area of 328,000 square feet (approximately 7.5 acres), and a single pier 116 yards long projected into the space of the *Kleinhafen*.\(^{370}\) Much as in the case of the Great Harbor, the navy established warehouses along the shoreline, and the railroad connected to the pier and other points along the harbor to provide a speedy and efficient means of transporting goods. In addition to the two harbors, the navy also constructed a variety of buildings to aid navigation into and out of the port, including a large lighthouse on Chaolian Island (Chalein Tao) and a smaller one at the entrance of the port. In addition to the lighthouses, a variety of pilotage equipment, buoys, and harbor lights helped ships reach the harbor and port safely, even at nighttime and in difficult conditions such as fog, rain, and snow. As fog could become a considerable problem, the Navy provided fohorns, fog pistols, and bell buoys to help guide ships into the harbor.\(^{371}\)

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\(^{370}\) In 1930, an octagonal pavilion, Huilan Ge (The Tower of Billowing Back and Forth), was constructed at the end of this pier, today known as Zhan Qiao. The pier and its pavilion quickly became an iconic representation of the city and was adopted as the logo of the locally-produced Tsingtao Beer, whose brewery officially opened under German control in 1904.

\(^{371}\) This description of the port—both the small harbor in this paragraph and the Great Harbor in the preceding—and its particulars is drawn from Schrecker, *Imperialism and Chinese Nationalism*, pp. 220-221, China, Imperial Maritime Customs, *Decennial Reports on Trade, Navigation, Industries, etc. of the Ports Open to Foreign Commerce in China...1902-1911*, Volume I (Shanghai: Kelly and Walsh, 1913) pp.245-
The navy was extremely proud of its efforts and the finished product that comprised the port facilities of Tsingtau; the additional time and cost was clearly worthwhile in the minds of the naval administration. Visitors to Tsingtau regarded the port as among the finest anywhere in the world, and the harbor certainly ranked as one of the most convenient and efficient in the Far East. In the 1906 Denkschrift, the Navy boasted,

Tsingtau now has the safest and easiest facilities for loading and unloading in East Asia. Even in the older harbors, such as Hong Kong and Shanghai, the loading and unloading of large steamships must be done with the aid of barges. At Tsingtau, this can be done directly into the railway. The harbor itself is excellent and well-marked, and it is safe the entire year in all weather.  

As with many of the other civic developments in Tsingtau, Germany’s imperial rivals were duly impressed by the Navy’s accomplishment. On the eve of World War I, William Blane, a noted British specialist on East Asia and avowed critic of Germany’s “Prussian Aggression in Shandong” found it hard to deny that that Tsingtau’s harbor was “the finest in China, not even Dairen excepted.”

246, and China, Imperial Maritime Customs, Returns of Trade and Trade Reports, 1907 (Shanghai: Kelly and Walsh, 1908), pp. 123-124.
372 Denkschrift 1905-1906, Staatsarchiv-Bremen, 3-R.1.g.no. 5.
373 William Blane, “Tsingtau,” Transcriptions of the Japan Society, London, 13:2-17 (1915), p. 10, 6. Dairen, modern-day Dalian, was another name for Port Arthur, the Russian-and later Japanese-controlled port city on the Liaotung/Liaodong peninsula in Manchuria. Of especial note and importance is that Port Arthur, lying directly across the Bohai Straits from Shantung, was one of Tsingtau’s major competitors for dominance as a port city in northwestern China. For other examples of non-German admiration for the port of Tsingtau, see, Further Correspondence respecting the Affairs of China, July-September 1905, F.O. 405/156 in Ian Nish, ed., British Documents on Foreign Affairs-Reports and Papers from the Foreign Office Confidential Print (hereinafter cited as BDF4), Part I, From the Mid-Nineteenth Century to the First World War, Series E, Asia, Volume 13, China Miscellaneous, 1894-1910, (Frederick, MD.: University Publications of America, 1989), p. 562; Tennan Tahara, Kōshūwan 起亚湾 (Kiautschou Bay) (Dairen: Manshū Nichinichi Shinbunsha, 1914), pp. 312ff.
Although the Imperial Navy always desired to see Tsingtau turned into a premiere commercial center—as evidenced by its support for capital ventures and the development of trade—its initial focus and justification for building such a state-of-the-art port was to provide its East Asia Squadron with a premiere coaling and fueling station. These early plans for the port are a striking reminder that a certain tension often existed not only between the different strains of the German Hong Kong vision that various leadership groups in Tsingtau expressed, but also within these respective potential plans for Tsingtau’s development, due in no small part to the fact that the notion of what it meant to create a German Hong Kong remained broad and ill-defined. However, extraordinary technological developments during the ten years it took to construct the harbor led a critical change in the long-term plans that the Reichsmarineamt had for Tsingtau. By 1908, the powerful dreadnoughts with their long-range guns and sheer dominance of other ships of the line made defense of the port considerably more difficult. While this development did not completely alter the Navy’s desire of making Tsingtau into a premiere port destination in East Asia (if not the world), it did mean that one possible for vision for Tsingtau, that it could become a new Kiel or Plymouth seemed much less likely. This reality pushed turning Tsingtau into a German Hong Kong (or, in the European context, a Bristol or Hamburg) increasingly to the forefront, leading to embracing the creation of a thoroughly modern mercantile, cultural entrepôt on display for the Chinese and other imperial powers to see and emulate. While the naval base remained an important aspect of Tsingtau’s attraction, over time it become
only one of several important axes for the German colony, displaced by the value offered by the harbor’s commercial facilities.374

One of the key technological advantages that Tsingtau’s harbor possessed was the development of a coal bunkering system for refueling ships directly at the piers rather than using Chinese laborers and barges. With the twin goals of making Tsingtau into a naval station and trading hub, coal was one of the first-and perhaps most important-goods to be shipped to Tsingtau. While the establishment of the SBG was still in process of being established (and thus unable to produce local coal for ships), the German government signed a two-year contract with the Rhenish-Westphalian Coal Syndicate to supply the port with all the high-quality coal that it might need.375 In return for this service, and in order to provide the most efficient means of stocking Tsingtau’s coal reserves, the coal syndicate requested the establishment of a coal dump near the harbor on the city’s northern peninsula. The colonial government agreed to this request, building two loading-unloading bridges, one running towards the Great Harbor and the other towards the Small Harbor. A few months after beginning work on this coal dump, however, the city administration abandoned the project, as the Syndicate found the location to be less desirable than it initially thought.376 Instead of the originally agreed-upon coaling facility, then, the colonial government constructed a modern coal wharf south-west of the harbor’s shipyard and dry-dock, which would allow ships to bunker

374 For an example in this shift in orientation, cf. Tsingtauer Neueste Nachrichten, 21 December 1904 (Tsingtau as a Naval Station) and Hamburger Nachrichten, 14 November 1907, which stated, “the critical military significance as a naval station can no longer be ascribed to Tsingtau. Our colony today is much more significant as a trade entrepôt like Hong Kong.”
375 von Haenisch, Jbesen & Co., pp. 54-55.
376 Rosendahl to RMA, 9 March 1899, BA-MA, RM 3/6740.
very quickly. The shipyard and the dry-dock also provided top-notch amenities for ships anchored in Tsingtau’s harbor. The navy built large kerosene tanks to service the various oil companies with branches within the Leasehold and also provided these firms with access to the special petroleum wharf, making the loading and unloading of their product quick, easy, and highly profitable. Designating a specific part of the port for oil resources also represented an important advance in safety, as this dramatically reduced the risk of the danger of a severe fire destroying large portions of the harbor and its storage facilities.

On 1 April 1904, Tsingtau’s harbor officially opened to merchant shipping. Although much of the harbor remained under construction, Pier I could now receive commercial traffic and help increase regional trading with Shantung and other regions of China. Among the ships present for the opening were those belonging to the China Merchants Steam Navigation Company, whose ships stood at the ready to import rice to a wide area of Shantung. The presence of one of the leading trading companies in China at the port’s opening represented a major milestone, one that prompted the provincial governor of Shantung to send official representatives to commemorate this significant moment in the city’s history. To the colonial administration, the attendance of Chinese officials at the harbor’s opening ceremony was a critical step forward in ensuring the port’s viability and long-term success. As Governor von Truppel noted in his memoirs, the vast majority of trade that would pass through Tsingtau ultimately originated in-or

377 Denkschrift, 1903-1904, Staatsarchiv-Bremen, 3-R.1.g. 5.
378 Oskar von Truppel, Nachlass, 3 June 1904, BA-MA, Nachlass Truppel N 244/20, Volume 2.
was destined to arrive at-somewhere in Shantung, and if the port hoped to prosper and be a major player in Chinese, East Asian, and, ultimately, global trade, the support of the provincial government signified a powerful vote of confidence in its ability to do so.\textsuperscript{379}

Attracting local trade to the new harbor was no easy task for the Leasehold government.\textsuperscript{380} At the time that construction on the new port facilities at Tsingtau had begun, the Chinese Imperial Customs Office reported that 360 to 540 tonnes (approximately 400 to 600 tons)-nearly sixty percent of the junk traffic that sailed in Kiautschou Bay-passed through the harbors located at the villages of Chiaochou and Taputou on the northwestern side of the bay.\textsuperscript{381} Although these figures may not represent an exceedingly high volume of trade in comparison to the levels of trade via steamers, the fact that many of the most prominent merchant families in China conducted the vast majority of their trade via junks made ensuring that this trade passed through Tsingtau instead crucially important to the colony’s commercial success. To secure this involvement from local and regional trading houses, the Leashold government needed to convince the directors of these firms that it was in their best interest to do so, rather than be forced into any shift in their trading practices.\textsuperscript{382}

By 1906, the Leasehold government had begun to achieve some success in its attempts to attract local trade to the new harbor, providing as many incentives as seemed

\textsuperscript{379} Ibid.

\textsuperscript{380} The following chapter (Chapter IV) covers the specifics of local and international trade opportunities in greater detail. What follows herein is an overview of commercial traffic into and out of the harbor and the effects the colonial government’s efforts had in turning Tsingtau into a major commercial entrepôt on the Chinese coast.

\textsuperscript{381} Chinese Imperial Inspectorate of Customs: Tsingtao: Kiaochou Trade Report for the Year 1899, 26 September 1900, BA-MA, 2431/60976.

\textsuperscript{382} Truppel to RMA, Junk Trade in Kiaochou Bay, 27 May 1902, ibid.
practicable without outright subsidizing the junk trade. These measures included offering large amounts of storage at cheap rates, lower customs fees and duties in the small harbor, allowing the loading and unloading of cargo directly from bridges, quays, small fishing boats like sampans, or even directly from the beach, and establishing a customs sub-post in the small harbor so that junks did not have proceed to the main harbor at all if they did not wish.\textsuperscript{383} Although it took time for these measures to have a major impact on the junk trade, in 1911, Governor Alfred Meyer-Waldeck (1911-1914) reported coupled with serious damage that the village had suffered from flooding, Taputou seemed destined to be displaced permanently by the small harbor, likely within one to two years.\textsuperscript{384} Although Meyer-Waldeck’s prediction did not come to pass in the timeframe he had predicted, it was clear to members of the colonial administration such as Hermann Bökemann that “the diverting of traffic [to Tsingtau] now must be left to the passage of time and a rational policy of freight charges by the railway.”\textsuperscript{385} Nevertheless, just as the junk trade seemed to be shifting to Tsingtau permanently, the navy, under pressure from Berlin to further increase the Leasehold’s revenue, began levying docking fees at the Kleinhafen. Junk traffic began to suffer as a result, although with the advent of World War I, it is difficult to assess the exact long-term effects of this policy shift.

Tsingtau further solidified its hold over local and regional shipping traffic through Kiaochow Bay by improving the transportation routes that passed through the

\textsuperscript{383} Denkschrift 1906-1907, Staatsarchiv-Bremen, 3-R.1.g.5.
Leasehold. In addition to the development of road and railroad networks discussed above, in 1905 a small steamer service began operating from Tsingtau to nearby ports in the province of Kiangsu (Jiangsu). This steamer route played a critical role in making Tsingtau a major player in regional trade by establishing direct small steam shipping connections to important hubs such as Nanking, the provincial capital of Kiangsu, Hangchow, and Shanghai. In fact, the large-scale success in developing shipping routes through Tsingtau was largely a product of the steady growth and increase in “modern” steamer shipping that began with these smaller regional routes and culminated in the large-scale overseas shipping operations that would connect the colony to ports in Japan, Southeast and East Asia, the Pacific Coast of the United States, India, and, most importantly, Europe.

Establishing long-distance shipping routes represented the greatest challenge for authorities in Berlin and Tsingtau. Although the German government repeatedly discussed acquiring a port in China throughout the 1890s and a devoted a considerable amount of planning for that eventuality (as shown in Chapter I), the suddenness of Tsingtau’s seizure in 1898 threw many of the navy’s longer-term plans into chaos. Upon occupying Tsingtau and the surrounding leasehold, the first problem to arise was how to provision and supply the city and the Germans now inhabiting it. With no other base in East Asia, the Imperial Navy was relegated to importing all the foodstuffs and other perishables it might need from other ports, mostly Shanghai. Consequently, the Reichsmarineamt chartered a ship from the German trading firm Siemssen, which agreed

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386 RMA, *Denkschrift 1904-1905, Staatsarchiv-Bremen*, 3-R.1.g.5.
to run a weekly service from Shanghai to Tsingtau. Additionally, Otto von Diederichs, as head of the East Asia Cruiser Division, secured an arrangement with Carlowitz and Company to provide shipments of coal from Hong Kong. Though these original contracts were somewhat limited, they represented important foundation stones for Tsingtau’s growth as a trading center, as both Siemssen and Carlowitz would become major trading firms in the Leasehold, expanding their service routes to and from Tsingtau to include a host of ports along the East Asian seaboard and across the Pacific.

As more overseas trading routes began to develop at Tsingtau, the port became an increasingly popular destination for coastal steamers. Until 1901, only the small shipping firm Diederichsen, Jebsen, and Company serviced the colony, as a result of successful lobbying in the Reichstag during the early months of Tsingtau’s founding. Diederichsen Jebsen agreed to provide two ships that would run between Tsingtau, Shanghai, and Tientsin. While these routes were of considerable importance in the early days of the colony, the company’s service was inadequate and relatively poor. In 1901, however, Hamburg Amerika Linie (HAPAG), at the encouragement of the Hamburg Handelskammer, decided to expand its activities in East Asia, subsequently acquiring Diederichsen Jebsen, its ships, and trading routes. The company’s first order of business after this merger was to make Tsingtau a part of its postal shipping service. In the ensuing months, HAPAG dramatically increased its services to Tsingtau and came

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387 Diederichs to RMA, 30 November 1897 and Rosendahl to RMA, BA-MA, RM 3/6740.
389 Staatsarchiv-Hamburg, 131-1 I 2209 contains a number of documents from officials at Hamburg-Amerika Linie and the Handelskammer (Chamber of Commerce) about the merits of expansion into East Asia and the benefits it would bring the company and the city.
to have a dominant presence in the port over the life of the colony. Not to be outdone by HAPAG, however, *Norddeutscher Lloyd*, the other major shipping firm in Germany and HAPAG’s chief competitor, announced in 1903 the opening of regular shipping service from Bremen to Tsingtau, with direct ships leaving the colony roughly every three months, albeit on an unscheduled basis. HAPAG followed suit soon after, arranging unscheduled departures from Tsingtau that took place once per month, on average. At the same time, two other foreign non-German steamship lines opened regular steamer routes to Tsingtau, one from Japan (originating in Tokyo with stops at Nagasaki, Port Arthur, Shanghai, Hankow and Canton) and one from Great Britain.

Despite the high level of competition from Japanese goods both in the Leasehold and throughout China, Governor Truppel played a leading role in encouraging another Japanese shipping firm, Osaka-Shosen, to begin shipping services to the Leasehold.390 While such actions were directly in line with the navy’s desire to attract and support increased foreign trade in Tsingtau, German businesses in the Leasehold and throughout China roundly criticized Truppel for inviting this additional competition from Osaka-Shosen, claiming that such an action would deal considerable financial harm to them. In support of the commercial community, the Foreign Office even went so far as to make an official request that Tirpitz instruct Truppel that, while “we cannot block Japanese goods, but we should not pave the way for them either, simply because it provides temporary benefits to merchants in Tsingtau…in no case should we encourage direct

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390 Kobe Consul to Foreign Office, 5 June 1903, *PA-AA*, R 18248. Today known as Mitsui O.S.K. Lines, Ltd., Osaka-Shosen was (and remains) one of the largest and most influential international shipping companies in Japan. It inaugurated its first route to Tsingtau from Osaka in 1904.
steamship connections between Japan and Shantung.”

Although Truppel denied encouraging foreign shipping to establish lines to Tsingtau, he and the Imperial Navy took great pride in reporting yearly increases in the variety of shipping available at the port and the ever-rising numbers of foreign vessels that stopped there.

By 1907, when both the Great and Small Harbors were fully operational, regularly scheduled ships ran from Tsingtau to ports all over the Far East including Vladivostok, Port Arthur, Fusun (Pusan), Newchang (Yingkou), Tientsin, Chefoo, Shanghai, Hong Kong, Canton, Kobe, Nagasaki, and Tokyo. Connections with ports on the west coast of the United States, including Seattle, San Francisco, San Diego, and Pearl Harbor, also became increasingly regular at this time. Though a regularly scheduled direct route to Europe had was not established in the first decade of the colony’s life, the first one began operation in 1908, run by a British shipping firm operating out of Newcastle, with several other companies following suit over the course of the next year, including HAPAG and Norddeutscher Lloyd. By 1911, Ernst Ohlmer, the Customs Director in Tsingtau from 1898 to 1914, was pleased to report that “a variety of ships can be found at the port which call regularly, competing for export cargo and affording direct connection, for goods and passengers, with the large European and American ports and Japan.” With the establishment of these new lines, shipping into and out of Tsingtau continued to grow at a steady rate, from 982 ships carrying a tonnage of 1,108,913 in 1907 to 1,733 ships with a tonnage of 2,679,319 in

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391 Foreign Office to Tirpitz, 16 March 1904, PA-AA, R 18250.
392 IMC, Returns, 1908, p. 129 and Returns, 1909, p. 133; Denkschrift 1908-1909, Staatsarchiv-Bremen, 3-R.1.g.5.
393 IMC, Decennial Reports, 1902-1911, p. 238.
1913. Despite growing competition from foreign powers, Germans still enjoyed a favored position in the colony, as nearly 43 percent of the tonnage clearing Tsingtau in 1913 was German, in comparison to 31 percent for England and 18 percent for Japan.\footnote{394 Denkschrift 1906-1907 and 1912-1913, Staatsarchiv-Bremen, R.1.g.no. 5. For a look at the growth of shipping in Tsingtau in the colony’s first decade, see Seeleman, Social and Economic Development, figure 7, p. 173, which shows steady increases in total tonnage, total number of ships, number of steamers, and a breakdown of the number of ships from foreign states in each of the years between 1898 and 1909.}

Taken together, German efforts to connect Tsingtau to the rest of China and the world through a network of roads, railway lines, and shipping routes played a significant role in transforming the tiny fishing village into a thriving destination for businessmen, merchants, and travelers. When Germany occupied Tsingtau in 1898, the journey from Berlin or a port city such as Kiel, Bremen, or Hamburg might take several months, depending on the movements of naval vessels or a variety of multiple indirect steamship lines, train transfers, and roads. By the eve of World War I, however, Tsingtau could be reached via a number of routes, easily, efficiently, and at relatively low cost. Indeed in 1912, when Fräulein M. Bochmann applied for a subsidy from the German government to help her establish a hair salon in Tsingtau, the official assisting her in this endeavor was able to suggest a variety of travel options-by rail and/or sea- that would bring her and her equipment to Tsingtau within three to four weeks, with tickets and related expenses running approximately 500-600 Reichsmarks.\footnote{395 Max Goldschmidt to M. Bochmann, 13 November 1912, BA, R1505-3.}

This ease of travel and transport played a significant role in encouraging the growth of trade, industry, and tourism in the colony, a subject which will be discussed in greater detail in the following chapter. Such developments were critical in transforming
Tsingtau into a German Hong Kong. In commenting on the effect of the newly-constructed roads, railroads, and harbor on trade in the colony, Georg Schweitzer, a prominent writer with close ties to the Imperial Navy and a supporter of the German Hong Kong vision for Tsingtau, wrote:

Each of these installations represent in themselves a continuity of development which are a solid foundation for their astonishing growth. Their influence reaches far beyond the borders of the Leasehold, especially in economic terms. The influx of German capital in the form of the roads, railway, the mining enterprises, and the harbor in Tsingtau is not only a real advantage for the province of Shantung, but for all of China. German policy towards China, finding in the Leasehold something of a focal point, is completely rooted in the realization that demands cannot be made from China, without first giving assistance.\textsuperscript{396}

The successful establishment of this infrastructure was central to connecting Tsingtau to the rest of China, East Asia, and the world. The development of industry, culture, education, and trade would need to follow to continue Tsingtau’s transformation into a German Hong Kong, but the city was clearly headed on the right track.

