

A Historical Perspective on the Impact of the 19th Century Concession on Shanghai

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Abstract: Shanghai, as a metropolitan, developed rapidly from a little village to an economic center of China during 19 Century. How the accelerated growth of Shanghai was linked to the presence of the concession has become an important focus of scholarly research, and the process of its development could provide a reference for other cities. Besides, owing to the unique environment of China, the development of Shanghai also has certain distinctiveness. Concessions, enclaves given to foreign settlers with various privileges, played a unique role in the modernization of Shanghai. In this article, the author studies the political, economic, and cultural impacts of the concessions from a historical perspective, and the interactions within these political, economic, and cultural impacts are also discussed. The research found that Concessions provided a relatively loose political environment and facilitated the reform of the political system of China. In addition, the improvement of the municipal system promoted economic prosperity, which in turn made the cultural exchanges between the East and the West more frequent, forming a cultural environment of heterogeneous cultural integration and promoting the acceptance and promotion of new systems and economic forms.

Keywords: Shanghai Concession, Shanghai, modernization, 19 century, historical influences

1. Introduction

Described as a state within a state, concessions are enclaves given to foreigners for settlement according to land regulation, through which the foreign consuls gradually gain administrative autonomy and extraterritorial jurisdiction. The establishment of Chinese concessions has a long historical background. Since the Sino-British Treaty of Nanking allowed the British and their families to settle in five commercial ports, such as Guangzhou, the foreign invaders wanted to set a concession as an enclave for them to settle and enjoy the social privileges of extraterritoriality. After that, the Qing government and the British government argued about whether the British people could select the site of settlement themselves in open ports for a long time. Finally, both Qing and British governments gave in and signed the Treaty of the Bogue. As a result, the British were allowed to rent land for building houses in five open ports and live permanently after local officials of the Qing government discussed with the British officials to decide which place would rent to the British in light of the conditions of the people. In 1845, Shanghai Daotai Gong Mujiu signed the Land Regulation with British Consul George Balfour, so the first concession was set up in Shanghai. Since then, France and the United States have also set up one after another. In 1854, Britain, France, and the United States

established a reciprocal concession and set up a Municipal Council to manage the municipal affairs. In 1862, the French Concession announced independent independence and withdrew from the unification organization of the three countries, claiming that the previous Land Regulation had no effect on the French Concession. Nevertheless, these countries continued to expand the area of concession and seize more privileges within the next few decades.

In academic circles, the issues about the concession have always gained a high degree of attention. Because of the important influence that the concession has had on the historical development of China, many studies have been carried out on the institution and culture within the concession. History of Chinese concession, written by Fei Chengkang, systematically introduces the opening, expansion and recovery of concessions in various parts of China [1]. And *Histoire de la concession française de Shanghai*, written by Ch.B.-Maybon and Jean Fredet, provides plenty of information and factual data about the history of the French concession in Shanghai [2]. Moreover, this book describes the formation and development of French Concession according to the documents, letters, and archives from the French Consulate, the Municipal Council, and the French Foreign Office [2]. The *Urban Life of Shanghai Interwoven in the Heterogeneous Cultures*, written by Xiong Yuezhi, comprehensively studies the social life of modern Shanghai from the perspective of heterogeneous cultures and expounds on the effects of the existence of the concession brought to the cultural development of Shanghai [3]. *History of Shanghai Public Settlement*, published in 1980, introduces the origin and evolution of Shanghai public settlement by collecting relative historical materials. An article about the institutions of Shanghai public settlement, first published in 1933, is also included in this book, providing a research perspective of people at that time [4]. Studies on the History of Shanghai French Concession are a series of books edited by Ma Jun and Jiang Jie, which mainly collect monographs at home and abroad, historical materials, and oral statements about the Shanghai French concession [5]. When it comes to researching the modern history of Shanghai, the concession is an unavoidable factor. In fact, plenty of narrations about the history of modern Shanghai also involve studies on the concessions. Nevertheless, few of researches studied from holistic perspectives or concentrated on the connections between political, economic, and cultural influences.