CHAPTER V

ESTABLISHING A MODEL ENTREPÔT: THE COMMERCIAL AND INDUSTRIAL DEVELOPMENT OF TSINGTAU

In laying out plans for the Leasehold, one of Tirpitz’s primary objectives was the development of Tsingtau into an important center of trade and industry in northern China. The successful economic development of the colony, in Tirpitz’s mind, stood as a direct reflection of the entire colonial project, and thus the Navy’s ability to oversee and run an important facet of Germany’s projection as a global power and a leader in the imperial arena. Tsingtau’s transformation into a valuable trading port would not only bring increased revenue from international commerce, but also bolster and promote local and regional trade with China, turning Germany into an economic powerhouse in the region on par with its main rival, Great Britain. To accomplish this, however, Germany needed to overcome two major obstacles. First, Tirpitz, the Reichsmarineamt, and the colonial government had to foster an environment in which they could encourage the large German trading firms to establish branch offices in the colony. Secondly, to ensure positive economic development, the Leasehold government needed to establish a strong cooperative relationship with Chinese provincial authorities, especially customs officials. While Tirpitz and the naval administration championed this approach to Tsingtau and Germany’s overall relationship with China, such a vision conflicted with those of the Foreign Ministry and the commercial community, which preferred the

397 Tirpitz communicated this priority to Kaiser Wilhelm II from the very inception of the colony: Aufzeichnungen des Staatsssekretärs des Reichsmarineamts Tirpitz, 16 January 1898, BA-MA, RM 3/6999.
practices of imperialism that Germany and other European powers pursued in Africa and other regions in Asia and the Pacific. In these colonial contexts, European colonizers established “colonies of control,” large territories whose main purpose was to exploit the land for natural resources and the cheap labor force of the native population. Furthermore, these merchants and traders took advantage of their early presence in the colony by dictating the terms of economic modernization. Consequently, these commercial investors also derived great profit from the local populace’s desire for European goods, replacing indigenous barter with cash transactions that clearly favored the seller rather than the buyer.  

This chapter examines the Navy and Leasehold government’s attempts to bolster industry, trade, and commerce in Tsingtau and the Leasehold in order to bring their vision of a German Hong Kong to bear and prove to its rivals—both domestically and internationally—that their take on imperialism was superior. In building up the colonial economy, Tirpitz and the colonial governors supported the establishment of a corporate system, establishing guidelines and regulations for businesses that would secure the fair competition and good business practices critical to providing for Tsingtau’s long-term economic success. In pursuing this avenue of development, increasing the involvement of the Chinese in Tsingtau was also critically important, and so this chapter also discusses the role the Chinese came to play in the economic growth of the German


399 Mühlhahn, “The Limits of German Colonialism in China,” p. 133.
colony. By the time the Tsingtau experiment ended in 1914, the colony was showing real signs of success in developing into an international hub of activity, prestige, and power. The Imperial Navy’s vision for Tsingtau, combined with good local conditions and some initial good fortune, seemed to be paying off, providing most, in not all, of the various leadership groups in the colony satisfaction that their respective objectives in the German colony in China were being met.

Having spent time in the Far East as the Head of the German East Asia Squadron from 1896 to 1897, Admiral Tirpitz had seen firsthand the challenges and opportunities that a colonial enclave in the East Asia could offer. Consequently, the head of the Reichsmarineamt recognized very quickly that, in order for Tsingtau to grow and prosper, Germany would need to take a more collaborative approach in dealing with Chinese. It would be important to interact and engage with the native population, rather than adopt the Foreign Ministry’s methods of demanding a nearly-servile acceptance of the harsh terms of the Leasehold Agreement that an unwilling Chinese government had been forced to sign. The Navy considered it Germany’s duty and right to be in China: a right because Germany was one of the leading industrial powers in the world and the possession of colonial territory abroad was an important projection of this power, and a duty because of the critical importance of sharing German capital, culture, and national character with others, particularly those who could benefit from German influence.

With Tsingtau designated an open port, the free trade and minimal customs duties this offered was a major incentive for foreign investors in China, particularly British and American, but also Russian, French, and Japanese, to consider diverting their
commercial traffic through the city. Although such an opportunity intrigued these members of the western commercial community, they remained cautiously optimistic about the profits their firms might generate. German trading firms, however, saw the acquisition of Tsingtau and its status as a free port as a major boon to their economic interests, generating high hopes for the growth of their businesses under German authority. The news that the Reichsmarineamt would handle administration of the colony rather than the Kolonialamt or Auswärtiges Amt, however, tempered these high hopes, causing a great deal of consternation among the German business communities throughout China. German businessmen considered the new colony as a place where they could secure exclusive and favorable rights for generating great wealth and prosperity, much like the British regarded Hong Kong and the international community with Shanghai. Many German business managers in the region viewed the gubernatorial leadership of a career naval officer as antithetical to their commercial interests. At this early stage of Tsingtau’s development, German commercial leaders in China strongly considered—quite naively, as previous chapters have shown—that the Imperial Navy’s only interest in a colony in China was to build a naval installation, ignoring the wishes of other interest groups who had pushed long and hard for a colony. These early investors

400 Haenisch, Jebsen & Company, p. 52. Both Jebsen and Company and Carlowitz and Company, two of the major German trading houses in China were particularly excited about their prospects in the German colony. Having performed some preliminary scouting of Shantung as a potential site for a German colony in China for Otto von Diederichs, the leaders of Carlowitz believed they would derive great financial benefit from an early presence in the Leasehold; Diederichs, Nachlass, 28 October 1897, BA-MA, Nachlass Diederichs N 255/24. The only dissenting voice among the German trade firms came from Nathan Siebs, one of the major partners in Siemssen & Company. Siebs believed the Age of Imperialism had already passed and the Germany and the other world powers needed to embrace a different model of global engagement, working with the Chinese to help them develop the economic might of their country; Ostasiatischer Verein, 1897.
in Tsingtau drew upon the examples set by colonizers in Africa and other parts of the world in which European settlers exploited the racially inferior native population to acquire vast quantities of wealth and power seemingly overnight. Whatever vision the Imperial Navy and the governor spouted about the colony’s development would not easily deter these commercial interests from the pursuit of their own visons for Tsingtau.\textsuperscript{401}

Such was the general state of affairs that Rosendahl found awaiting him upon reaching the newly established colony on 16 April 1898, carrying with him a well laid out plan for Tsingtau. As early as his September 1896 report on the suitability of Kiautschou Bay for a German colony, Tirpitz strongly expressed his belief that economic development needed to be a central goal of Germany’s efforts to acquire and establish a successful colonial and naval base in China.\textsuperscript{402} Even after the German occupation, Tirpitz continued to emphasize the importance of Tsingtau’s commercial growth above all other aspects of the colony’s development. In a speech before the Reichstag in January 1899, for example, the \textit{Staatssekretär} reminded the assembled representatives, “establishing a trade center is the true starting point for all planning and consideration for the leasing area. Such a trade center would certainly benefit the German national colony and, as a result, all other circles of Germany, directly or indirectly.”\textsuperscript{403}

\textsuperscript{401} Haenisch, \textit{Jebsen & Company}, pp. 33-58 provides an excellent example of the early sentiments of the commercial community following the establishment of the Leasehold. See also, “Germany’s First Colony in China,” \textit{Harper’s Monthly Magazine}, 100: March 1900, pp. 577-590.

\textsuperscript{402} Tirpitz to Admiral Eduard von Knorr, 5 September 1896, \textit{BA-MA}, Nachlass Tirpitz N 253/45.

\textsuperscript{403} Tirpitz, Speech Before the Reichstag, 31 January 1899, \textit{Stenographische Berichte über Verhandlungen des Reichstages, 1899-1900}, p. 551. For other examples where Tirpitz pressed for the economic
This pointed emphasis on Tsingtau’s economic development laid the foundation for an imperial vision that went beyond simply ensuring that the colony would be self-sustaining, the achievement of which would be no small feat and a major boon for the German economy. Tirpitz desired a strong economy for the Leasehold in order to fulfill two key functions. First, by successfully creating a fully realized “German Hong Kong,” the Imperial Navy could demonstrate its important role in establishing Germany as a multi-faceted world power, not only strong militarily, but also economically and commercially as well. That it would be the Navy establishing and running this widely successful colony rather than the colonial office and succeeding at colonial administration where so many other states and offices had previously failed, would bolster the Reichsmarineamt’s power and prestige at home and abroad.\textsuperscript{404} Secondly, Tirpitz emphasized the establishment of a strong economy as the basis for generating financial profit. Although the Reich was willing to provide Tsingtau with the funds necessary to support and sustain it initially, this was, in Tirpitz’s opinion, not something that would remain practical in the long run, particularly since the German public remained skeptical of the benefits that a long-term government-subsidized colony might offer. By generating its own revenue, many of these problems could be resolved, with the bonus of creating a place of national pride, a singularly impressive expression of Germanness (Deutschtum) abroad.

\textsuperscript{404} Tirpitz, My Memories, volume 1, p. 72. See also, Tirpitz, Kabinettnoten des Staarssekretär des Reichsmarineamts Tirpitz, 16 January 1898, BA-MA, RM 3/6999.
In order to foster positive economic growth and establish Tsingtau as a base of economic activity in Shantung and beyond, two important conditions needed to be established: free trade and a free economy. The former was secured by establishing an appropriate system of tariffs and duties. The Imperial Navy strongly believed that, if Tsingtau was to become a major commercial center, it needed to be designated a free port. This was a key component of the navy’s policy in administering Tsingtau, not only due to the navy’s liberal orientation, but also due to the great success Hong Kong was beginning to enjoy as an international free trade port on the Chinese coast.

Additionally, naval leaders considered a tariff barrier between the Leasehold and Shantung’s interior as only a hindrance to trade within the province, reducing the colony’s effectiveness in strengthening Germany’s power and prestige in China and East Asia. The challenge, then, was to establish a customs system that would both provide overseas trade with easy access to Tsingtau, as well as provide for the free movement of goods between the port and the Chinese interior.

The most significant step in achieving freedom of trade was fostering a strong relationship between the Leasehold and the Chinese economy beyond Kiaochow’s borders. Tirpitz paid great attention to this issue from the founding of the colony,

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405 This policy was established as early as the reports that Ferdinand von Richthofen wrote in the 1870s and 1880s (see chapter I), as well as enshrined as a key objective in Tirpitz’s 1896 report on Kiautschou Bay. Further restatement of this policy can be found in: Denkschrift, Abgeschlossen Ende Oktober 1898, Staatsarchiv-Bremen, 3-R.1.g.no. 5, and Schrameier, Aus Kiautschous Verwaltung, 141ff.


407 Denkschrift 1899-1900, Staatsarchiv-Bremen, 3-R.1.g.no. 5, and Schrameier, Aus Kiautschous Verwaltung 154.
desiring a customs agreement with China that placed Tsingtau on equal footing with China in respect to the collection of tariffs and customs duties.\textsuperscript{408} Tirpitz also pursued the establishment of a branch of the Chinese Imperial Maritime Customs Service (IMC) in Tsingtau to encourage Chinese merchants to move to, and conduct business in, the Leasehold. Although the IMC office exercised limited power, its presence in Tsingtau represented a significant compromise on the part of the colonial administration, as the Navy generally expressed a strong desire to remove any hint of Chinese sovereignty within the colony’s borders. Such a concession reflects the Navy’s strong interest in ensuring the commercial growth of Tsingtau and the Leasehold.

The Imperial Navy based its projected system of tariffs on a memorandum on customs duties drafted by the civilian Commissioner of Kiaochow (Komissar des Schutzgebietes) in early 1898.\textsuperscript{409} At Tipritz’s instigation, negotiations regarding the commissioner’s plan began in earnest between Ambassador Edmund von Heyking, and Sir Robert Hart, the Inspector General for the IMC. Although discussions lasted until the spring of the following year, Hart and Heyking were able to hammer out the basic principles of an agreement by September 1898. That the two sides came together so quickly stemmed from the fact that Germany’s willingness to allow China to establish a customs house at Tsingtau pleased Hart greatly, as this afforded the IMC a much larger role in the colony than he initially expected. The only thing standing in the way of opening a central customs office, then, was for the German government to submit

\textsuperscript{408} Tirpitz to von Bülow, 22 June 1898, \textit{PA-AA}, Peking II 1248.
\textsuperscript{409} Schrameier, \textit{Aus Kiautschous Verwaltung}, p. 161-162.
detailed procedural rules governing trade and customs in the colony.\textsuperscript{410} The first customs commissioner, Ernst Ohlmer, arrived at the new branch office in August 1898, and Tsingtau was officially declared open “to the trade of all nations” as part of the Land-Use Ordinance of 2 September 1898.\textsuperscript{411}

Despite this quick and early progress in establishing Tsingtau as a free port, Germany and China did not agree to a formal customs treaty until 17 April 1899, which did not take effect until the following July. Hart conducted his negotiations with Heyking largely independent of the Chinese Foreign Ministry, only presenting it with a finalized treaty to accept or reject.\textsuperscript{412} Nevertheless, the Zongli Yamen accepted the terms of the treaty on 26 April 1899, with the provision that Kiautschou would be referred to as a “Leasehold (Pachtgebiet)” rather than a “Protected Area (Schutzgebiet).”\textsuperscript{413} The agreement established the colony as a transit port for goods within the province of Shantung, granted Tsingtau the same status as the other treaty ports in China, and also secured tariff clearance for all goods destined for the Leasehold. The tariff system enshrined in the treaty preserved free access to the sea and the interior of the province, assuring Tsingtau would, as the Imperial Navy so ardently desired, have “all the advantages of a Chinese treaty port without losing its character as a free port.”\textsuperscript{414}

\textsuperscript{410} Leutner and Mühlhahn, Musterkolonie Kiautschou, p. 347.
\textsuperscript{411} The specific nature of Tsingtau’s establishment as a free port in the 1898 agreement is discussed in Rosendahl to Heyking, 2 September 1898, PA-AA, Peking II 1248 and also Hart to Zongli Yamen, 10 October 1898, Qingdao Municipal Archives (hereinafter cited as QMA), Diguozhuyi yu Jiao haiguan [Imperialism and the Customs Station in Jiaozhou], p. 9. For a copy of the Free Port Declaration, see, Denkschrift 1898-1899, Staatsarchiv-Bremen, 3-R.1.g.5.
\textsuperscript{412} Hart to Zongli Yamen, 17 April 1899, QMA, p. 10. For a full copy of the treaty, see, MacMurray, Treaties and Agreements with and concerning China, 1894-1919, volume I, p. 198.
\textsuperscript{413} Zongli Yamen to Hart, 26 April 1899, QMA, Diguozhuyi yu Jiao haiguan, p. 11.
\textsuperscript{414} Denkschrift 1899-1900, Staatsarchiv-Bremen, 3-R.1.g.5.
doing so, the German government could build upon the foundational model that Hong Kong offered as a free port, but lacked in comparison to the other treaty ports. Such economic, trade, and customs freedoms created exceptionally favorable economic conditions in the colony, providing German and foreign companies with an incentive to invest in the Leasehold and establish new companies within the confines of the German territory.

Using the treaties the British signed with China regarding Hong Kong (notably the Treaties of Nanking and the Bogue) as a guide, Germany set up the entirety of the Kiaochow Leasehold to function, in essence, as free port. Goods that arrived by sea with a final stopping point within the German territory paid no duties upon their arrival in Tsingtau. This was the case whether the products were foreign or domestic goods, or whether their point of origin was a treaty port or a foreign one. If foreign goods arriving in Tsingtau had originated from another treaty port and already had their duties paid, these fees were refunded. Chinese merchandise and products shipped from another Chinese port and destined for a foreign port also paid no export duties. This reflected a subtle, but no less important, development upon the rights granted at other treaty ports, where Chinese goods had to be re-exported within one year in order to retain their exemption from export taxes.\(^{415}\) That Tsingtau offered this greater freedom from standard export procedures provided the port with the opportunity to become a central trade depot and key point of distribution for merchandise up and down the Chinese coast and between China, Japan, and European colonial enclaves throughout the Far East. A

final provision that secured Tsingtau’s status as a free port was a guarantee that produce
grown in the Leasehold and goods manufactured from produce raised in or imported by
sea into the Leasehold also paid no export duties, a key stipulation for the development
of industry at the new German port. With these points enshrined in the new trade
agreement, German officials ensured that Tsingtau, and the Leasehold as a whole,
enjoyed all the advantages that came from being a free port and the rights and privileges
that the British had secured for Hong Kong.416

Building upon the example that Britain had set with Hong Kong, Tsingtau also
fulfilled many of the functions of a treaty port, such as those established at Shanghai,
Canton, Ningpo, Fuchow, and Amoy, working with the provincial Chinese government
to control goods entering and leaving the Chinese mainland. The Imperial Maritime
Customs branch in Tsingtau collected its normal duties at treaty rates common in other
treaty ports such as Shanghai and Canton.417 Like these other treaty ports, the colonial
government charged no export duties on goods whose final destination was within the
confines of the Leasehold. The IMC did, however, levy taxes on imports that crossed
through the German colony on their way to locations in sovereign Chinese regions as
well as on exports travelling from China to points abroad. In addition, the customs office
charged coastal rates on import and export duties on Chinese goods that originated from
another treaty port in China when those products left the Leasehold and entered the
Chinese interior, often issuing receipts for those goods that had paid the export excise so

417 Schrecker, Imperialism and Chinese Nationalism, p. 72.
that they could again receive the coastal rate at another port. The customs house also had
the power to sell transit passes for materials heading further into the Chinese interior,
ensuring safe and unhindered passage to whatever markets they were headed. Although
many of these taxes and duties were to be paid upon crossing into or out of the
Leasehold, they were usually collected at the IMC customs house in Tsingtau, making
the city a central hub and axis of trade in the region. Furthermore, the 1899 trade
agreement also empowered German authorities to combat smuggling by “tak[ing]
suitable measures to assist in the prevention of merchandise passing the German frontier
when not provided with a permit or pass by the Maritime Customs Office.” In this
regard, the customs treaty contained special provisions related to the sale and trade of
opium, although these points were relatively moot as little, if any, opium ever passed
through Tsingtau.418

Between the presence of the customs house in Tsingtau and its dual character as
a free and treaty port, the German colony enjoyed advantages that made it equal to, and
in many cases better than, Hong Kong as a trade entrepôt. Perhaps the most important
benefit that Tsingtau offered over Hong Kong was that all goods that came from the
interior and were consumed within Tsingtau or the Leasehold for any purpose were tax-
free. Furthermore, all produce and manufactures could travel into the interior from
Tsingtau without having to be unpacked, inspected, and reloaded, a particularly
significant provision since the vast majority of the transport of goods inland would be

418 IMC, *Decennial Reports on Trade, Navigation, Industries, etc. of the Ports Open to Foreign Commerce in China...1892-1901*, Volume I (Shanghai: Kelly and Walsh, 1913), p. 87ff.
via railroad. A final advantage that Tsingtau possessed over Hong Kong was that the German port could serve as a free depot for products produced within the province – these goods could be sorted, sampled, and finished within the confines of the Leasehold before their shipment to points domestic and abroad.

In negotiating the customs treaty, Heyking and his delegation had sought to ensure “a sharp limitation of the powers of the customs office and its personnel.” That Germany was able to secure these commercial advantages for Tsingtau without allowing the Chinese to encroach too greatly on the colony’s autonomy, particularly since a customs house would be located at the port, was a major victory. First and foremost, the Imperial Maritime Customs office in Tsingtau was “limited to the raising of customs and lacked administrative control over the harbor and the post office.” Furthermore, the customs treaty placed specific limitations on the IMC, stipulating that it "shall take no part in the collection or administration of tonnage dues, lighthouse dues, or port dues." The German legation in Peking and the colonial government in Tsingtau also retained considerable power over the choice of staff at the customs station as well as over how it conducted its daily business. According to the agreement, the Chief of the Maritime Customs office in Tsingtau and the members of the European staff “shall, as a rule, be of German nationality...[and] the Inspector General will inform the Governor of Kiautschou beforehand about all changes in the staff," after having secured the approval of the German legation in Peking. The treaty even went so far as to specify that "all correspondence between the customs office and German authorities and merchants shall

be conducted in the German language." As a final means of reducing Chinese control
over trade and economy within the confines of the German colony, the IMC was
required to assume the functions of the Chinese civil customs official (taotai) in a treaty
port, making the IMC responsible for the collection of both native and foreign duties.420

Despite the Reichsmarineamt's belief that Germany had been quite successful in
securing a favorable trade agreement, German merchants, particularly those already
well-established on the Chinese coast, were less than satisfied. Such displeasure led to
constant battles over economic policy almost from the moment Rosendahl arrived as
governor. While the settlers in Tsingtau recognized that their dreams of profit and
fortune were being channeled into the plans for development, the main cargo departing
the harbor of Tsingtau in the first year of the colony was empty beer bottles.421 Wilhelm
Schrameier noted in his memoirs that "hardly any institution met with as much
opposition as the custom arrangements, even as they were still under negotiation."422
The German press at home and in China received a constant barrage of angry letters
protesting developments during the customs negotiations, with considerable
dissatisfaction directed at the plans for establishing a customs house in Tsingtau. One
such letter in the 10 January edition of the North China Herald complained that "a
Chinese Custom-house [in Tsingtau] will soon prove to be an intolerable obstacle to the

420 MacMurray, Treaties and Agreements, volume I, pp. 19ff. A circuit intendent or taotai (daotai) was an
Imperial Chinese civil servant responsible for overseeing a region's courts, law enforcement, civil defense,
canals, and customs collection. The taotais whose circuits included a treaty port could wield considerable
influence and power; this was particularly true for the Taotai of Shanghai.
421 Haenisch, Jebsen & Co., p. 57.
422 Scharmeier, Aus Kiatuschous Verwaltung, p. 189.
full development both of the import and export trades." \(^{423}\) A dispatch from a merchant in Tsingtau to the *Hamburgischer Korrespondent* that same month further added that "the customs office was a disadvantage to our location, it should be situated on the frontier, not here." \(^{424}\)

As a result of the growing number of complaints and protests from merchants in Bremen, Hamburg, and other German ports, Rosendahl came under intense scrutiny. With these objections to the new economic policy in the Leasehold showing no signs of abating, Tirpitz concluded that the governor was not working energetically enough to promote German economic interests in the colony. Between his lack of confidence in Rosendahl’s efforts and the high level of discontent from the commercial community, Tirpitz recognized he had little choice but to ask the Kaiser to dismiss Rosendahl and replace him with Jaeschke. \(^{425}\) Upon Jaeschke’s appointment, Tirpitz informed the new governor that the economic development of Tsingtau and the Leasehold was of primary importance to the colony's fate. In actively supporting the colonial economy, the local administration needed to pursue an active economic policy, which included continuing the work of forging as favorable a customs agreement as possible, securing the preferred treatment of businesses in the allocation and development of land in the colony, \(^{426}\) and also providing political and, if necessary, military support against Chinese authority. \(^{427}\)

\(^{423}\) *North China Herald*, 10 January 1899.

\(^{424}\) *Hamburgischer Korrespondent*, 31 January 1899.

\(^{425}\) Tirpitz to Wilhelm II, 8 October 1898, *BA-MA*, RM 2/1837. Chapter II provides a fuller examination of Rosendahl’s situation and the circumstances that led to his dismissal as governor.


\(^{427}\) Ibid., pp. 249-250.
The attacks on the colonial administration regarding the negotiation and ratification of the customs agreement reflect an older attitude about colonial economic practices on the part of the foreign commercial community in China. These merchants and businessmen had no interest in hearing how Tsingtau was to be different from Hong Kong or the other treaty ports – that it would combine the advantages of both in its bid to equal or surpass Hong Kong – and that, in order to secure this objective, the colony needed to pursue new and different policies. This band of investors *prima facie* opposed any concessions to Chinese authority, a point made abundantly clear by their inability and unwillingness to offer any sort of well-reasoned argument against this new direction in policy or to articulate clearly the advantages offered by other possible arrangements. It did not matter that a harbor had yet to be built in Tsingtau and that their ships had to load and unload into lighters and sampans while still in the bay, or that the city, port, and harbor needed to follow a well thought-out and distinct plan of development that included the surveying and laying out of land for the construction of warehouses and storehouses.\(^{428}\)

The opposition of German merchants and traders is captured quite clearly in a report that the German consul in Shanghai, Dr. Wilhelm Knappe, wrote to the *Auswärtiges Amt* concerning the situation in Shantung. In his dispatch, Knappe noted that, in their hostility to the Navy’s economic policy, the commercial community in Tsingtau combined the more traditional fears of the Chinese that were prevalent in China and East Asia with an overall open hostility directed towards the native population: “The

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\(^{428}\) Tirpitz to Rosendahl, 1 July 1898, and Rosendahl to *RMA*, 22 December 1898, *BA-MA*, RM 3/6696.
merchants in Tsingtau worry that the German colony will be surrounded by customs houses not only of the Imperial Maritime Customs but also likin [*linjin,*]” a form of internal tariff on goods in transit between provinces that the Chinese government employed to raise revenue for local governments. Business leaders further complained that, due to the Imperial Navy’s policies, “China has obtained all the advantages of an open port complete with customs house without having to contribute anything in the slightest to the cost.” In short, “the Chinese flag waves at Tsingtau, raised up with great fanfare by the highest officials of the colony.”

Nevertheless, the “victory” that the commercial community felt it had achieved in effecting Rosendahl’s recall proved to be a hollow one. Jaeschke was as unmoving and forceful as Rosendahl and arrived prepared with clear instructions on how to enact the Imperial Navy’s vision for Tsingtau while also satisfying the demands of other interest groups and, consequently, mollifying their opposition. Jaeschke embraced his new role and authority, even going so far as to publish his orders in the first *Denkschrift* he submitted to the *Reichstag* in November 1899:

All measures adopted by the naval administration in Kiaochou [*sic*] had economic considerations as their main point of departure. Notwithstanding the place’s military and maritime importance as a naval station, its development as a trade-colony and important entrepôt for German merchants in East Asia will be decisive for its future…Out of these main ideas resulted two different administrative guidelines: 1) A [colonial] government as independent as possible from the home government departments. 2) Severe restraints on the part of the [colonial] government departments in relation to the regulation of trade and industry; duty-free and essentially free commerce; a decrease in the government administration in favor of far-reaching self-government in relation to the progressive development of the Leasehold.

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429 Knappe to Ketteler, 14 July 1899, *PA-AA*, R 18242.
430 *Denkschrift 1898-1899*, Staatsarchiv-Bremen, 3-R.1.g.no. 5
Despite Jaeschke’s intent to assuage the fears of German merchants and their supporters in the press, the publication of his orders did little to reassure the opposition; indeed, German merchants and traders continued their attacks on the governor throughout the life of the German colony. In a 1904 article about the economic conditions in Leasehold and Shantung, Professor Wilhelm Berensmann wrote, “merchants, instead of naval officers, should now occupy the governor’s estate in Tsingtau. This is not, I assure you, a plea directed at the failings of a single individual [Governor Oskar von Truppel], but against the system of development espoused by the Naval Government.”

Nevertheless, Tirpitz and the colonial administration remained committed to fusing the benefits of a treaty port with those of a free port; following the typical pattern of a treaty port in China was never in their plans. This firm commitment to their German Hong Kong ideal was admirable for its consistency, but it did not come without consequences. Naval leaders often had to devote considerable time and energy to calming flaring tempers in the commercial community so that they could accomplish the main goal for the colony that all involved were concerned with: developing German trade in Tsingtau and between the colony and Shantung.

Despite the fact that the naval administration insisted that Ernst Ohlmer, a native of Hanover, would serve as Commissioner of Customs at the Tsingtau branch of the IMC, Ohlmer did not grant German traders any special treatment. Having joined the

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432 Tirpitz to Bülow, 22 June 1898, PA-AA, R 18242.
customs service at a young age in 1868, Ohlmer slowly but surely worked his way up the ranks until he received his appointment to the Tsingtau customs office. After such a long career at the IMC, Ohlmer saw himself as more of a representative of the Chinese government than as someone responsible for protecting German trade: “during his sixteen years tenure of office at Kiaochow, Ohlmer watched over China’s Customs interests at the port zealously and efficiently.”

For its part, the colonial administration (as well as other German officials in China) treated Ohlmer as a member of the Chinese government and judged his behavior accordingly, despite his heritage.

With the customs agreement settled and German merchants and traders satisfied that the colonial government was protecting their interests, the commercial development of Tsingtau began in earnest. In these early years, however, only modest growth took place, largely due to the fact that the colony still lacked both harbor facilities and connection to Shantung’s interior via road and rail. In 1899, 205 ships arrived in Tsingtau, with nearly half of those vessels belonging to the German steamship firm, Diederichsen, Jebsen, and Company. Most of these goods were not subject to customs duties (as they were generally intended for general consumption or the construction of the railroad), however, so any statistics related to their value or worth are not available. Nevertheless, what can be discerned from the information available is that certain foreign goods, particularly kerosene and raw and manufactured cotton, made

435 IMC, *Returns*, 1900, p. 61. For more on Diederichsen Jebsen and its role as the first shipping firm to handle traffic to and from Tsingtau, see chapter III.
436 *Denkschrift, 1899-1900, Staatsarchiv-Bremen*, 3-R.1.g.no. 5.
their appearance in Shantung and parts of northern China for the first time, a direct result of Germany’s presence in Tsingtau. Though the overall value of imports into Tsingtau in this first year was roughly 200,000 Tael (619,000 Reichsmarks), the Imperial Navy reassured the Reichstag that this modest sum formed a reasonable base from which trade and commerce could only grow, particularly once it had established better trade and communications networks in the colony, allowing for better regional integration with expanding trade networks across China and East Asia.

The freedom of trade that resulted from the customs agreement as well as the early growth in trade and commerce, though modest, created a set of economic conditions that provided incentives for German and other capital-intensive foreign companies to become financially involved in Tsingtau. Both the navy and private businessmen invested heavily in establishing new industries in Tsingtau, the Leasehold, and Shantung, all of which made valuable contributions to the development of the German colony. Although the difficulties involved with establishing modern industry in China limited the financial success of these enterprises and, as a result, the overall number of industrial undertakings remained comparatively small, the impact and contributions of these projects were critical to the growth of Tsingtau and a key component in establishing its position as one of the premiere colonial enclaves in the Far East. Furthermore, in recognizing that Tsingtau might never become a “modernized” European-style industrial outpost, the Navy and the colonial administration refocused its

437 IMC, Returns, 1899, p.80.
438 Denkschrift, 1899-1900, Staatsarchiv-Bremen, 3-R.1.g.no. 5. The price of the Chinese Tael was equal to between 3.36 Marks (in 1906) and 2.66 Marks (in 1909). Although the price fluctuated, on average, 1 Tael was worth approximately 3 Marks; Leutner and Mühlhahn, Musterkolonie Kiautschou, p. 379, n. 28.
“German Hong Kong” vision to create a hybrid industrial plan that emphasized uniquely German goods that could be produced in Tsingtau and sold regionally and internationally as well as working with the local Chinese population to develop and grow their own industries that sold high-quality mass-produced goods that would generate profits through trade, tariffs, and other duties.

The most valuable industry established in Tsingtau was the harbor’s shipyard, which offered services to both naval and private vessels. The shipyard began operations in 1901 in a temporary location until the completion of the harbor, moving to its permanent location in the Großhafen between 1905 and 1907.439 A thoroughly modern establishment, the shipyard was one of the largest and most well-outfitted installations of its kind in East Asia, with over 1100 yards of docks and much of the newest equipment available; indeed, such a site was more likely to be found in Kiel or Newcastle rather than on the coast of China. One of the shipyard’s most prominent features was an extensive floating dock that could hold 16,000 tons, allowing it to serve as a dry-dock for multiple ships at once and thought to be one of the largest of its kind anywhere. The shipyard also possessed an electric crane that could lift 150 tons, allowing for even the largest ships visiting Tsingtau to receive the services it needed.440 Most of the shipyard’s employees were recruited from the local Chinese population; only the highest-ranking officials were German and/or officers in the Imperial Navy. The Chinese workers participated in a four-year apprenticeship program at the shipyard, where they received

439 Wiecker, Kiautschou, p.53; Denkschrift, 197-1908, Staatsarchiv-Bremen, 3-R.1.g.no. 5. For more on the construction of the harbor itself, see Chapter III.
training in technical fields as well as an education in the German language and other subjects related to their work at the yard. The shipyard rapidly grew into one of the largest enterprises in the colony, employing close to 1550 Chinese and 65 Europeans by 1913.\textsuperscript{441} The shipyard was capable of building and overhauling ships, and much of its business (roughly 65 percent) was with the Navy, particularly keeping the East Asian Cruiser Squadron operating at peak performance and capacity. By the start of World War I, the shipyard had constructed twenty-two medium-sized sailing vessels, as well as another thirty-three smaller ships.

Although the Imperial Navy operated the shipyard throughout the life of the colony, Tirpitz’s original intention was for the shipyard to be in private hands. Not only would this reduce the Navy’s operating budget for the colony-allowing funds to be directed elsewhere-but a successful privately-run enterprise like the shipyard would be an excellent showcase for how lucrative investment in the German colony could be. The navy made several attempts to interest investors-in 1901, when plans for the shipyard were approved, in 1905, when the harbor was completed and the shipyard expanded, and again in 1907, when the shipyard was fully and completely operational-but it was unable to secure an agreement. Tirpitz was particularly desirous that Friedrich Krupp AG, one of the largest and most globally prominent German firms and a staunch supporter of the imperial government-would handle the operation of the shipyard. Nevertheless, despite the Navy’s efforts to play up the nationalistic importance of running the shipyard and promises of considerable business from both the German and Chinese governments,\textsuperscript{441}

\textsuperscript{441} Denkschrift, 1912-1913, Staatsarchiv-Bremen, 3-R.1.g.no. 5.
Krupp would not bite. In refusing the Navy’s final request in 1907, Gustav Krupp, the head of the Krupp Works, stressed that he fully understood that “buying the yard was not a matter which touched only on the purely business side of things, but also touches upon political and national issues.” Nevertheless, after the careful consideration of several studies it had conducted on the feasibility of running the yard, the company found that “the shipyard was simply too large and too valuable for the limited business opportunities available in the Far East. Therefore, from an economic point of view, [it is] not justifiable to buy and operate the shipyard.” Despite rejecting the navy’s offer, though, Krupp did agree to provide whatever equipment or materials the navy might need for the yard at a considerable discount in order to ensure that this enterprise would continue to provide its valuable services.442

The financial aspects aside, the shipyard enjoyed a highly favorable reputation throughout the Far East for the quality and efficiency of the work performed there. Furthermore, with trained Chinese artisans, state-of-the-art facilities, and the active support of merchant shipping throughout East Asia, the shipyard provided important technical knowledge and practical training for thousands of Chinese throughout northern China. As modern mechanized technology began to become more prevalent throughout the region, the men trained at the shipyard for work in countless industries inside and

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outside the Leasehold made valuable contributions to the rapid industrial development of Shantung. 443

In addition to supporting the shipyard, Krupp also provided the newest modern equipment for the slaughterhouse and sausage-works that began operation in 1904, despite again choosing not to operate these industries directly. 444 Several other prominent international German companies followed this pattern of involvement in Tsingtau’s industry as well. Siemens offered considerable material support for the electric company both when it was established in 1899 and when the private company that accepted the offer to run Tsingtau’s electric company (the Dresden-based Kummer Electric Power) failed in 1901; Siemens agreed to buy out Kummer when it declared bankruptcy, but required the Navy purchase the plant in Tsingtau and run its daily operations as part of the sale agreement. 445 Although such a decision does reflect reluctance by multi-national corporations to invest in Tsingtau as well as the limited financial success of such undertakings, these companies fully understood the broader implications of the importance of being involved in the growth and development of the colony, even as they sought to minimize their financial risks.

The most important private industry in the Leasehold and Shantung by far was the SBG. Like many of the major industries in the German colony, it too struggled to turn a large profit, although its contributions to the economic development of Tsingtau

443 Bökemann, Stadtanlange, p. 480. Seeleman, Social and Economic Development of the Kiaochou Leasehold, pp. 271-274 provides a much fuller description and account of the shipyard-its establishment, growth and development, and place in the development of Tsingtau, the Leasehold, and Shantung. 444 Denkschrift, 1903-1904, Staatsarchiv-Bremen, 3-R.1.g.5. 445 Denkschrift, 1899-1900 and 1904-1905, ibid. See also, Seeleman, p. 295-298.
cannot be understated. The main mining activities for the SBG took place at the coal fields located at Weihsien and Boshan, each of which had two main mining shafts and numerous smaller branch ones. Mining operations began in 1901, with further expansions in 1904 and 1907; by 1911, the SBG’s mining facilities were operating at their fullest extent.\textsuperscript{446} As was the case with many of the other industrial undertakings in the German colony, the SBG made use of “all the most modern equipment” to make the extraction and transport of minerals as efficient as possible.\textsuperscript{447} Such equipment included an automatic coal washer that cleaned and sorted the coal into four grades and which was considered a tremendous boon to German efforts to become leaders in the North China coal industry. Ohlmer, for his part, found this machinery an “ingenious contrivance…the only one of its kind in the Far East,” and the \textit{North China Herald} reported that this “unique device [would] give Germany an immense advantage in the coal trade” in East Asia.\textsuperscript{448} The coal fields also had briquette factories on their respective premises which took the excess pieces from the washer and converted them into fuel briquettes for use in a variety of steam-powered engines.

Initially, the SBG struggled to recruit laborers to work in the mines, largely due to the fact that the local population saw the coal fields as merely a place to pick up additional work when agricultural work was light. By 1905, the SBG recognized that the best way to recruit a steady stream of permanent laborers was to “improve to treatment of the workers.”\textsuperscript{449} Consequently, the SBG worked out an arrangement with Governor

\textsuperscript{446} IMC, \textit{Decennial Reports, 1902-1911}, p. 249.  
\textsuperscript{447} \textit{Denkschrift, 1905-1906, Staatsarchiv-Bremen}, R.1.g.no. 5.  
\textsuperscript{448} IMC, \textit{Returns, 1906}, p. 79 and \textit{North China Herald}, 26 October 1906.  
\textsuperscript{449} Betz to Bülow, 19 October 1905, \textit{PA-AA}, Peking II 1295.
Yuan and the provincial authorities in Tsinan in which, in return for the provincial government’s help in recruiting workers, the company would agree to hire laborers only from Shantung, pay them on a higher pay scale, offer better rates for accident insurance, and establish a fund to provide for the coal miners and their families in case of death. In addition, the SBG also built special residential “colonies” for the Chinese workers near the mines “to get secure hold of them and to break the influence of their villages.” By the SBG’s estimation, at least, these colonial villages were well laid-out, rent-free, and provided excellent health facilities. Although it is difficult to determine exactly how dramatically living and working conditions improved, the SBG’s efforts did seem to solve their labor shortage problems. By the time both minefields were fully expanded and operational in 1911, the SBG counted 8000 Chinese laborers in its workforce, supervised by 70 Germans.

Between the two coal fields, the quality of the coal extracted at Boshan was much higher than the coal from Weihsien. Weihsien’s coal produced too much residue when it burned, making it unsuitable for use in trains and steamships. Furthermore, the coal from this field was difficult to extract, as flooding in the mineshafts was a constant problem. In contrast, however, the coal from Boshan was easily mined and tended to be of extremely high quality: suitable for all types of use and even considered by some as an equal substitute for coal produced in Cardiff. In 1901, the first year of full mining operations for the two fields, the SBG produced 179,083 tons of coal, extracted mostly

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450 Ibid.
451 IMC, Decennial Reports, 1902-1911, p. 250.
452 IMC, Returns, 1908, p. 133.
from Weihsien; by 1913, however, that number had increased to 613,000 tons, with nearly two-thirds now coming from the mines at Boshan.453

Despite the SBG’s success in developing the two fields and increasing production of both high- and low-grade coal, the company struggled to turn a profit. This inability to generate financial success for its investors had mostly to do with the high costs of operating the mines and transporting the coal to the harbor at Tsingtau. As a result, the SBG sold its coal at a price too high to compete easily with coal brought in by sea from mines in Hoiping (Kaiping) and Japan. In response to this economic reality, the company tried to redirect its efforts to selling its coal in the interior of Shantung, but such efforts only stemmed their financial losses rather than producing large profits. The SBG was founded to sell its coal throughout East Asia and to European traders, and the local markets were much smaller and generated much less revenue.

Although it is difficult to ascertain exactly why the SBG struggled to earn the considerable profits that its board of directors expected (particularly since smaller Chinese mining companies performed quite well), the best explanation may be that the German firm, in expecting that it could generate tremendous profits simply by using the most advanced information and technology available, allowed its undertaking to become too large and complicated. While the mines run by local competitors were smaller and simpler in terms of the equipment they used, they were better suited to meeting the economic realities of the Shantung market. In its desire to establish a large modern

453 A chart showing the yearly production of coal in the Leasehold can be found in Tahara, Kōshūwan [Kiautschou Bay], pp. 380-381.
enterprise capable of breaking into the international market from the outset (and perhaps pushed to do so by the Navy in order to make Tsingtau into a premier coaling station), the SBG invested too heavily in expensive equipment that required skilled workers that were difficult to obtain and train quickly. Nevertheless, the SBG’s impact on the colony was considerable, as it helped modernize the industry in northern China, providing skilled workers and engineers for the mines, and fueling the many modes of transportation into and out of the colony that were critical to helping Tsingtau achieve its position of prominence in China and the Far East.

In addition to the SBG, German investors also tried to compete with established Chinese industries by establishing the German-Chinese Silk Production Company (Deutsch-Chinesische Seiden Industrie Gesellschaft, or DCSIG). Founded in 1902 with an initial investment of 1.8 million marks, the company aimed to establish a modern facility in Tsingtau that would reel, spin, and weave silk from the interior of Shantung and other parts of China.454 Although the administrative offices remained in Berlin, on 26 May 1902 the company moved its official headquarters to Tsangkou, one of the stops on the Tsingtau-Tsinan railroad just north of Tsingtau, and the factory itself was fully operational by 1904. Much like other industrial enterprises established in the colony, the large factory at the center of the production complex—possessing a 5,000-square meter work area—used the most modern equipment for spinning, throwing, and dyeing silk. The company also built considerable storage and transportation facilities at its complex as well as large covered courtyards, showrooms, and European-style living quarters for

454 Truppel to RMA, 9 July 1904, BA-MA, RM 3/6742.
the supervisory and European personnel. The DCSIG housed its Chinese employees (approximately 1500 in number) in one of two residential colonies: two barracks in which 650 non-married laborers lived, separated by gender, and a residential area with streets and small parks for workers with families.\footnote{Tsingtau Neueste Nachrichten, 14 March 1906.}

In addition to laying out residential complexes that provided for the well-being of its workers—a measure enacted, in part, to convince Chinese labors to work for the DCSIG full-time, rather than seasonally—the company’s management also insisted on policies that would fulfill German ideals and ensure that the native population could partner with Germans in managing the company, sharing in Tsingtau’s economic success. The most important of these was providing long-term training and education of its personnel. Future managers and supervisors received instruction in every facet of production at the complex as well as on the principles of factory management and training. In an effort to attract upper and middle-class Chinese managers, younger workers and children received an education in a variety of subjects, including reading and writing (both Chinese and German), literature, geography, and mathematics, as well as practical training in a variety of technical subjects.\footnote{Weicker, Kiautschou, pp. 139-140.} Ernst Ohlmer described such a set-up as “a model of its kind that could bear comparison with any in Europe.”\footnote{IMC, Returns, 1905, p. 81.}

The silk and dyed-goods that the DCSIG produced were extremely fine products that were in high demand throughout the Far East and Europe for sale and trade. Indeed, the popularity of Tsingtau’s silk became an object of considerable concern for American
merchants and businessmen, who found the German products cutting into the trade monopoly they had so carefully cultivated for themselves in China, particularly Shanghai. Even the advent of World War I and the trade embargoes that followed did little to stem this demand, as German silk manufactures continued to pour into neutral ports, smuggled in under the name of false companies.\footnote{Consular Report to Office of Naval Intelligence, 11 February 1917, \textit{National Archives, Washington D. C.} (hereinafter cited as \textit{NARA}), RG 45, Entry 520.} Despite the demand for such quality products, the efforts of the DCSIG, much like those of the SBG, to establish a profitable and modern European-style industry in Tsingtau fell short of its investors’ expectations. This was largely because production costs were 25 percent too high, resulting in prices 40 percent higher on average than many of the DCSIG’s competitors.\footnote{Schrecker, \textit{Imperialism and Chinese Nationalism}, p. 230.} In 1908, Chancellor von Bülow proposed the \textit{Reichstag} provide a subsidy to support the company, but the measure ultimately failed due to charges of gross financial mismanagement by some of the company’s principal shareholders.\footnote{German Finance Minister to \textit{Auswärtiges Amt}, 28 October 1907, \textit{BA}, R 85/1214, and Meyer-Waldeck to \textit{RMA}, 31 October 1912, \textit{BA-MA}, RM 3/6917.} As a result, the DCSIG’s board of directors brought in a consortium of rich Chinese businessmen to save the company.\footnote{\textit{Ostasiatischer Lloyd}, 17 December 1909.} The DCSIG now became a combined German-Chinese venture, and would remain dominated by the new Chinese investors until Japan took over the corporation after World War I.

Although two of the largest industrial undertakings in Tsingtau were unable to realize the financial success that the navy, imperialists, and the commercial community had hoped for, many German industries did find considerable financial success. These
companies fared much better primarily due to the fact that they were smaller and catered to more specific markets where the competition was not nearly as fierce. The most important, most profitable, and certainly most significant projection of Germany’s global reach was the beer company, the Anglo-German Brewery Company, which would, over time, become the Tsingtao Brewery Corporation, the name by which it is known today. The first European-style brewery in Asia, the company was established in 1904 with its headquarters in Shanghai (to circumvent Leasehold regulations that required any capital venture to offer large-sized shares to the public) by treaty-port denizens from multiple nations. The brewery shipped the first cases of “Germania” in 1905, and the beer quickly became popular in the Leasehold and across the Far East, with its only real competition coming from well-known European imports. The beer even achieved something of a following abroad, with profitable sales in the United States and throughout Europe.462 The company continued to grow steadily throughout the life of the colony, and always generated excellent returns for its investors.463

In addition to the brewery, all the building trades, including raw material production such as timber, quarries, and brickmaking, were remarkably successful, owing to Tsingtau’s rapid growth. Such industries were in particularly high demand in the European section of the city as well as along the beachfront where numerous hotels and tourist-based businesses were located. The German construction firms quickly earned an excellent reputation for the quality of their work, and were in high demand not

462 North China Herald, 8 February 1907 and Denkschrift 1907-1908, Staatsarchiv-Bremen, 3-R.1.g.5.
463 According to the 1905-1906 Denkschrift, in its first year the brewery generated a 7% dividend. Between 1906 and 1913, dividends fluctuated between 7 and 9%; Denkschrift 1907-1908, ibid. and Seeleman, Social and Economic Development of the Kiaochau Leasehold, p. 292.
only in Tsingtau, but also throughout the Leasehold and China to build German- and European-style buildings. Other successful industries established in Tsingtau included a privately-owned shipyard, a salt works, machine shops, an automobile repair shop, print shops, a soap factory, a tannery, a pottery factory, a soda water company, two albumen companies, and a slaughterhouse and sausage factory, for which Krupp provided state-of-the-art equipment. Straw braid also prospered as an industry in Tsingtau, particularly in the later years of the colony as straw hats, long a favorite in Germany and Europe, became increasingly popular in China following the 1911 revolution. Although Europeans—both British and German entrepreneurs opened shops using straw braids deemed unsuitable for export—were responsible for establishing the straw-hat industry, the local Chinese population continued to dominate the production of straw braid, largely maintaining it as a cottage industry in the Leasehold. Sensing a profitable marketing opportunity, the Singer Sewing Machine Company established a branch factory for the production of its machines, emphasizing their ability to produce excellent quality straw braid goods.464

Additionally, in 1912 the Leasehold government supported the establishment of a straw hat factory that opened under German management, but with joint investment from German businessmen and wealthy former Chinese officials; most of the foreign capital came from two German merchants that manufactured straw hats in Bavaria.465 This shared German-Chinese venture represented the first and, by virtue of its establishment

464 *Bericht der Handelskammer zu Tsingtau für das Jahr 1911*, *BA-MA*, RM 3/6732.
so close to the start of World War I, only general manufacturing company in Tsingtau with the financial backing of investors from both countries, despite the duty-free advantages offered on the export of goods manufactured in Tsingtau. That it was the only capital venture of this type had more to do with German corporate laws that required the issuance of large shares to investors (usually 1,000 marks) than any problems that such an undertaking might have encountered in establishing a manufacturing plant in the colony.\textsuperscript{466} The late date of the foundation of this company speaks to the consistency of Tirpitz’s vision of a German Hong Kong, as he continued to push the advantages that the colony provided for ventures that specialized in the manufacture of raw materials produced directly within the Leasehold.\textsuperscript{467} Nevertheless, the straw braid industry, as well as silk and glass-making, were the most significant entrepreneurial endeavors—encouraged and supported by the colonial administration—on the part of the native population that further spurred the growth of the German colony.\textsuperscript{468}

Although Tsingtau experienced steady growth in industry and commercial activity during the mid and later years of the German occupation, the examples of the SBG and DCSIG reveal that such increases were uneven in the initial years after the agreement of the 1899 customs treaty. By 1904, it became clear to colonial leaders that they would not reach the level and type and industrial development they initially

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\item \textsuperscript{466} Seeleman, \textit{Social and Economic Development of the Kioachou Leaehold}, pp. 285-294 \textit{passim}, offers an excellent overview of German laws governing the establishment of industries and their financial investments and the impact such laws had on the industrial development of the Leasehold.
\item \textsuperscript{467} Tirpitz to \textit{Auswärtiges Amt}, 28 September 1906, \textit{PA-\textit{AA}}, Peking II 1213.
\item \textsuperscript{468} IMC, \textit{Decennial Reports}, 1892-1901, pp. 94-96 and \textit{Decennial Reports}, 1902-1911, p. 250. This list of the various industries and businesses was also generated from the \textit{Adressbuch Deutschen Kiautschou-Gebiets, Tsingtau, 1907-1908}, \textit{QMA}, B0001-09-08-03.
\end{itemize}
\end{footnotesize}
expected. While the 1903 commercial register for Tsingtau recorded 51 private companies, nearly all these enterprises depended on government subsidies on some level to survive. Of these 51 ventures, six of them (12%) had declared bankruptcy.\(^{469}\) Private investment failed to take off, and exports and imports numbers were lower than predicted. Consequently, visions of Tsingtau as a prominent trading center began to shift. It was no longer viable to believe Tsingtau would achieve financial success through the import and sale of expensive European goods in the Far East and the export of exotic foreign products and cheap raw materials to Europe. Rather, the commercial community and colonial leaders began pushing a policy that Wilhelm Schrameier articulated in 1910 when he looked back at this early period in Kiaochow’s history:

> The thought of taking advantage of the decay of China is completely against anything Germany desires. Germany must embrace her trade interests. Germany is a power [in China] and has to guard her trade and industrial interests in China, and to develop them further. What we need for this trade is a prosperous, rich China; a country which finds increased prosperity in steady development. We do not need a country which hovers on the brink of ruin...This need then dictates the position of Germany with respect to China: Germany will, and must, be anxious to help the Chinese by all possible means.\(^{470}\)

In response to this change in vision for the German colony, Ernst Ohlmer sought, as early as 1903, to revise the 1899 customs agreement. Ohlmer’s aim in doing so was to draw Chinese import and export traffic to Tsingtau from other parts of Shantung and northern China. According to Ohlmer, the original tariff agreement made it impossibly difficult for Chinese traders, save for the largest trading houses operating on government contracts, to establish themselves in the colony. Therefore, he proposed restricting the


\(^{470}\) Schrameier, “Reformbestrebungen und deutsche Kultureinflüsse in China,” p. 808.
duty-free exemption granted goods entering the port of Tsingtau, a move that would effectively end any special provisions granted to German trading firms. Such a proposal certainly won the favor of Chinese merchants, who believed this would lower the costs of trading in Tsingtau, whereas the larger German companies already established in the Leasehold (particularly the SEG and the SBG) strenuously objected to this loss of favorable circumstances.

Nevertheless, the lack of success of the original plans for economic growth in Tsingtau made it necessary for the government to consider new possibilities. After the completion of the Tsinan-Tsingtau railway in 1904 and the harbor in 1906, the colonial government needed to show some level of economic success, more so than it had previously. The support of the German trading houses, hoping to benefit from a revival and increase in trade in the colony, for the proposals of Ohlmer and Chinese merchants won over the Leasehold government. As a result, in early 1905 Ohlmer began negotiations to revise the customs agreement. By the end of the year, the colonial administration had agreed to a revised customs agreement, whereby Tsingtau would no longer be designated a free port; in return, Tsingtau would receive a 20% share of the duties collected by the customs office. This new agreement represented a key shift both in terms of Tsingtau’s economic policy and in the navy’s and commercial leaders’

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471 Ohlmer to Freiherr Conrad von der Goltz, Chargé d’Affaires, 5 May 1903, BA, R 9208/1249.
472 For the support of Chinese merchants, see, “Eingabe chinesischer Kaufleute an die Handelskammer,” June 1904, ibid. For the response from German companies, see Truppel to the German Ambassador in Peking, Alfons Mumm von Schwartzenstein, 29 December 1903, ibid.
474 Friedrich Wilhelm Mohr, Handbuch, pp. 309-312.
visions for making Tsingtau into a German Hong Kong. After eight years of trying to implement a model that focused more directly on supporting solely German endeavors, colonial and business leaders increasingly turned their attention towards cooperating more fully with the native population.

As a result of the new customs treaty and the shift in focus towards integrating Tsingtau more fully into regional commercial activity and the expanding commercial networks across the Far East, Chinese merchants came to play a far greater role in trade in the Leasehold’s interior. This development pleased the Imperial Navy, as it pointed out “all experience of European trade in East Asia shows that the development of a place on the China coast is fundamentally dependent upon the participation of the native merchant community…Therefore, as the navy has always said, the development of a lively and wealthy Chinese merchant group at Tsingtau will be of a clear benefit to German businessmen as well.”475 As the success of Chinese merchants and traders drew more foreign investment into the colony, the navy expressed great pride that “the most significant firm of the China trade” had arrived in Tsingtau and that “it is a good indication of the growing economic importance of Tsingtau that more and more foreign capital participates in the growing commerce.” The colonial government saw such commercial activity as “a positive factor in the opening of the colony and its hinterland, for it will also indirectly serve the development of German commerce and industry.”476

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475 Denkschrift, 1905-1906, Staatsarchiv-Bremen, 3-R.1.g.5.
476 Denkschrift, 1906-1907, ibid.

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The colonial administration’s efforts to attract more local and foreign trade to Tsingtau paid off handsomely. As a result of the greater involvement of Chinese merchants and businessmen, commerce and business activity began a spectacular growth in Tsingtau, particularly upon completion of the railroad in 1906. By the end of 1907, Tsingtau had collected nearly 935,000 taels (approximately 2.8 million Reichsmarks) in customs duties, making the city the seventh largest port in China.\textsuperscript{477} Commercial firms were now exporting many of the manufactured goods produced in the colony and Shantung from the port of Tsingtau to many of the wealthy and prosperous cities in southern China and the Far East.\textsuperscript{478} Particularly valuable exports for both the national and international markets included silk (raw and manufactured), fruit, cabbage, and emerging industries in peanut products, straw braid, and related manufactured goods; in 1907, the value of such exports reached over 10.5 million taels (31.5 million Reichsmarks). Key imports into Tsingtau were cotton, petroleum, sugar, dyes, and matches; domestic imports included wool, paper, and rice, the overall value of which totaled over 16 million taels (48 million Reichsmarks).\textsuperscript{479} Trade values continued to increase every year, especially after 1907, which represented something of a banner year in terms of annual growth.\textsuperscript{480} At the end of 1910, Tsingtau ranked behind only Shanghai, Canton, Tientsin, and Hankow in terms of the value and volume of trade passing through its harbor.

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\item[477] IMC, \textit{Returns, 1907}, p. 4.
\item[480] “Statistik für das Gouvernement Kiautschou (1897-1913),” in Leutner and Mühlhahn, \textit{Musterkolonie Kiautschou}, pp. 379-380.
\end{footnotes}
Due to the increased trade at Tsingtau’s port, the colony saw a flood of commercial firms establishing offices there. Initially, the vast majority were Chinese and German firms, although companies headquartered in France, Great Britain, the United States, Russia, and Japan also set up branches in Tsingtau. By 1911, Ohlmer reported that “most of the large China firms—German, English, and French—have now established branch houses or have agents here.”481 As the Chinese had nearly a monopoly on trade in Shantung’s interior, German companies generally focused on products that were in high demand within Tsingtau and the Leasehold.482 As it became easier to reach Tsingtau via road, rail and sea, larger firms from China and abroad also came to the colony, with an especial interest in boosting regional trade. In 1906, the United States appointed Wilbur T. Gracey to lead the first foreign consular office in Tsingtau (a significant and important feature of the other treaty ports), with the other major powers following suit soon thereafter. In 1907, as Chinese merchants continued to play a leading role in the leasehold’s trade, the members of the three largest trading guilds—the Jiran, Sanjiang, and Gunagdong Guilds—in the region built an impressive joint guild house in Tsingtau. Bolstered by the success of the joint guild, in 1909, the firms formed their own Chamber of Commerce (Handelskammer) based on German and European models.483 In 1913, the Tsingtau Chamber of Commerce added to its roster the Changyi and Haiyang guilds, both of which represented Chinese merchants primarily involved in international trade. The Chamber of Commerce and its associated guilds

481 IMC, Decennial, 1902-1911, p. 238.
482 For more on these developments, see the section on industry above and related sections on the establishment of the port facilities in Chapter III.
maintained an excellent relationship with the provincial government in Tientsin and, as such, were able to exert considerable influence on trade policy as it pertained to the Leasehold.484

This overall positive growth of commerce at Tsingtau certainly fulfilled the expectations of colonial, business, diplomatic, and naval leaders in China, and represented a special triumph for the navy, which had prioritized this goal from very early as a part of its justification for a German colony in China. Nevertheless, the German vision for Tsingtau’s economic success had its shortcomings. This was especially true in the case of the number of shares of German products imported into the colony, the one aspect of trade that most directly benefited Berlin. Although it is difficult to ascertain exactly where imported goods originated, German products generally accounted for 6 to 8% of all goods imported into Tsingtau. These German wares garnered approximately 3-4% of the market share in the Leasehold proper and Shantung more broadly. In both cases, these values were slightly higher than those for all German goods imported into to China.485 Since the Navy’s vision for Tsingtau was based primarily on the growth and development of Tsingtau, Germany’s relatively minor share of the colony’s trade did not represent a major disappointment. Rather, the Reichsmarineamt trumpeted the widely positive and continual growth of the volume of commerce coming into port, a point of proud emphasis in the annual Denkschriften.486

The navy derived such satisfaction in part because its leaders recognized that a high

484 See, for example, Truppel to Tirpitz, 15 March 1909, BA-MA, RM 3/6761.
485 Schreker, German Imperialism and Chinese Nationalism, p. 305, n. 95 and 96.
486 This is perhaps best captured in Denkschrift 1906-1907, Staatsarchiv-Bremen, 3-R.1.g.5.
volume of business meant that trading firms and shipping companies, the types of business whose shared interests and success were of great importance to the colony, were realizing great profits. Even more important, the Imperial Navy viewed the continued increase in trade as the ultimate proof and vindication that Tsingtau and the Leasehold had indeed become a success, equaling and even surpassing the British (and, to a lesser extent, the Kolonialamt) in its ability to develop and run a viable and commercially successful colony: Tsingtau was fast becoming the German Hong Kong that so many Germans ardently desired.

Though the Navy was quite pleased with this success, some leaders in Berlin were decidedly less so. Although they recognized that Tsingtau was seeing growth and increase in trade, little of this affected Germany’s bottom line: millions of marks were being funneled to and invested in the colony, and the empire was seeing a relatively minimal return in terms of profits. This was a point of particular emphasis by members of the Social Democratic Party (SPD), who generally opposed imperial ventures, preferring to focus on issues much closer to home. Leading SPD members, such as Mathias Erzberger, criticized the developments in China, expressing, “I do not deny that the imports and exports have risen sharply in the port, but this has not been to our [Germany’s] benefit. For all the money that we have spent on Kiaochow, much of it has been spent entirely for the advantage of the Japanese and the Chinese.” As a result, the SPD and their allies repeatedly called on the German government to abandon the colony.

487 Stenographische Bericht über die Verhandlungen des Reichstages, 1908-1909, 21 March 1908, p. 4175.
and return the Leasehold to China.\textsuperscript{488} Members of the German business community, still smarting from the 1905 revisions to the customs agreement that put Chinese and foreign firms on a more equal footing with German companies in the colony, echoed of the SPD’s criticisms. They argued that the colonial government needed to do more to support German merchants and businesses and prevent the Chinese and Japanese from stealing the profits they desired. In an opinion piece for \textit{Ostasiatischer Lloyd} in 1909, an unnamed business leader reminded his readers, “the economic basis of the colony lies in the trade with German goods produced and sold by German businesses. The lion’s share of this now is with the Chinese.” Consequently, he exhorted, “it is the duty of the merchants and companies to urge the government to use caution and restore the privileges we once had…the time is now!”\textsuperscript{489}

Despite the discontent expressed by some of the parties directly tied to the colony’s success, Tirpitz was able to deflect any criticism and secure continued support for the navy’s way of managing the colony. In addressing the Reichstag following one of the many debates on state support for the colony, Tirpitz told the assembled representatives, “in my opinion, and that of the \textit{Reichsmarineamt}, the economic development of Tsingtau has proceeded much faster than expected. Just yesterday I informed his majesty [Kaiser Wilhelm II] that, after fifteen years of existence, the British

\textsuperscript{488} On the debate, see, for example, August Menge, “Kiautschou,” in \textit{Preußische Jahrbücher}, 128: 2 (May 1907), pp. 288-295.

\textsuperscript{489} \textit{Ostasiatischer Lloyd}, 18 June 1909.
still debated whether they should abandon the island [Hong Kong], while Tsingtau, after only eleven years, is now one the most prominent treaty ports in all of China.  

By the time Tsingtau and the Kiaochow Leasehold fell to a joint British-Japanese military force in late 1914, Tsingtau had grown from an isolated fishing village into a major port and leading industrial center in China. Between an efficient administration and up-to-date facilities for transportation, communication, and banking, industry had begun to flourish. Although many of the navy’s original plans for industry in the colony did not reach fruition, Germany investment in the colony was trending in a positive direction. German goods and services from Tsingtau were some of the finest available and were in high demand locally and abroad. Germans themselves generated profitable returns in multiple industries, foreign investment and trade was on the rise, and the Chinese population also actively participated in the colony’s commercial and industrial development. While not every capital venture was a financial success, German investors, with their capital, skills, personnel, equipment, and international connections, brought a particular vision of economic modernization to Tsingtau that had legacies in the city’s history and identity. Indeed, by 1931, the last full year before war with Japan began, Tsingtau had grown into the fourth most important port in China.  

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491 Schrecker, Imperialism and Chinese Nationalism, p. 258.
CHAPTER VI
CREATING GERMAN IMPERIALISTS: THE EDUCATION OF, AND
CULTURAL INFLUENCE ON, TSINGTAU’S RESIDENTS

On 25 October 1909, eighty-five Chinese males aged thirteen to eighteen attended the opening ceremonies for the newly constructed Deutsch-Chinesische Hochschule (German-Chinese College) in Tsingtau. Selected from more than two hundred nominees from across China, these Chinese youths would constitute the first class of students at what the Naval Colonial Administration hoped would become the crowning achievement in the educational development of the leasehold, and the keystone in the education of Chinese elites in the German sphere of influence. The opening of an advanced school would thus further the plans of the naval administration in creating a different type of colony from those established elsewhere in Germany, a German Hong Kong that was more in line with a liberal, commercial settlement in which native elites would play a prominent role in the life of the colony and be stronger advocates for German interests in China and the rest of East Asia. After some initial difficulties bringing some of the “foreign” teachers in line with the school’s mission, the college began to flourish, marking a further step in the transformation of Tsingtau into the cultural and commercial center that many Germans in East Asia envisioned.

This chapter explores the origins of the German-Chinese College and its establishment as an excellent example of the German colonial project in China writ large. The lens of education provides one of the best examples of the shift in colonial policy towards Bildungsauftrag and of bringing the German Hong Kong model to bear.
Within that vision, however, existed considerable tension. At one level, there existed Sinophile Germans that believed the only way Tsingtau could surpass Hong Kong was by creating a Chinese elite capable of moving between both cultures and defending German interests in China and the Far East. At the same time, however, persistent fears of the “Yellow Peril” and doubts about a decadent and deteriorating ancient culture empowered a seemingly stronger group that wanted to foster a local elite that could help with the tasks necessary to keep the colony going, but little else. Not only was this anxiety racially based, but cultural as well. From the type of instruction offered, to who should attend each school, and what career paths students should pursue, no policy decision came without debate, protest, negotiation, and compromise. This chapter shows that the college was an integral part of the local administration’s vision for Tsingtau and that it represented a logical and crucially important advancement in the growth of the colony and the development of an imperial elite that would help further German interests abroad.

Although formally established in 1908, the roots of the German-Chinese College date back to the establishment of Tsingtau as a Germany colony, as a result of the successful creation of a number of lower-level schools within the German sphere of influence. From traditional Chinese clan schools to elementary, missionary, and trade schools, the educational system in the Leasehold flourished. In many cases, missionary groups, such as the Weimar and Berlin Missions, originally founded these schools, but, over time, the colonial government gradually assumed control. As a result, the naval government reduced the emphasis on the teachings of a specific Christian faith—these
lessons were left to extracurricular activities—and instead sought to expand the overall curriculum and rigors of the academic content, in order to give the native population “a good education in the Chinese classics, within the framework of a thorough German education system.”492

From the earliest days of the colony, the naval administration gave considerable attention to the education of its residents, supporting the establishment of numerous lower-level schools. To administrators in Berlin and Tsingtau, a commitment to education was key to progress and prosperity, as it would foster a new generation of colonial leaders that would perpetuate the colonial leadership’s vision of a German Hong Kong. That the Chinese shared this view and had a long tradition of education led the naval administration to see vast potential in the local populace, so long as this ancient tradition could be closely tied to a more “advanced” German system of education. As a result, the naval government embraced providing a variety of education opportunities and alternatives for the local Chinese and German expatriate populations to choose from. In spite of the naval government’s wishes, however, it had to contend with the sinophobic sentiments of the merchant and middle classes, as well as the increasingly racist attitudes of German colonists.

According to a special supplement to the 1906 Denkschrift, early efforts to acquire financial support for creating a unified system of formal education fell short, despite the fact that leadership within the leasehold realized very quickly the benefits of such a plan. The reluctance to commit large quantities of money and resources partly

492 Reichstag, Denkschrift, 1900-1901, p. 2894, BA, R 1001/6548.
stemmed from the fact that there appeared to be little demand for developing the existing educational structures. Early surveys taken of the population indicated a sufficient number of traditional temple and clan schools were in operation to tend to the local population. Of roughly 246 clan, family, or temple schools that existed at the time of the this Denkschrift, 175 had been established within the first eight years of the colony’s founding. Nevertheless, as the Chinese Empire began to change in response to its domination by the West as well as the realization that the once-proud kingdom had fallen into disarray, calls for new methods of learning and teaching in the government schools began to grow increasingly loud. The leasehold government was certainly willing to recognize these demands and responded by establishing schools that turned away from a heavy emphasis on rote memorization of classical Confucian texts.

The first such school that offered a German-style education to Chinese students was established within the first year of the German occupation of Tsingtau. Although established by the colonial government, the school was placed under the aegis of the Berlin Mission, one of the missionary organizations that had a strong presence in Shantung for several decades prior to the German seizure of Tsingtau. The type of learning that took place in this German-Chinese school was relatively basic and limited, as the colonial administration founded the school for pragmatic reasons. Needing members of the native population to act as go-betweens with Chinese officials as Germany began to consolidate its presence in the Leasehold as well as to acclimate mid-level workers to the demands of German and standards of German employers,

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493Denkschrift, 1905-1906, Staatsarchiv-Bremen, 3-R.1.g.5.
establishing some sort of a school for this type of training made great sense. Classes offered at the school, then, were held in German, and were designed specifically to “discipline [the Chinese]…and train translators for the Imperial Navy and colonial government.” Although limited in its scope and methodology, establishing a school of this type so early in the colony’s history provided an important foundation for the development of a variety of opportunities for the Chinese population to receive an education.

As the colonial government wished to provide the local Chinese population with a variety of choices when it came to developing the colony and the province of Shantung, abandoning the old style of education and replacing it with something new seemed to fit well with German interests. The need to develop a new system of learning meant that more “modern” theories of education could be introduced, something which Germany had become a leader in over the latter part of the nineteenth century. There existed considerable space, then, to introduce the local Chinese to German customs, traditions, practices, ideas, views, and interests. Nevertheless, the change to a German-style form of education was implemented slowly, initially only at the most basic and elementary levels before seeing wider application in the years after 1905.

Initially, much of the impetus for building schools and educating the Chinese came from the strong missionary presence in Shantung, particularly the Weimar, Berlin, and Steyl (SVD) missions. These religious organizations were responsible for the

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establishment of schools prior to the colonial administration’s decision to make education a point of emphasis in the Leasehold, providing the structure upon which the colonial leaders built. Although the Catholic SVD remained committed to its stated goals of providing Christian instruction and conversion, the missionary leadership of the two Protestant organizations placed a reduced emphasis on teaching the Christian faith, instead focusing on secular training.\textsuperscript{495} Of the two, the more liberal Weimar Mission made the largest contribution to secular education. Founded in 1884 by theology professors and pastors, the Weimar Mission (officially the General Evangelical-Protestant Missionary Association, the \textit{Allgemeiner Evangelisch-Protestantischer Missionsverein}) was a liberal, nationalistic religious organization that sought “to distance [itself] consciously from the dominant ‘Pietistic’ strand of the [Protestant] missionary movement in Germany.”\textsuperscript{496} Rather than follow the lead of the other missionary groups in Shantung and the Leasehold by actively pursuing conversion to Christianity, the Weimar Mission adopted the Jesuits’ tactic of seeking influence through educated Chinese elites. Consequently, members of the Weimar Mission focused their efforts on developing strong ties with Chinese literati, translating notable European and American works of literature, and, most importantly, providing secular education to the children of high-ranking elites and those in prominent social orders. In putting its educational values into practice, the Weimar Mission concentrated its efforts on

\textsuperscript{495} While Bishop Anzer and the Steyl Missionaries did recognize that religious instruction should be voluntarily as they established their schools in the Leasehold, these institutions nonetheless continued to emphasize Christian education as a means to conversion; Leutner and Mühlhahn, \textit{Musterkolonie Kiautschou}, p. 431.

\textsuperscript{496} Steinmetz, \textit{Devil’s Hanwriting}, p.479. The Weimar Mission would later change its name to the \textit{Ostasienmission}, and today is known as the \textit{Deutsche Ostasienmission}. 
establishing lower-level elementary schools in the colony. While these schools stayed close to the traditional five-year Chinese curriculum, the coursework also provided for German language instruction for the last two years of study.\textsuperscript{497} 

The Weimar Mission was active in the education of the colony’s residents nearly from the outset of the German occupation of the Leasehold. Upon the establishment of the mission’s station in October 1898, the mission’s founder, Dr. Ernst Faber (a well-known sinologist and botanist in addition to his service as a missionary), worked closely with the colonial government to develop and improve the quality of life in the colony. In addition to establishing the first grammar schools, Faber was also responsible for setting up the first medical facility in the colony, a field hospital to help treat highly infectious diseases such as cholera and dysentery. Although Faber ultimately succumbed to an outbreak of cholera in 1899, he left behind a valuable legacy to Tsingtau and a lasting influence upon his successor, the sinologist, theologian, and educator, Richard Wilhelm. Under Wilhelm’s leadership, the Weimar Mission would continue to play an active role in the colony, particularly in the realms of health and education.

In addition to the Weimar Mission, the Berlin Mission was also a major player in providing educational opportunities in Tsingtau and the Leasehold. While the Berlin Mission was also of the Protestant/Lutheran confession, it was less of a “high church” organization. Instead, the Berlin Mission chose to focus on evangelizing and proselytizing to non-Christians in lower social orders. In addition to ministering to the

native Chinese, the Berlin Mission’s members were heavily involved in teaching, and were some of the first educators in the Leasehold after the German occupation, first arriving in Tsingtau on 15 April 1898. Initially, the Berlin Mission had a close relationship with the naval administration, as they helped satisfy a major demand for interpreters. Not only did the missionaries themselves serve as interpreters, but they also trained local Chinese to fill this role as well. As a result, control of the first “Chinese school” established by the colonial government passed into the hands of the Berlin Mission. Colonial leaders were quite generous in providing land to the mission for all of its hard work in training interpreters and serving as chaplains and pastors for Protestant soldiers and civilians in the colony. The Berlin Mission used this land not only to build additional schools and housing for teachers (both Chinese and German), but also the first church in Tsingtau for Chinese Protestants, completed in 1899.498

While the Berlin Mission played an especially prominent role in education in the leasehold in the first years of Germany’s official presence in China, its influence with the government began to decline in favor of the Weimar Mission. This was the case primarily because the Berlin Mission continued to emphasize conversion and the Protestant faith, while the Weimar Mission continued to focus on secular training and education. As the Berlin Mission began to deemphasize the training of interpreters in the Chinese School, the colonial government expressed its clear displeasure, telling its supervisors in Berlin that, “the government, which is not agreeable to this, will monitor

the situation and will, perhaps, start a second government school again,” and perhaps even withdraw full support of the Mission if matters did not improve. Somewhat chastened by these threats, the Berlin Mission did return to a greater emphasis on secular language training, although it was never able to recover fully from the rift with the government that had already started to form. Although the Berlin Mission continued to build and develop its own schools, the leasehold government slowly began to shift its support to the Weimar Mission, particularly in terms of the educational opportunities offered in Tsingtau, something the missionaries of the Berlin Mission was glad to leave to their Lutheran brethren.

Even as the Berlin Mission’s influence waned, it continued to build schools and develop its educational institutions. By 1912, the mission had established a seminary, a Gymnasium, eighteen elementary schools, and a kindergarten in addition to other less formally organized schools. At this time, the Berlin Mission’s seminary had produced ten graduates from its seminary, twenty-three Chinese teachers, and counted 423 members of the native population as its students. While these schools were a crucial part of the educational choices available in Tsingtau, Due to its reduced influence with the colonial government, the Berlin Mission chose to focus the majority of its endeavors in education to areas outside the Leasehold’s borders, working closely with native residents in Shantung and other parts of northwestern China.

499 Von Duerr to Reichsmarineamt, 6 September 1899, BA-MA, RM 2/60994.
500 Tsingtauer Neueste Nachrichten, 10 February 1912.
501 Ostasiatischer Lloyd, 23 June 1911.
The Weimar Mission further contributed to local education by opening the *Deutsch-Chinesisches Seminar*, a *Gymnasium* for boys, in 1901. Headed by Richard Wilhelm, the Seminar emphasized secular education, making it its mission “to give students a good education in the Chinese classics, within the framework of a thoroughly German education system.”\(^{502}\) The Seminar further united the Chinese and German educational models by adopting the curriculum laid out by the provincial government.\(^{503}\) The instructors for classes in Chinese, math, physics, and chemistry were Chinese, whereas Germans taught German, philosophy, geography, and history. Students were divided into one of two tracks: the technical-mercantile branch or the civil service branch. The former track focused more heavily on practical application and experience, although students were expected to receive training in reading and writing Chinese, German, and (in rare cases) English. Basic mathematics, as well as geography, and practical science were also taught. The civil service track emphasized preparation for the annual provincial exams given at the provincial capital of Tsinan. High marks in these exams would qualify a student for further education at one of the institutions of higher learning in China as part of their training to enter the Chinese civil service. The coursework was similar to that of the technical-mercantile branch, but emphasized additional language training, as well as more theoretical studies of history, Chinese philosophy, and advanced mathematics, science, and geography.\(^{504}\) By 1905, a number of students were taking, and passing, the provincial exams.\(^{505}\) Additionally, the Seminar

\(^{502}\) Reichstag, Minuten 1900-01, 2894, BA, R 1001/6548.

\(^{503}\) Deutsch-Asiatische Warte, 20 September 1902.

\(^{504}\) Ibid.

\(^{505}\) Denkschrift, 1905-1906, Staatsarchiv-Bremen, 3-R.1.g.5.
provided training for those students who did not wish to follow either track, but instead wished to teach in the colony’s elementary schools. Very quickly, the Seminar achieved a strong reputation within the Leasehold, Shantung, and much of northwestern China. In relating her personal experiences as a teacher at the Seminar, Luan Baode remembered that many prominent Chinese officials and elites sent their sons to the Seminar to receive an education.\footnote{Luan Baode, “Fragments of Memories of the Schools Founded by Germans in Qingdao,” in \textit{Selected Materials on History and Literature}, volume I, (Jinan, 1981), pp. 225.} Much like the other schools founded in this early period of the colony, religion was noticeably absent from the curriculum.

In devoting so much effort and attention to a curriculum that emphasized an education in traditional Chinese disciplines, Wilhelm asserted that the exchanges between European and Chinese cultures should not be thought of as just the transmission of a “more advanced” European system of thought and understanding of the world, but rather as “an appropriation of our thinking and inner life, both religious and scientific…[with all the] contradictions and insufficiencies” that might entail.\footnote{Wilhelm, “Unser deutsch-chinesisches Seminar,” p. 10.} As for instruction in Chinese, Wilhelm found the language one of the “most significant literary languages,” filled with cultural importance and a valuable tool for learning. As a committed Sinophile who found Chinese traditions and history to be worthy of admiration, Wilhelm believed that the Chinese language was a crucial element in the development of the state and culture, describing the Chinese script as “the containers into which a highly gifted people has placed its entire mental labor and the best works of its soul for millennia.” While Wilhelm recognized that the most beneficial exchange was

\begin{footnotesize}
\footnotetext{507} Wilhelm, “Unser deutsch-chinesisches Seminar,” p. 10.
\end{footnotesize}
infusing German culture into Chinese culture, he also praised those Germans who were willing to place their children into the local village schools, where they could obtain an excellent foundation in subjects like the teachings of Confucius.\textsuperscript{508}

As the Gymnasium began to grow, Luan Baode recalled how Wilhelm had devised a highly sophisticated program of cultural exchange and interaction, even going so far as to prepare necessary textbooks for instruction in subjects like German, history, and philosophy that would help the students further integrate the Chinese and German cultures.\textsuperscript{509} In this way, Wilhelm attempted to elucidate a different form of cultural imperialism that was subtler and less direct than those espoused by his contemporaries. Wilhelm’s belief in the value of Chinese culture ultimately led the colonial scholar and writer Paul Rohrbach, the former Settlement Commissioner for German Southwest Africa (1903-1906) who had come to Tsingtau in 1908 as an unofficial “cultural missionary,” to help Wilhelm establish a Gymnasium for Chinese girls in Tsingtau, the Schu-Fan (Shufan) School, in 1910.\textsuperscript{510} Much like the German-Chinese Seminar, the curriculum at the Schu-Fan School represented a combination of Chinese and German subjects, with learning in both languages, and was aimed at the daughters of members of the local Chinese elite. Furthermore, the Schu-Fan school sought to provide its students with a “model for womanhood” — an idea communicated even by the choice of name for

\textsuperscript{508} Ibid., p. 8-10.
\textsuperscript{509} Luan Baode, \textit{Fragments of Memories}, pp. 227-228.
\textsuperscript{510} An ubiquitous figure in German colonial affairs, Rohrbach repeatedly appears in Germany’s colonies in Africa and China, as well as other regions of German imperial interests. He is, as George Steinmetz argues, an emblematic figure in the story of German imperialism in the late nineteenth and early twentieth centuries and the myriad discourses about how Germany should pursue empire and establish itself as an Imperial Power. For more on his life and career, see, Steinmetz, \textit{Devil’s Handwriting}, pp. xiii-xvii, and Paul Rohrbach, \textit{Um des Teufels Handschrift} (Hamburg: H. Dulk, 1953).
the school—and to train especially talented and intelligent girls to become teachers for schools both inside and outside the Leasehold.\textsuperscript{511}

Although the Weimar and Berlin Missions established many of the first schools in Tsingtau and the Leasehold, missionary leadership generally placed a reduced emphasis on teaching the Christian faith, instead focusing, for the most part, on secular training. Even as the Berlin Mission came to develop a more religious bent in its curricula, both missions sought to provide the Chinese with a broad basic education.\textsuperscript{512} This made it easy for the local government to adopt the curriculum of these schools and expand the rigors of its academic content as the missionary presence dwindled and control over the schools passed into its hands around 1905. Whether students attended the Gymnasium run by the Berlin or Weimar Mission, they found considerable success passing the examinations required for further education or additional training. While the students that passed these exams could choose where they wished to go after graduation, a fair number remained in the leasehold to continue their studies or find employment.\textsuperscript{513}

As the naval administration became more involved in education in the Leasehold, it continued to develop schools with rigorous curricula and training for the local population. By supporting this plan to introduce the Chinese to German-style education, colonial leaders acted not just from sinophilic interests, but also because many Chinese


\textsuperscript{512} Wilhelm, “Unser deutsch-chinesisches Seminar,” p. 8.

\textsuperscript{513} \textit{Denkschrift 1904-1905}, Staatsarchiv-Bremen, 3-R.1.g.5.
youths in Tsingtau acquired a strong command of German very quickly.\textsuperscript{514} Despite occasionally strong opposition to its policies from merchants and low-level government officials stationed along the Chinese coast, the naval government found success enacting its educational policy. From organizing traditional Chinese clan schools to building elementary, missionary, and trade schools, the educational system flourished. While the course-work in the lower-level elementary schools still remained close to that of traditional Chinese schools, the naval administration had strong interest in making this type of basic education readily available. The colonial government opened the first of these grammar schools in 1905 and established twenty-seven more schools of this kind between 1905 and 1914.\textsuperscript{515}

Although the majority of the teachers in these new schools were Germans who had received their training either in Germany or at the German-Chinese Teaching College that the Weimar Mission established in Tsingtau, older Chinese teachers who specialized in the Chinese classics and had strong reputations for their knowledge of Confucianism also supplemented their ranks. The Weimar Mission put such a system into place largely to help both the new schools and the young teachers gain greater acceptance from the sometimes skeptical native populace about the new methods and curriculum that had been instituted.\textsuperscript{516} Over time, however, those with more sinophilic interests used this mixed education system to advocate for greater synergy between

\textsuperscript{514} Reichstag, \textit{Minuten 1900-01}, p. 2894, \textit{BA}, R 1001/6548.
\textsuperscript{516} Wilhelm, “Unser deutsch-chinesisches Seminar,” p. 5; \textit{Tsingtauer Neueste Nachrichten}, 31 March 1912.
Chinese and German methods of education as they called for the joint education of both Chinese and Germans in institutions of higher learning.

The naval government’s interest in and support for developing good schools with rigorous coursework for the local Chinese and the success of these students reveals a great deal about the administration’s vision for Tsingtau. The governing elite showed no fear that educating the Chinese would be detrimental or a threat to the existing ruling order. In fact, the Germans in charge saw it quite differently. The fostering of educational opportunities reflected a desire to train the Chinese youths to help their own people decide for themselves which type of development path to take for the colony, and, colonial leaders hoped, China as well. Indeed, this distinctive educational policy was embraced as a counterweight to the demands and desires of the other colonial powers in China. Providing the natives which choices regarding education also left considerable space for German cultural influences to permeate their everyday lives, as many of the instructors were trained in the newest German pedagogical methods. Nevertheless, these schools did not completely abandon traditional Chinese teachings, instead adopting large parts of the curriculum laid out by the Chinese government in Peking as well as incorporating elements of traditional Chinese teachings, providing some level of fusion of the modern with the ancient past. In this way, then, Tsingtau could become a wholly German cultural center that emphasized everything that was best in its heritage, whether German or Chinese, ancient or modern.

In addition to developing the Chinese side of the educational system, the colonial administration also had a distinct vision for German children living in East Asia. As
strong as the desire was for transforming Tsingtau into a Chinese educational center, the
impetus to make it into the preeminent place for the education of German children was
perhaps even more powerful. From early on, the naval administration devoted
considerable time and money to supporting a “German School” in Tsingtau. The initial
impetus for founding the school came from a union of interests that included parents of
young children in the colony, merchants, and colonial and naval leaders, all of whom
banded together to establish a Schulgemeinde. This organization undertook the
responsibility for securing a location for the school as well as the hiring of the first
teachers. The German School officially opened its doors on 12 February 1899, having
enrolled five students taught by three teachers.517 From administering the school to
constructing larger school buildings and subsidizing the school’s budget, the local
government maintained a vested interest in the education of German students.

By 1901, barely two years after the first German School was founded, the
colonial government decided to upgrade the status of the school to that of a
Realgymnasium, changing the schools name to the Imperial Government School.
Consequently, students no longer received just a basic education, but rather could choose
to follow an educational path devoted to classical education or more scientific training.
Furthermore, this training would not just encompass “German” or “Western” education,
but would also provide training in the Chinese language and Chinese classical
literature.518 In this way, the local administration hoped that the German children in the

518 Paul Tuczeck, Jahresbericht der kaiserlichen Gouvernements-Schule zu Tsingtau über das Schuljahr
1903-1904 (Tsingtau: Druck der Deutsch-Chinesischen Druckerei und Verlagsanstalt Gottfried Werner,
1904), BA, R9208/1259.
leasehold (and those from other parts of East Asia) could gain valuable perspective on the native population, thus allowing them to be more successful in furthering German interests once they became more involved in the colony. Such an argument was a key part of a bid from Governor Truppel to push for additional funding from the German government in Berlin to support further expansion of the school and its curriculum in 1905.\footnote{Oskar von Truppel to Reichstag, 12 March 1905, BA, R43/923.} Although the Reichstag was initially hesitant to approve further government expenditure for the Government School, additional pressure from Tirpitz and the Reichsmarineamt finally convinced Chancellor Bernhard von Bülow to grant a government subsidy.\footnote{Bülow to Tirpitz, 18 June 1905, BA, ibid.}

The quick success of the Realgymnasium and the further expansion of the curriculum resulted in excluding girls from the school. The first solution to this problem was the establishment of an all-girls boarding school by the Roman Catholic Franciscan Sisters Mary.\footnote{Denkschrift, 1901-1902, Staatsarchiv-Bremen, 3-R.1.g.5.} Although the Sisters welcomed girls of the Protestant faith with open arms and promised that questions of religion and faith would not be a central facet of the school, Protestant parents still remained uneasy about sending their girls to a convent school.\footnote{Truppel to Reichsmarineamt, “Monatsbericht – Januar,” 12 February 1902, BA-MA, RM 3/6767.} While Protestant parents did send their girls to the convent school with some reluctance and a good deal of protest (particularly after 1905), this problem was rectified fairly quickly with the establishment of a government school for girls in 1908.\footnote{Denkschrift 1908-09, Staatsarchiv-Bremen, 3-R.1.g.5.}
Consequently, according to Wilhelm Schrameier, Tsingtau now possessed two places where Germans could learn about German *Kultur* and China’s ancient traditions.\(^{524}\)

The success of both Chinese and German schools in Tsingtau in the early years of the German colony played a major role in the establishment of the German-Chinese College (*Deutsch-Chinesische Hochschule*) in 1908. The origins of a German institution of higher learning in China date back to 1903 when the Sinologist Alfred Forke suggested to the *Auswärtiges Amt* and the Prussian Ministry of Culture that it would be to Germany’s advantage to establish a German college in Tsinan.\(^{525}\) The idea for founding a college was first proposed in a 1905 report from the Acting Governor of the Leasehold, Paul Jacobson, to the *Reichsmarineamt*.\(^{526}\) Although the document has Jacobson’s signature on it, the authorship of this document is uncertain, and recent scholarship suggests that Wilhelm Schrameier, influenced by recent conversations with Richard Wilhelm, most likely composed the report.\(^{527}\) If Schrameier was indeed the author of report as important as this one, it is indicative of the high level of influence that China scholars, academics, and related members of the German China interest group

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\(^{525}\) Forke to *AA*, 23 March 1903, *PA-AA*, R 18245.  
\(^{527}\) Stichler, *Das Gouvernement Jiaozhou*, p. 255 and Wilhelm Matzat, *Neue Materialien zu den Aktivitäten den Chinesenkommissars Wilhelm Schrameier in Tsingtau* (Bonn: Selbstverlag des Herausgabers, 1989), p. 80 provide well-grounded assessments about the authorship of this document. Matzat points out that Jacobson was practically unknown as an officer in the German Navy and was merely standing in as a replacement for *Kapitän zur See* Funk, who was himself acting in place of Governor Truppel while he was on home leave in Hamburg. That he would have had the knowledge to have written such a detailed report both on the Leasehold, as well as the status of other European educational institutions established in China seems unlikely. Schrameier would most certainly have had that knowledge and, coupled with the fact that there are many similarities between this report and one written by Schrameier in 1908 (cited and discussed below) on the same subject indicates that he was the most likely author of this document.
were able to wield in colonial affairs by 1905. The timing of this report, then, is not insignificant, as it was at this time that colonial policy in China began to shift as interest in the colony grew and the German Hong Kong vision of empire became more prominent. Schrameier’s 1905 proposal was quite comprehensive in its conception of Chinese education in the colony. He conceived of a broad-based system of schools that would begin at the elementary level and culminate with the best students studying at college or university. In doing so, Schrameier argued, Germany could achieve something greater than even the British had in Hong Kong. He suggested that, rather than just “be limited as [the British] in Hong Kong in seeking out those Chinese students who see education only as the tools for an easier life, we should act in a comprehensive manner on the [Chinese] mind and character as the means to saturate the entire province, Tsingtau and the Shantung hinterland that depends economically on Tsingtau, with German knowledge and German spirit [mit deutschem Wissen und deutschem Geiste].”

At the time of this proposal, Schrameier envisioned the highest levels of education providing only coursework based on the current curricula employed by colleges and universities in Germany; more traditional Chinese education would be addressed at the elementary levels. Financial and business interests in the colony also lent their support to Jacobsen/Schrameier’s proposal. Shortly after the Reichsmarineamt received Jacobsen’s report, Ernst Ohlmer, wrote to his superior, Hermann Freiherr von Stengel, the head of the Reichsschatzamt (1903-1908), suggesting that, due to the rapid increase of exports from Tsingtau as well as immigration there, founding a technical

528 Jacobsen to RMA, 27 January 1905, BA, R9208/1241.
school in close proximity to Tsingtau would be highly desirable, especially as such a school would help strengthen the Shantung region against Japan’s growing influence.\footnote{Ohlmer to Hermann Freiherr von Stengel, 18 January 1905, \textit{BA}, R 9208/1242.} Furthermore, the appointed representative of the \textit{Deutsch-Asiatische Bank} in China, Heinrich Cordes, wrote to Alfons Mumm von Schwartzenstein, the German Ambassador to China (1900-1909), suggesting that a technical college in Tsingtau would defy Japanese efforts to extend control and influence over Shantung and the northwestern regions of China.\footnote{Cordes to Mumm, 9 July 1905, \textit{PA-\textit{AA}}, R 18246.} One of the major motivating factors for the establishment of the college, in fact, stemmed from a crisis arising over the admission of Chinese students to the German schools. In 1906, Li Hsinen desired that his two sons attend the \textit{Realgymnasium} in order to provide them with the best education possible. Li was a prominent member of the local Chinese elite in the Leasehold, serving as the editor of \textit{Kiaochow Pau}, one of Kiaochow’s Chinese language newspapers, as well as the foreign liaison for the Hamburg-based civil engineering company C. Vering.\footnote{Founded in 1885 by Carl Hubert Vering-and joined in partnership in 1871 with his brother Hermann-C. Vering rapidly established itself one of the premiere engineering firms in Imperial Germany. The company was involved in major building projects such as the expansion of Hamburg’s port, the construction of the Kiel Canal, the modernization and expansion of the Frankfurt \textit{Hauptbahnhof}, and the construction of the harbor in Hong Kong. In 1899, the company, under the leadership of Carl Hubert’s son, Carl, received the contract to construct the new harbor and port for Tsingtau. The company also played a major role in the expansion of the harbor in 1905. See Chapter III for additional information.} While the local government administration was fully supportive of Li’s request (in fact, they encouraged Li to have his sons sit for the entrance examination), many members of the German middle class in Tsingtau vehemently opposed this. They filled the editorial pages of the \textit{Tsingtauer Ohlmer} to Hermann Freiherr von Stengel, 18 January 1905, \textit{BA}, R 9208/1242. Cordes to Mumm, 9 July 1905, \textit{PA-\textit{AA}}, R 18246. Founded in 1885 by Carl Hubert Vering-and joined in partnership in 1871 with his brother Hermann-C. Vering rapidly established itself one of the premiere engineering firms in Imperial Germany. The company was involved in major building projects such as the expansion of Hamburg’s port, the construction of the Kiel Canal, the modernization and expansion of the Frankfurt \textit{Hauptbahnhof}, and the construction of the harbor in Hong Kong. In 1899, the company, under the leadership of Carl Hubert’s son, Carl, received the contract to construct the new harbor and port for Tsingtau. The company also played a major role in the expansion of the harbor in 1905. See Chapter III for additional information.
Neueste Nachrichten with letters to the editor: “by admitting Chinese students,” one letter read, “‘German’ identity would be polluted.” Quoting Wilhelm II, another exhorted its readers to “guard your German ways and character, your most holy possessions.”\textsuperscript{532} The newspaper itself—which had always fashioned itself as the voice of business interests and the middle class-supported these views, publishing editorials denigrating the colonial government’s desire to have Chinese students admitted to the German schools. In one such editorial, the newspaper presented a list of all of the Chinese schools established by German officials (either government or missionary) and then asked

\begin{quote}

is the German side not doing enough? Do our Chinese ‘friends’ have even the smallest cause to have demands for more from us? They now observe the utmost restraint towards the activities of German colonists in the higher Chinese schools…can they demand more of us than we can possibly give in consideration of the education of our own youths in Tsingtau?\textsuperscript{533}
\end{quote}

The colonial government defended its decision in the pages of the Tsingtauer Neueste Nachrichten, claiming that, as Chinese elites saw the benefits and superiority of German education, they would also desire this for their children. Furthermore, colonial leaders argued, as they were only considering allowing the children of elites to enter the German schools, the number of Chinese students would be limited, and these children were far removed from the character and habits of Chinese servants and coolies. Educating the children of elites with a German curriculum would also fulfill the desires of German businesses and organizations with heavy investment in China to see promising Chinese

\textsuperscript{532} Tsingtauer Neueste Nachrichten, 2 December 1905 and 28 November 1905.
\textsuperscript{533} Ibid., 16 December 1905. Emphasis appears in the original publication.
youths receive an education in Germany. Finally, and perhaps mostly importantly, supporters of the naval administration pointed out that Li Hsinen (the man whose actions sparked the whole controversy) was in fact educated at a university in Germany and was the epitome of what they hoped the education of Chinese youths in German schools would achieve. This plan, the colonial leaders argued, would ensure the creation of German-educated Chinese interlocutor class that would defend and support German interests not only at the provincial level, but also at the highest levels of the Chinese civil administration in Peking.\textsuperscript{534}

Nevertheless, the colonial administration remained undeterred in its attempts to expose the Chinese to German culture in such a way that they could study and imitate the German example, providing the native population with a key place in the development of Tsingtau and the Leasehold in the process. If it would be too difficult for the German population to accept Chinese children attending the same school as their own, then the government would find other opportunities for the native population to pursue higher education.

Although it was not yet possible in 1906 for a Chinese youth to ascend to the highest level of education in Tsingtau, the colonial government, with support from missionary organizations and major industry representatives, was able to provide a variety of educational choices for the native population. These included three girls’ schools, four trade schools (the \textit{Shantung Eisenbahn Gesellschaft} Repair Works, the Naval Dockyard School, the Roman Catholic Railway School, and the Chinese-German

\textsuperscript{534} Ibid., 5, 6, and 8 December 1905.
Silk Industries Corporation school), and six elementary schools.535 These educational opportunities certainly provided their students with a solid foundation in the most important subjects (and often teaching the skills necessary for a specialized trade) while also introducing them to some of the benefits of German Kultur. Nevertheless, the effectiveness of these schools in leveraging German influence in the colony and leasehold to the benefit of furthering German power and prestige was still somewhat limited, even as officials grew increasingly sinophilic after 1905.

The impetus for change in the advanced education of native elites came from a surprising source: Arthur Graf Rex, Mumm’s replacement as the Ambassador to China (1906-1911). Rex, along with his colleague and successor as Generalkonsul in Shanghai, Wilhelm Knappe, was a strong advocate of pursuing an active and engaged cultural policy in China in order to strengthen Germany’s economic and political power in China and East Asia. Rex and Knappe both wrote numerous reports to their superiors at the Auswärtiges Amt about founding German educational institutions in China, campaigning vigorously to raise public interest in such projects. In 1906, for example, Knappe gave a speech to the German-Asiatic Society in Berlin about establishing a medical school in Shanghai, as well as a gymnasium-level school that would provide Chinese students with the knowledge and language skills to study at German universities.536

Normally at odds with the Leasehold government, Rex saw an excellent opportunity for utilizing Tsingtau’s position to further German interests in East Asia by building a German-Chinese university in the colony.\textsuperscript{537} In a 1907 report to his superiors at the \textit{Auswärtiges Amt} concerning the education of Chinese students in Japan, Rex argued that it would be

a grave mistake not to use the occupation of Kiaochow on a large scale. If we do not teach the Chinese western \textit{Kultur}, then some other country will teach theirs…A high school, a technical school, or a trade school should, in my opinion, be established immediately…The Chinese wish to learn, they will, then use the opportunity offered them in Tsingtau.\textsuperscript{538}

Rex’s desire to develop some form of institute of higher learning for the Chinese stemmed from the fact that more and more educated Chinese elites exhibited a strong aversion to studying at foreign universities. Consequently, he believed the time was right to exploit this sentiment and leverage the German presence in China to create a more modern, western ruling class that would exhibit great sympathy to, and support for, German interests in China and Asia.\textsuperscript{539} In February 1907, Rex had preliminary discussions with the head of the Chinese Ministry for Education, Zhang Zhidong (1904-1909), about the university project, and found Zhang enthusiastic. Consequently, Rex vocally campaigned for the creation of an educational center in Tsingtau.\textsuperscript{540}

\textsuperscript{537} Numerous dispatches between Rex and the Auswärtiges Amt as well as Governor Truppel and the Foreign Office deal with the conflict indirectly. Perhaps the clearest example of the two sides being at odds with each other can be found in: Rex to \textit{AA}, 12 May 1908, \textit{PA-AA}, R 18252.
\textsuperscript{538} Rex to \textit{AA} (copy to \textit{Reichsmarineamt}), 5 May 1907, \textit{PA-AA}, R 18251.
\textsuperscript{539} Ibid.
Truppel and the rest of the colonial administration in Tsingtau responded favorably to Rex’s suggestions. Both Schrameier, and Truppel were open to establishing a German school for Chinese in the Leasehold, but initially believed a school that directly served the colony’s interests (such as a marine academy) would be a better option. Although Schrameier supported establishing a college in principle, he worried that the financial risks of such an undertaking would outweigh the benefits, particularly since the Reichstag had recently cut back on the number of imperial subsidies it would grant the colony.  

541 This reduction in imperial grants was the result of a general fiscal belt-tightening by the imperial government following a worldwide financial crisis in 1905-1906. As part of its plan to reduce its financial commitments, the Reichstag voted to reduce expenditures abroad and encourage its colonies to be more self-sufficient.  

Nevertheless, supporters of a German-Chinese university continued to push the German government for the necessary support. In explaining the importance of this education project to Chancellor von Bülow and the need for the Reichstag to grant additional funding to this undertaking, Rex asserted, “the college in Tsingtau is...an undertaking that would bring an enormous economic advantage to Germany.”  

To Schrameier and Rex, the most logical answer was to establish a school based on “foreign” universities established elsewhere in China, particularly the University of

542 In 1907, imperial subsidies to Tsingtau were reduced from 13.15 million Reichsmarks to 11.7 million Reichsmarks, and a further 2 million Reichsmark reduction took place the following year. By 1909, the number of imperial subsidies returned to their pre-1905 level (12.165 million Reichsmarks); Mohr, *Handbuch*, p. 452.  
Hong Kong.\textsuperscript{544} In response to Rex’s suggestion and Schrameier’s enthusiastic support-by 1910 Schrameier was calling the German-Chinese College the “cornerstone of Germany’s ‘influence policy [\textit{Beeinflussungspolitik}]’ in China.\textsuperscript{545} Tirpitz immediately approved this proposal, viewing it as directly in line with the Imperial Navy’s vision of a German Hong Kong.\textsuperscript{546} Tirpitz even went so far as to endorse this course of action to Chancellor von Bülow, telling him,

for my part, I have been considering such ideas for a number of years, [and], in fact, I intend, for the purposes of the political considerations already mentioned by the Envoy [Rex], to go ahead and provide immediately the necessary administrative support from the Leasehold in order to create an educational institution on a greater scale in the interests of our influence in China.\textsuperscript{547}

Recognizing the significance of the effect that such an institution could have in advancing German interests in East Asia, Tirpitz emphasized the significance of working with the Chinese government on this project, writing,

It also seems especially important as a prerequisite for the viability and especially the desired political effectiveness of the planned educational institution that, from the outset, the Chinese central government as well as the most important provincial governors understand clearly the intentions and advantages of the planned institutions and become interested in the same, that they allocate suitable school materials and, as far as possible, contribute directly to the recognition of subsequent examinations in Tsingtau and the subsequent advancement of local students. Furthermore, I would consider it acceptable and even desirable to permit responsible Chinese authorities to be responsible in the preparation of the curriculum, etc., from the very beginning.\textsuperscript{548}

\textsuperscript{544} Truppel to Tirpitz, 22 May 1908, \textit{BA-MA}, RM 3/7001.
\textsuperscript{546} von Tirpitz to von Bülow, 4 October 1907, \textit{BA}, R9208/1258; also Leutner and Mühlhahn, \textit{Musterkolonie Kiautschou}, p. 435.
\textsuperscript{547} von Tirpitz to von Bülow, 4 October 1907, \textit{BA}, R9208/1258.
\textsuperscript{548} von Tirpitz to von Bülow, ibid. Also, Tirpitz, \textit{My Memories}, volume 1, p. 75.
In his vision for this new educational facility, Tirpitz outlined the importance of including certain branches of education in the school—a Realschule, a technical school that included departments for shipbuilding, machine-building, engineering, railroad engineering and mining, a school of medicine, schools of forestry and agriculture, and, finally a school of law—all of which would contribute directly to building a German-educated interlocutor class capable of advancing German interests. In this way then, Tirpitz argued, “the most direct political influence would come from this educational institution.” Furthermore, Tirpitz believed that the establishment of a university in Tsingtau would also bring about long-desired economic advantages.

The 1906-1907 Denkschrift emphasized the assessments of Tirpitz, Rex, Schrameier, and other supporters, stating that a strong investment in education was a “cultural undertaking that the other powers [Mächte] had taken up only in part for several years on a modest scale.” Coupled with the favorable reaction to the German educational system by the Chinese Study Commission that toured Europe in 1906, establishing a school of higher learning in Tsingtau was “a field of operations in which Germany could expect fruitful results in every respect.” Consequently, such a venture in developing the cultural life of Tsingtau would provide “proof that Tsingtau is meant to be a center for all forms of peaceful German aspirations in East Asia in amicable agreement with Chinese authorities.” This project would be the first of many that, the Denkschrift asserted, would provide the Chinese with examples of German know-how.

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549 von Tirpitz to von Bülow, 4 October 1907, BA, R 9208/1258.
550 Tirpitz, My Memories, volume 1, p. 75.
that they would find useful in sharing some management of the Tsingtau and the Leasehold.\textsuperscript{551}

Although the initial desire was to provide a fully Western education to Chinese students, views on China and its culture were already shifting at both the local and higher levels of government, paving the way for an educational institution that could accomplish much more. In one of his memoranda to the Auswärtiges Amt in early 1908 about the proposed idea of a German-Chinese university, Rex reported that “the entire population wants to civilize \textsuperscript{sic} modernize itself.”\textsuperscript{552} That Rex stated that the Chinese were interested in “modernizing” rather than “civilizing” represents a significant departure from earlier envoys like Heyking and Ketteler in terms of their perceptions of China. German officials serving the Foreign Ministry in China no longer viewed the Chinese as decadent and barbaric, but rather as a people who had once been at the pinnacle of civilization and were still capable of joining the Western world, once properly brought up to speed. The unity of purpose expressed in Peking, Tsingtau, and Berlin is a strong indication of the dramatic shift in policy taking place that would ultimately lead to the development of Tsingtau into a German Hong Kong that had already begun in 1904.

Given the title of Special Commissioner (\textit{Sonderkommisar}) and tasked by the naval administration to help negotiate the establishment of a “model” university in Tsingtau, Dr. Otto Franke, the legation-secretary at the Chinese embassy in Berlin and a

\textsuperscript{551} Denkschrift, 1906-1907, Staatsarchiv-Bremen, 3-R.1.g.5.
\textsuperscript{552} Rex to AA, 25 February 1908, BA, R9208/1258.
professor of Chinese history at the University of Berlin, sent numerous reports to Truppel concerning the success of the British-founded Hong Kong University.\(^{553}\) In these dispatches, Franke discussed the ways in which the university’s board of directors secured funding from the native and colonial governments, the overall curriculum, and the ways in which the university benefited British interests abroad – all matters of extreme importance to the German ruling elite that supported the foundation of a university.\(^{554}\) This movement for developing the education of Chinese in Tsingtau coincided with an increasing desire to find new ways to achieve German geopolitical goals beyond military and diplomatic might. That is, to make use of the principles of Bildungsauftrag: to achieve German aims by modernizing and enhancing Chinese culture.

In negotiating the creation of the new school of higher education in Tsingtau, Franke quickly discovered that the native elite shared the colonial government’s interest in this project. As the colonial government began its project, the central government in Peking was also in the middle of reforming the Chinese education system, a process that had begun with a series of reforms in 1904-1905, when Zhang Zhidong was just starting his tenure as the Minister of Education. As part of these reforms, Zhang called for the

\(^{553}\) In the course of discharging his duties, Franke found himself caught in something of a turf war between the Reichsmarineamt and the Auswärtiges Amt over who, ultimately, was in charge of this endeavor. As Franke began meeting with Zhang Zhidong to discuss the parameters of the new university in Tsingtau, both the Auswärtiges Amt and the embassy in Peking tried to assert its authority over Franke. In response, Tirpitz attempted to portray Franke as an official representative (Landesbeamter) of the Leasehold. In the end, however, the Auswärtiges Amt claimed victory, forcing Tirpitz to abandon his efforts. Stichler, Das Gouvernement Jiaozhou, 268ff.

\(^{554}\) Copies of these reports can be found in BA-MA, RM 3/7001. Included in these documents is a copy of the 1905-1907 course catalog from the University of Hong Kong. The catalog itself is filled with marginalia from both Truppel and Tirpitz relating to the topics mentioned above.
phasing out of repeated examinations of civil servants based purely on the knowledge of ancient Chinese texts in favor of a more modern system of national degree-granting universities.\textsuperscript{555} Zhang’s efforts were largely responsible for laying out the foundations for the opening of the modern Nanjing University.\textsuperscript{556} In his report on the foundation of a German-Chinese university, Franke stated that the Chinese officials such as Zhang expressed a clear desire for “a German model institute for higher scientific education. Later they could use this example to change the still developing higher education system, still in its early stages of development.”\textsuperscript{557} In reporting to the head of the Chinese State Council (i.e. the chief advisors to the Emperor) on the status of the negotiations for the establishment of an institution of higher learning, Zhang expressed clearly the value and importance of this project: “the establishment of this institution will greatly benefit the future of our educational system. It also can be used for diplomatic purposes.”\textsuperscript{558} That local officials were strongly vested in this project spurred the Leasehold government to think even bigger about what an institution of higher education could accomplish. The crisis over the admission of children of Chinese elites to the Realgymnasium was still fresh in the minds of Truppel and his associates, and it seemed

\textsuperscript{555} William Ayers, \textit{Chang Chih-tung and Educational Reform in China} (Cambridge: Harvard University Press, 1971). In contemporary German documents Zhang Zhidong’s name is rendered as Chang Chih Tung.

\textsuperscript{556} One of the oldest and most prestigious institutions of higher learning in China today, the earliest origins of Nanjing University date to 258 A.D., when it was established by Emperor Sun Xiu of the Eastern Wu kingdom. The school began to take on a more modern form in 1902 and established its first modern Faculty of Arts in 1906, when it also began to grant degrees to its students.


\textsuperscript{558} Zhang Zhidong, Minister of Education, to the Chief Minister of the State Council, 14 August 1909, \textit{First Historical Archive-Peking}, Qingdai junji zouzhe dang (Reports to the Great State Council in the Qing Period), Number 179643.
that an institution of higher learning would be the perfect way to circumvent the narrow-minded opposition of the local middle classes and allow the German’s ruling elite to continue to pursue its long-term vision for Tsingtau and the Leasehold. The timing was right to take another step forward in enriching the cultural life of the colony.\textsuperscript{559}

This interest in the establishment of a thoroughly modern and western university was somewhat of a departure from what Rex had imagined. Rex’s vision for an institute of higher learning in Tsingtau was much simpler and more basic: the establishment of a technical school that would train Chinese how to work German machinery employed in local industries important to Germany. The naval government in Tsingtau, agreeing with von Tirpitz’s original vision for a college and influenced by Richard Wilhelm and other German intellectuals, saw the prospects of a new school differently. Falling in line with German policy vis-à-vis the school project, Rex explained to Zhang in a meeting on 15 February 1908 that the German government was “anxious to introduce, through Tsingtau, German culture to the Chinese, [and] that we [the German government] hope that, through the association of the Germans of Tsingtau with China, we might begin [to establish] a closer economic and intellectual exchange between both lands.”\textsuperscript{560}

Following Franke’s discussions with Chinese officials in Tsingtau and the provincial capital at Tsinan, the Leasehold government agreed to the construction of the Deutsch-Chinesische Hochschule. The college would combine the colonial government’s new program of cultural interaction and fusion with the educational

\textsuperscript{559} Gerhard Mestins to Undersecretary of State for Finance, 2 September 1908, \textit{BA}, R 43/923.

reforms that Zhang, who had served as the point person in the Chinese government’s negotiations with the naval administration, had proposed. With these basic principles established, Franke and Zhang Zhidong entered into more detailed discussions about the Hochschule at the end of May 1908.\textsuperscript{561} Although Zhang was readily willing to make concessions about the enrollment of students and how degrees would be recognized, he and Franke also engaged in protracted discussions about such key issues as the exact location of the school, how it would be organized, and also its status as both a foreign university and within the hierarchy of Chinese schools of higher learning.\textsuperscript{562} As a result, both sides were forced to compromise and make concessions on several key points.

For Franke and the Germans, the two most important points were that China would share in providing financial support for the school, and that graduates of the college received degrees that would be regarded as on par with those awarded by foreign (European or American) universities.\textsuperscript{563} Zhang and his representatives foresaw no difficulties in convincing the Chinese government to provide 40,000 marks for the establishment of the school as well as an additional 40,000 marks annually for the next ten years to help offset its operating costs; if the college proved to be a success, the Chinese government would consider increasing this allocation.

\textsuperscript{561} Franke, “Die deutsch-chinesische Hochschule,” p. 204.
\textsuperscript{562} In the first meeting between Franke and Zhang, Zhang and his representatives were quite insistent that the new school not be located in Tsingtau, but rather in Shantung’s provincial capital, Tsinan. When, in a subsequent meeting, Franke explained that this point was not up for negotiation, the Chinese delegates, as Franke describes it, readily backed down in favor of pushing for concessions on other points of importance; Franke to Tirpitz, 18 July 1908, BA, R9208/1258.
\textsuperscript{563} Ibid.
While Franke was pleased by this development, he found that ensuring the new school’s status would be equal to that of a foreign university would be much more difficult. Although there existed solid legal grounding for denying the new school the title of “university” according to imperial statutes, Franke also surmised that, due to Zhang’s “treasured memory of the old literary examination system, [Zhang believed] Peking, and only Peking, could have a school with the privileged title of Imperial ‘University,’ to which all ‘colleges [Hochschulen]’ in the country had to send their students.” Such a contention raised grave concerns on the part of Franke. For, if this new German-Chinese institution were to be granted a status equal only to other “colleges” in China, “a graduate must, if [for example] he wants to acquire a degree in literature, first apply for admission to the ‘university [the Imperial University of Peking],’ which has the sole authority to grant a degree; then, he must submit a degree audit.” This consequently, granted an unequal advantage to students who studied the same subjects at foreign universities, as they were eligible simply to take an examination to have their degree recognized.\[^{565}\] While there was perhaps some truth to Franke’s suspicions about Zhang’s motivation for not granting the new school the title of “university,” Zhang’s reasons had solid grounding as well, namely that there existed, in his opinion, “a serious risk that the basic knowledge of Chinese subjects would be

\[^{564}\] Ibid.
\[^{565}\] Ibid.
insufficient…resulting in the province teeming with graduates unfit…to pursue further study [at the Imperial University] or be entrusted with an important civil service post.”

Nevertheless, despite Chinese objections to such an important point for Franke and the German representatives, the two sides were able to reach a compromise. Although Franke had to concede that the new school in Tsingtau would not be recognized as a “university” by the Chinese government, he received assurances from Zhang that graduated who were unwilling or unable to attend the Imperial University of Peking would be eligible to enter the civil service and that they would receive equal consideration for such posts, a promise that Zhang made sure to emphasize in his report back to the Emperor’s Council of State. Despite the fact that such a concession seemed to be a major defeat, Franke was quick to point out that Zhang left this point open for further debate. Since China was still very much in the process of reforming and modernizing its educational policies, there was a high likelihood that the school’s official status could be enhanced or amended. Furthermore, as Franke reminded Tirpitz, “this institution has already received privileges that no other foreign educational institution in China has, which includes the only school so far to receive any state accreditation at all, the Anglo-American Union Medical College in Peking, which was established on a much smaller scale.”

As a result, the Deutsch-Chinesische

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566 Zhang Zhidong, Minister of Education, to the Chief Minister of the State Council, 14 August 1909, *First Historical Archive-Peking*, Qingdai junji zouzhe dang [Reports to the Great State Council in the Qing Period], Number 179643.
568 Franke to Tirpitz, 18 July 1908, *BA*, R9208/1258.
Hochschule was granted the title “Institution of Higher Learning for Advanced Studies with Special Character,” in recognition of the school’s function and its special rights.\textsuperscript{569} The other major point of contention that arose concerned the organization of the college, both administratively and in terms of the composition of the faculty. Zhang was quite pleased with the fact that missionaries would not play an active role in the educational program and that Chinese subjects would have an established place in the curriculum, policies that did not exist in any other foreign-established schools in China.\textsuperscript{570} Although he agreed that schools of higher education in China needed to be “reorganized according to German models and rely on German teachers,” Zhang was firm in his conviction that Chinese teachers be responsible for instruction in “purely Chinese sciences.”\textsuperscript{571} Consequently, he found it disconcerting that the Chinese exercised no control over the school or in the teaching of classes. According to Franke’s original proposal, those individuals that would be responsible for overseeing the new school would be nominated by the German Government and the Chinese government would have no input in the selection process. Furthermore, during the administration of the civil service examinations, representatives of the Chinese Ministry of Education would be present only as proctors. Zhang felt that both of these points in the German proposal

\textsuperscript{569} The complete title in German is “Höhere Lehranstalt für Spezialwissenschaften mit besonderem Charakter,” and “tebie gaodeng zhuomen xuetang (特别高等专门学堂)” in Chinese. The inclusion of the phrase “besonderem Charakter (special character)” is a clear indication that the Chinese government recognized that the Hochschule provided educational opportunities and had rights and privileges that were unlike anything else offered by other schools in China aside from the Imperial University in Peking. Despite the fact that the new school would be referred to as a Hochschule, it functioned, in essence, like a European university.

\textsuperscript{570} Zhang Zhidong, Minister of Education, to the Chief Minister of the State Council, 14 August 1909, First Historical Archive-Peking, Qingdai junji zouzhe dang [Reports to the Great State Council in the Qing Period], Number 179643.

\textsuperscript{571} Truppel to Tirpitz, 22 May 1908 and Franke to RMA, 24 June 1908, PA-AA, Peking II 1258.
“contradicted the principles of our ministry,” and posed a serious risk of producing graduates that would be unfit for holding any positions of authority within the civil service or in the colony or provinces.\textsuperscript{572} As a result, the Chinese officials insisted on the appointment of a Chinese director of the school, even if it meant that he would share equal responsibility with one appointed by the German government as well.

A lively debate followed concerning the appointment of a Chinese co-director of the school, as both sides were initially unwilling the compromise. Franke, in accordance with earlier instructions from Tirpitz, found it wholly “unacceptable for the Chinese to have direct participation in the management and administration of the institution.”\textsuperscript{573} While it is possible that a part of this reaction was influenced by racist fears of the \textit{Gelbe Gefahr}, the attitudes of Franke and Tirpitz towards the Hochschule (not to mention to strong sinophilic impulse that had existed since at least 1905) and its importance to building a stronger relationship with the Chinese makes this unlikely. Rather, it was more practical concerns relating to the day-to-day running of the institution that were at the forefront of Franke’s mind. As this was a \textit{German} project intended primarily to advance German aims, Franke and his superiors would certainly prefer not to have to share power with others who may not share the exact same visions or aims.

Nevertheless, in order to garner the financial and institutional support necessary to ensure the success of the school, Franke agreed to share administrative responsibilities with native elites in Tsinan. While the day-to-day management of the

\textsuperscript{572} Zhang Zhidong, Minister of Education, to the Chief Minister of the State Council, 14 August 1909, \textit{First Historical Archive-Peking}, Qingdai junji zouzhe dang (Reports to the Great State Council in the Qing Period), Number 179643.

\textsuperscript{573} Franke to \textit{RMA}, 24 June 1908, \textit{PA-AA}, Peking II 1258.
college fell to a representative of the colonial government in Tsingtau, officials in Tsinan appointed an Inspector of Studies that was in charge of supervising the Chinese teachers, as well as the performance and behavior of the students. Furthermore, the governor of Shantung appointed the teachers of any subjects in Chinese and the Tsinan Ministry of Education had the final say in approving German teachers. The ministry was also in charge of the rigorous process of selecting which students would be allowed to attend the Hochschule every year. In exchange, officials in Peking and Tsinan granted full approval to the more “modern” curriculum proposed by the German government.\textsuperscript{574} This had the added benefit of giving the new school greater legitimacy in the eyes of Chinese elites and reassured applicants, particularly those that lived within the German sphere of influence, that they would still be able to attain entry into the employment of the Chinese government, whether in Shantung, the Leasehold itself, or in another province.

The school would offer a variety of high-level coursework and opportunities that fit well with the Naval Administration’s vision for Tsingtau: to present a variety of models for the Chinese to choose from and imitate as they worked in tandem with Germans in pursuit of their interests. The plan for the college did not come without some compromise, however. While Truppel and Franke had hoped that Germans and Chinese would attend school together, the trade houses and businessmen again raised objections that drew the attention of both Chinese elites in Tsinan and in the Reichstag. Consequently, Truppel and his supporters agreed that the new college would not be

comprised of an ethnically mixed population. Rather, the Realgymnasium would continue to provide a high-quality advanced education to German students and the new Hochschule would see to the needs of qualified Chinese students.575

The college was divided into two branches: a lower division that provided a six-year curriculum that would prepare students for entry into the higher division, where they would focus on one of four courses of study: jurisprudence, medicine, engineering, or forestry and agriculture. While in the lower division, students’ coursework mirrored that of the best universities in Germany, but also conformed to the requirements of the Chinese Imperial school system. As a result, Chinese students would receive an excellent modern education, while also still being able to meet the qualifications for entering the Chinese civil service should they choose to do so. In addition to the study of Chinese and Chinese classics, students took required courses in English, German language and literature, history, geography, mathematics, chemistry, physics, biology, zoology, botany, health science, and geology. Although there was no specific language requirement to enter the school, students were expected to master German quickly thorough three years of intensive study; all lectures, with the exception of the Chinese classes were conducted in German.576 After the six-year curriculum was completed, students sat for an examination given by a representative of the Tsinan Ministry of Education. Successful completion of the exam allowed students to continue to the upper division of the Hochschule, attempt to transfer to a different college or university, or

576 Student plans for Deutsch-Chinesische Hochschule students, BA-MA, RM 3/6811.
pursue a variety of career paths. Most students, however, chose to continue their studies in Tsingtau.\textsuperscript{577} After four to five years of study in one of the four university-level fields, students were able to sit for the hsü-jen examinations in Peking, which would qualify them for entry into the civil service and other high-ranking occupations as members of the Chinese elite.\textsuperscript{578}

One of the appeals of the new college curriculum was the practical training offered in the upper division, which was a key facet of the Leasehold government’s overall plan and vision for the colony. During their final semester at the Hochschule, students were brought to various parts of the Leasehold and the province of Shantung itself in order to observe firsthand the types of problems they would confront and need to resolve.\textsuperscript{579} In this way, the members of the new generation of the native elite would gain valuable practical experience and training as well as develop a greater awareness of local problems such that they might be more likely to remain in the province and Leasehold and work closely with the German administration in furthering the growth and development of Tsingtau, Kioachow, and Shantung.

The Hochschule officially opened its doors to eighty-five students in 1909 and, after some initial difficulties related to the teachers imported from Germany—three of the original eleven teachers struggled to accept that the Chinese students should be taught/trained just like German ones—the school saw rapid success. By spring 1911, the

\textsuperscript{577} Franke, “die deutsch-chinesische Hochschule,” p. 207.
\textsuperscript{578} Ibid. p. 206.
\textsuperscript{579} von Höpfner to Reichsmarineamt, Monthly Report – June, 17 July 1911, BA-MA, RM 2/61014 details a trip by students and professors to Tsinan to visit government institutions. Meyer-Waldeck to RMA, monatliche Bericht – Mai, BA-MA, RM 2/61017, describes a visit of engineering students and professors to a local branch of the Shantung Eisenbahn Gesellschaft to view machines and equipment.
school had expanded the number of teachers from fifteen to twenty-three and the number of enrollees had expanded to 170.\textsuperscript{580} Additionally, the college received a number of upgrades to its facilities, particularly in the construction of medical laboratories (including a brand new bacteriology lab), libraries, a teaching hospital, and even an observatory, most of which was subsided in part of by the governments in Tsingtau and Berlin.\textsuperscript{581} Furthermore, German industries also generously donated teaching materials, equipment for technical training, and other objects to the college’s permanent collections. Although this was a major boon to the students, Chinese businessmen also found these new collections to be extremely useful, as many would visit the Hochschule to consult materials and discuss their use and practical application.\textsuperscript{582} In the following academic year, the number of attendees at the college grew to 318, even though the school had only planned to house 250. Many students that had been admitted, in fact, had to be turned away temporarily, and encouraged to return the following semester, once the annual examinations thinned the student population. While the plan never came to fruition due to the advent of World War I, Governor Meyer-Waldeck had put a plan into motion that would result in further expansion of the college so that it could accommodate at least 500 students.\textsuperscript{583}

Similar to the way in which war interrupted the expansion of the Hochschule, the success of the graduates is somewhat difficult to track, since many of them saw their


\textsuperscript{582} \textit{Tsingtauern Neueste Nachrichten}, 25 January 1911.

\textsuperscript{583} Meyer-Waldeck to Tirpitz, 13 March 1913, \textit{BA-MA}, RM 3/6818.
careers interrupted, particularly if they remained within the Leasehold during the colony’s surrender. Nevertheless, evidence suggests that a number of graduates did extremely well and that the college was successful. Supporters of the German colony championed the Hochschule as integral to elevating the German colony to a high status in the eyes of the government for its achievements in spreading German knowledge and culture and furthering German interests overseas.\textsuperscript{584} Professionally, many graduates chose to remain in Shantung, if not the Leasehold itself. Of the graduates of the engineering program, many found immediate employment with the railroads that were currently under construction, such as the Hankow-Szechuan Railway. One graduate of the program in jurisprudence found considerable success working in the Court of Appeals in the Leasehold and, as a result of his accomplishments and superb legal training, earned an immediate appointment as a judge in the provincial courts.\textsuperscript{585} The medical program was perhaps the most successful and crucial for the further development of Tsingtau as the issue of health and health services become a chief point of concern for the Leasehold government, particularly due to the advocacy of many graduates of the Hochschule.

The administration of educational institutions in Tsingtau provided the colonial government with an excellent opportunity to put its vision for a German Hong Kong into practice. Chinese and German elites were provided with a host of educational choices that emphasized the same advances in education that were being implemented in

\textsuperscript{584} Damaschke, “Bodenreform,” p. 596.
\textsuperscript{585} Tsingtau Neueste Nachrichten 11 November 1914 and 20 May 1913.
Germany. This functioned as an important method for presenting German culture as a model of “advanced civilization” for the Chinese to emulate as they sought to modernize their country. It also helped maintain and remind a new generation of German elites how to preserve their heritage and expand their Heimat. This structure, however, came with a distinct twist based on the colony’s location: the study of the Chinese language and Chinese classics. This curricular focus provided an important space to integrate the two cultures and promote understanding between natives and non-natives that would—the naval government hoped—help further German interests in China and East Asia. In this way, a new generation of ruling elites could work together in more of a partnership in order to, in the words of Paul Bensel, transform Tsingtau into “the Pearl of the East as well as our overseas territories, and striking proof of our colonization abilities; a place where German knowledge and skill passed into the grateful hands of the Chinese.”

Within this educational milieu, the Deutsch-Chinesische Hochschule was the crowning achievement of what colonial leaders in Tsingtau sought to provide. The college was a critical facet of the overall vision for creating an international port and cultural center. The benefits and opportunities offered to both native and foreign elites were manifold, and the contributions the colonial government’s liberal educational policy made to the colony’s growth were key in transforming Tsingtau into a German Hong Kong.

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586 Paul Bensel, Über mein Leben in Tsingtau und meine Resien in China und Japan, BA-MA, MSG 2/15155, p. 1. Paul Bensel was sent to Tsingtau in early 1913 to serve as a mathematics teacher at the Government School (realgymnasium). Bensel remained there until June 1914, when he left on a tour of China and Japan. Detained in Hong Kong on his return journey due to the advent of war, he never returned to Tsingtau.
CHAPTER VII

CONCLUSIONS

IF YOU LEAVE NOW, IT'S OVER: THE LEGACY OF TSINGTAU AND THE PURSUIT OF A GERMAN HONG KONG

On the eve of World War I, Tsingtau had begun to emerge as the model colony, culture center, and trading entrepôt that colonial leaders, supporters, and investors had desired since long before the Kiaochow Leasehold had ever passed into German hands. The infrastructure built in Tsingtau and the Leasehold had taken on a thoroughly modern character, leading contemporary writers to designate the city as the “Brighton of China,” “Kiel of the Far East,” and “the Summer Resort of the Orient.”587 As a result, Tsingtau became an attractive draw to visitors and tourists alike seeking the enjoy the benefits that this European-like enclave on the East China Sea derived from the financial involvement of Chinese and Western investors.588 While many of these businesses and trading firms never earned the tremendous profits that they dreamed of or felt were their right as colonizers, the end result was that the German colony in China was not the financial millstone that Germany’s overseas territories in Africa and the Pacific had become. The native Chinese population was moving closer to being equal (though never full) partners with the Germans, as the increase in cross-cultural interactions, advanced educational opportunities, and establishment of modern Chinese-run businesses and trading houses

587 Designations such as these were quite ubiquitous in contemporary writing such as in Jefferson Jones, The Fall of Tsingtau (New York: Houghton Mifflin, 1915), p. 162 and Nachlass Paul Bensel: Über mein Leben in Tsingtau und meine Reisen in China und Japan, BA-MA, MSG 2/15155.
588 Jones, p. 153. Jones, 162-169 provides an extended description of Tsingtau as a tourist destination, including many of the attractions and amenities offered by the city.
in the last ten years of the colony clearly demonstrates. While the vision of creating a German Hong Kong in 1897 was maddeningly broad and ill-defined across the various colonial interest groups from the navy to the German-Chinese commercial community to the Foreign Office and various middle managers on the ground in the Leasehold and China, by the colony’s final years, a clearer picture of what this vision meant was coming into focus.

The first seven years of Tsingtau’s existence was marked by bitter conflicts with the Chinese as Germans in the Leasehold and in Berlin, influenced more strongly by Sinophobia than Sinophilia, attempted to remove any trace of Chinese sovereignty, expanding Germany’s authority in the areas of Shantung outside the Leasehold, and, generally speaking, pursuing the harsh practices of colonial domination prevalent in Africa, Southeast Asia, and the Near East. While such practices succeeded in firmly ensconcing Germany’s presence in Shantung and allow Germany to make further claims to its arrival as a global power, these initial years were marked by uneven growth and only moderate development within the colony.

After 1905, as sinophilic discourse and the internal dynamics among the various middle managers of empire, particularly middle-class Germans such as translators and sinologists, began to reemerge and dominate the strains of Sinophobia that were common during the first years of the colony, new native policies took root in Kiaochow and Tsingtau. While the proximate cause for such a shift was the changing global power dynamics and alignments that forced Germany to confront the reality that its overseas holding in China was extremely vulnerable to conquest, the end result was that, by 1914,
native policy had undergone a dramatic change. Despite this change, however, German interaction with the native population remained contradictory, as Germans remained ambivalent about the native population’s role in the colony and what it meant to “deal with the Chinese.” Social life in the colony, for example, remained largely segregated, as most hospitals, schools, clubs, recreational facilities, and the colony’s legal system all provided separate services for Chinese and Germans. Nevertheless, residential areas of Tsingtau saw an increasing mix of native and western businesses and residents, particularly among the middle and upper classes, the commercial community in the colony saw increasing investment and leadership from the Chinese, schools like the Deutsch-Chinesische Hochschule were promoting cross-cultural exchange and creating a successful interlocutor class of well-trained and educated Chinese, and prominent members of the colonial community such as Richard Wilhelm, Otto Franke, and Wilhelm Schrameier were bridging cultural divides. Such growth and development had a considerable impact on the Tsingtau community, as criticism from more liberal Germans in Tsingtau even forced the Tsingtau-Klub, firmly committed to barring the Chinese from entrance into its ranks, to allow the native population to use its facilities and participate in tournaments offered there, albeit separate from its German and European members.

By 1914, then, Tsingtau was moving further and further away from possessing a purely colonial nature such as might be found in Africa or even India. Annual profits were on the rise, and the city had grown from just a few hundred residents in 1897 to over fifty-five thousand in 1913, of which only approximately 3500 were of German
Although Chinese elites never gained rights fully equal to those of Europeans, many of the wealthier Chinese were allowed to participate in the election of advisors to the colonial governor’s European-Chinese Advisory Board, a unique feature of self-government that existed in no other European colony. Following the Republican Revolution of 1911-1912, the influx into Tsingtau of Chinese elites associated with the Qings resulted in the partial repeal of laws barring Chinese settlement in the European district of Tsingtau, providing for greater mixed zones of contact between Europeans and Chinese.

Perhaps most importantly, the Deutsch-Chinesische Hochschule, the culmination of the colonial government’s work with the progressive Weimar Mission, offered a variety of educational opportunities unlike those that other educational institutions in East Asia could provide. Students followed curricula that blended ancient and modern and western and eastern learning and studied under German and Chinese teachers, all while earning degrees that were recognized by the government in Peking, granting graduates access to taking the entrance examinations at the national university. In the Faculty of Law and Political Economy, students studied both European and Chinese legal forms, “encouraging a process of transculturation in which the Chinese would fill in German legal forms with Chinese contents and Germans would earn from Chinese legal traditions.”

Middle class translators and sinologists, who tended to admire and identify with the Chinese Mandarin, had come to play an increasingly important role in

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589 Matzat, Neue Materialien, p. 106.
590 Steinmetz, Devil’s Handwriting, p. 19. See also, Romberg, “Ku-Hung Ming,” p. 25.
colonial administration in the last decade on the colony, working with and alongside the colonial government and the German Legation in China. Not only did the Imperial Navy encourage this change in orientation and policy, but the Auswärtiges Amt and the Peking Legation (two of the stronger critics of the navy’s administration of Tsingtau) also did so, as they agreed Germany needed to move away from direct colonial rule in China and instead embrace methods that would influence China as a potential ally rather than simply cajole it into supporting German policies and objectives.

Had developments in Tsingtau and the Leasehold continued apace, then, it is quite possible, as George Steinmetz has argued, that “Kiaochow might have eventually lost its colonial character altogether.” Nevertheless, with the start of World War I and Tsingtau’s capitulation in the late fall of 1914, Germany’s colonial project in China came to an abrupt and unplanned end. Although it is impossible to know what might have become of Tsingtau had the developments that occurred in the second decade of its existence continued into a third or fourth decade, the Germans who has envisioned making a colony based on the British Hong Kong model were in a position to bring that vision to fruition.

Indeed, this model of economic modernization and cultural influence had a lasting legacy in the city’s history, particularly its own understanding of its role in China’s emergence as a leading power in the world today. Present-day Qingdao’s story after the colonial government surrendered to Japan after a siege lasting nearly two months is distinct and unique among the former European colonies. While the city and

591 Steinmetz, Devil’s Handwriting, p. 507.
Leasehold, as well as the rest of Shantung, remained under Japanese occupation throughout World War I and following the Paris Peace Conference, the entire territory passed back into Chinese hands following the Washington Naval Conference in 1921-1922. While under Chinese control, Tsingtau continued to grow and develop, remaining one of the most important cities on the Chinese coast, becoming the fourth wealthiest port in China by the 1930s. In 1936, following the rising tide of nationalism and militarism in its upper ranks, the Japanese Empire again seized and occupied Qingdao in the lead up to the Second Sino-Japanese War (1937-1945).592

As the city remained under Japanese control from 1938-1945, the Showa Empire transformed the city into an important industrial zone of development and one of the main bases of operation for the Japanese fleet. Indeed, after the United States helped liberate the city from Japanese occupation, the Kuomintang (KMT) government allowed the United States Western Pacific Fleet to use Qingdao as its headquarters, an arrangement that lasted until 1949 when the Communist Party of China took control of the government and the Red Army captured Qingdao.593 During both periods of Chinese control (before 1939 and after 1945), the houses and villas that wealthy Europeans occupied during the colonial period became the residences of members of the Chinese political elite, the most well-known of which were Mao Zedong and Lin Biao, who made


the former German governor’s mansion their home while staying in the city. Indeed, Mao thought so highly of the governor’s villa that he hosted many Socialist/Communist world leaders there, including Nikita Khrushchev, Josip Broz Tito, Fidel Castro, Leonid Brezhnev, and Ho Chih Minh, among others.

Even after the Communist Revolution in 1949, Qingdao remained one of northern China’s most important cities. In 1984, China’s central government initiated a new policy encouraging foreign investment in order to keep pace economically with the rest of the world’s powers, designating Qingdao one of the country’s zones of national economic development. Possessing the third largest container terminal in mainland China (and thirteenth largest worldwide), the city of Qingdao today has become one of China’s most concentrated and competitive opening areas throughout China, the core area of the Shandong peninsula’s manufacturing base, and the new economic center of the prefecture-level municipality of Qingdao. In 2005, Qingdao hosted 1,935 foreign-funded projects—of which 50 were projects with investment from 30 Global Fortune 500 companies—with foreign expenditures totaling 12.68 billion dollars; German firms, including ABB, Bayer, BASF, Degussa, Hapag-Lloyd, Metro, OBI, Siemens, RDM, SAACK, KLINGSPOR, and Heinz Jansen, led 141 of these capital ventures.594

594 A prefectural-level municipality is an administrative division ranking below a province and above a county in China's administrative structure. A prefectural level city is a "city" and "prefecture" that have been merged into one consolidated and unified jurisdiction. As such, it is simultaneously a city, which is a municipal entry with subordinate districts, and a prefecture with subordinate county-level cities and counties which is an administrative division of a province. A prefectural level city is often not a "city" in the usual sense of the term, but instead an administrative unit comprising, typically, a main central urban area (the city from which the municipality derives its name), and the surrounding rural area containing many smaller cities, towns and villages. “China’s Political System,” http://www.china.org.cn/english/Political/28842.htm, accessed 1 July 2018.

The German architecture and buildings that were one of Tsingtau’s hallmarks remain a defining feature of Qingdao’s old city. The Bismarck Barracks that once housed the III. Seebataillon is now one of the main administrative building of the Ocean University of Qingdao (one of the institutions of higher education in the city that claims to be the direct heir to the Deutsch-Chinesische Hochschule), and the governor’s mansion has served as a museum on the city’s history since 1996. Qingdao has also embraced once again its reputation as a premiere resort and tourist destination, one its particular claims to fame in the later years of the colony when it was known as the “Brighton on the East China Sea.” The German architecture and cultural remnants of the city’s colonial period are a central facet of Qingdao’s tourist marketing. Historical plaques appear on nearly all of the German buildings in the city, with information provided in Chinese, English, and German; the same is true of the main streets in the old part of the city, as street signs display both their colonial German and contemporary Chinese street names. The presentation of the German colonial legacy that the Tourism and Cultural Relics Bureau presents shows little anti-imperial or anti-German spirit, embracing this important period in Qingdao’s history rather than repudiating it. The Tourism Bureau draws attention to the many developments that the Germans introduced including the modern railroad and harbor, the first modern sewer system, the progressive

596 The museum focuses largely on the German colonial era, although since it was a favorite residence for Mao Zedong and several other leaders of the Communist Party of China, the museum focuses some attention on the house’s post-1949 history as well; the room in which Mao slept, for example, retains its appearance from the Communist era, rather than being restored to its pre-1914 appearance.
and liberal-minded education system, and the cultural institutions that remain to this day. The decision in 1993 to expand and modernize the railroad station while maintaining the appearance of the original German station on the entrance’s façade represents a decision to “incorporate and depoliticize the colonial past rather than erase or criticize it.”

The most important and significant appropriation of the German colonial legacy is the Tsingtao Brewery, the successor to the original *Germania Bräuerei* founded in 1904 and the first of its kind in China and Asia. Tsingtao Beer is ubiquitous today throughout the world and especially in Chinese restaurants, and the brewery remains a dominant presence in Qingdao.

Despite how easily it appears that China has come to terms with this facet of its colonial past, Chinese historians remain critical of Germany’s conquest and rule over this region. These scholars point to the fact that Germany’s seizure of the Leasehold initiated a new era of European conquest and western hegemony that resulted in the further humiliation and subjugation of one of the world’s most esteemed and ancient civilizations. In pushing for a fuller discussion and debate of European imperialism in China, Chinese intellectuals have argued that China needs to pursue a “decolonization of consciousness,” and reconsider “the appropriateness for China of the forms of modernity that were introduced or imposed in the context of nineteenth-century imperialism.”

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599 For an excellent collection of arguments on various topics related to this point, see, Shangzhang Liu and Zhou Quan, eds., *Zhong De guanxi shi wecong* [Collected Essays on the History of German-Chinese Relations] (Qingdao: Qingdao chu ban she, 1991).

Over the course of a mere seventeen years, the very idea of turning the tiny fishing village of Tsingtau into a German Hong Kong represented an important step forward in the methods and means of imperial rule. Rather than focus on full domination of an extensive territory where the native population would be subjugated to the harsh treatment and exploitation of its western conquerors—a vision of empire in full force throughout much of the eighteenth and nineteenth centuries—colonial leaders in Tsingtau pursued a vision of empire predicated on developing a central colonial base that would prove attractive to both native and foreign populations and provide the basis for exerting control and influence in less direct and more informal ways. By making Tsingtau into a premiere destination and cultural center on the Chinese coast and in east Asia, not only could Germany claim its primacy as a world power, but also demonstrate to the world that it was at the forefront of early efforts of globalization.

The German Hong Kong project reflected a spectrum of engagement on both sides, from Chinese elites who enjoyed living or spending time in Tsingtau to Germans who wanted to develop a *modus vivendi* with the Chinese all the way to people on both sides who distrusted or disliked each other. Despite these ambiguities, however, both parties recognized certain core ideas that could help define the German Hong Kong vision, even as it remained difficult to pin down its exact meaning. Rather than create a colony that would just funnel raw materials and manufactured goods to Germany, local elites—both German and Chinese—would create an international port, cultural center, and

military base: a rich and prosperous city the other Great Powers would envy. Tied up with this vision of an East Asian commercial center was the idea of extending the German Heimat and the global projection Germanness abroad. The idea of a German Hong Kong elicited an image of Tsingtau as an integral part of the German empire, as much German as Hamburg, Bremen, or Munich. As a result, not only Germans, but Europeans, Americans, Japanese, and Chinese would find it desirous to travel to and do business in Tsingtau, enhancing the city’s reputation and prestige as a thoroughly modern, culturally developed, and prosperous locale that fused the best features of European modernity and Chinese tradition.

In making Tsingtau a significant colonial enclave, the colonists formed large diverse networks as they positioned Tsingtau as crucial to Germany’s emergence as a global power. To meet their expectations, the colonials created a vast network of associations, forming a society that continued to emerge and change. The colonists believed they were a valuable piece of the Empire and crucial to its claims as a world power, seeing Tsingtau as a port that would rival and even surpass the great centers of Asia: Singapore, Shanghai, Hong Kong, and Tokyo. Through migration, exile, trade, and changing cultural social, and political realities, Tsingtau become a complex and highly diffuse zone of contact. Within this area of interaction, Germans and Chinese found places where different social groups and networks could exercise, contest, negotiate, and cooperate in demonstrating their power and agency. In governing Tsingtau, the Leasehold Germany had to move beyond the simple practices of formal colonialism that
had predominated throughout the nineteenth century in order to gain greater control over global resources and power and secure its position as a *Weltmacht*.

As Sinophila began to reemerge and exert its influence in guiding the governance of Tsingtau and the Leasehold, more and more Germans became China enthusiasts. Surrounded by China on all sides, Germans came to see themselves as following the example set by previous conquerors of China, particularly the first Manchu rulers who established the Qing dynasty.\(^{601}\) Much like the middle-class Sinologists in German China, “those earlier Asian ‘colonists’ had shifted from a hostile or indifferent approach to China to one of self-assimilation.”\(^{602}\) The more that individuals like Wilhelm Schrameir, Richard Wilhelm, or Emil Krebs engaged and interacted with the native population, relinquishing their superiority as colonizers in the process, the more that these colonial leaders came to see that their understanding of China intersected with the native interlocutors they sought to create. Such developments, then, challenged colonial leaders to move beyond simply following the formal model of nineteenth century colonialism and embrace the more complex and nuanced practices of empire that the German Hong Kong vision evinced in the race for global resources, power, and prestige.

As a result, the conditions that existed in China and the realities of governing the Kiaochow Leasehold challenged German leaders in Tsingtau to reevaluate and reform imperial policies in the pursuit of a new model for imperial power projection. Consequently, a more diffuse and flexible form of empire emerged in the last decade of

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\(^{602}\) Steinmetz, *Devil’s Handwriting*, p. 515.
the Germany’s colonial rule in China. Despite the short-lived nature of the project and the difficulties in evaluating its success or failures as a result of its abrupt end with the start of World War I, Tsingtau and the pursuit of a German Hong Kong represented a significant step forward in the history and practices of empire. This small colonial enclave on the East China Sea provided an example of a different path for how an imperial power might control its overseas territory, moving away from direct control to a form of imperial rule that depended on cultivating and working with a carefully constructed interlocutor class of native subjects that could help rule and push forward imperial policies and objectives.

By 1914, Germany had laid the groundwork for the successful creation of its own Hong Kong, a vision that has legacies in the city’s further development in the twentieth century and in how it understands, presents, and comes to terms with its complex past. While still an “unset pearl in East Asia” on the eve of World War I, contemporary Qingdao has emerged as a major axis of power in the Far East today, as important a city as any other in China, including Guangzhou, Nanjing, Shanghai, and Hong Kong.
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