Shanghai, as a metropolitan, developed rapidly from a little village to an economic center of China during 19 Century. How the accelerated growth of Shanghai was linked to the presence of the concession has become an important focus of scholarly research, and the process of its development could provide a reference for other cities. Besides, owing to the unique environment of China, the development of Shanghai also has certain distinctiveness. Therefore, in this article, the author will discuss the political, economic, and cultural impacts of the concessions from a historical perspective.

2. Political Influence

Concession had dual effects on modern Chinese society. On the one hand, it provides provided another kind of existence space for people who served as bureaucrats in Qing government after the Revolution of 1911. Concessions were the existence that was regarded as Chinese territory nominally but not governed by the Chinese regime. Such political circumstances provided a special space for those bureaucrats of the Qing government who neither wanted to die for Qing regime, nor supported the new republic regime, not only to survive but also to scheme to restore the Qing monarch. On the other hand, concessions facilitated the spread of western political ideas and the promotion of revolutionary notions and practices in China. Although the establishment of concession undermined the sovereignty of China, it promoted the modernization of Chinese society to a certain extent. By the 1960s, the British government and American government had managed to gain the powers of arrest. After the 1898 coup, some reformers, such as Kang Youwei and Huang Zunxian, escaped to Shanghai and got rid of the chase of the Beijing government with the help of the British consul. Therefore, people realized that the Qing government had no jurisdiction over people who entered the concession.

During the Revolution of 1911, the revolutionary party members learned from those reformers to take advantage of the special political situation of Shanghai concessions, planning revolts against the Qing government and establishing revolutionary organizations. Shanghai concessions were regarded as a refuge for those revolutionary party members who tried to set up Constitutionalism in China, which preserved the revolutionary forces from the persecution of the Qing government and promoted the development of the revolutionary situation. Motivated by self-interest, the concession authority sometimes chose to side with the Qing government to suppress the revolt and persecute the new bourgeois parties. It means that concession did not always be a safe place for revolutionists. However, the Shanghai concession did provide chances for revolutionists to learn western advanced Western political ideas and put them into practice to guide revolutionary activities. It was not only the stronghold of the Western countries which invaded China but also a place for people to propagate the bourgeois ideology. The New Bourgeois Party took advantage of the unique conditions and treated the Shanghai concession as a major gathering place for their democratic and patriotic movements, a propaganda center of the new revolutionary ideas, and a refuge from political persecution [6].

3. Economic Influence

3.1. Preserve the Population Resource

Concessions provided a relatively secure place for the preservation of population resources. Research on the Concession System and Population Changes in Modern Times: A Case Study of Gulangyu Island (1840-1941): also on the Differences with the Main Causes of Population Changes in the Shanghai Concession written by JIAO Jian-hua and XU Cui-hong stressed the significance of institutional factors in population development in concessions [7]. According to this research, the Shanghai concession population had soared during the war and has dropped dramatically since the war ended, which proved that the concession was a refuge for Shanghai people in wartime [7]. Xiong Yuezhi put forward the concept of the 'isolated islands effect': From a political perspective, whether the Qing government or the Beiyang government could not rule Shanghai concession. He likens Shanghai concession to an isolated island, where the decrees and regulations of the Chinese government could not be implemented [3]. Such an isolated island made concessions to a certain degree detached from endless riots and a series of political fighting in other part of China, thus protecting thousands of refugees who swarmed into concessions or other foreign settlements. Especially, the security environment of concession was important at that time, and it gave people a better condition to live and provided opportunities for the population to develop. Concessions provided basic security and social order for people and guaranteed basic personal safety and property safety, which were prerequisites for market transactions and economic development. Furthermore, population resource is a vital factor for economic development. Without the development of the population in Shanghai, economic prosperity could hardly be achieved. Just because the concession preserved population resources and provided a relatively safe environment, which guaranteed ordinary commerce activities, the economy of Shanghai and the peripheral area got less serious impact from riots than in other areas of China.

3.2. Improve the Economy Economic Development of Shanghai City

Many foreign businessmen came to run a business in Shanghai concession because of the wide market and favorable policies. With a great quantity of foreign business developed in Shanghai, people gradually realized that western economic patterns did have advantages and reference significance for the development of local business. The economic development in concessions also changed people's traditional cognition of commerce knowledge. When people realized commerce was so profitable, an increasing number of people swarmed into commerce activities. More and more people realize that

running a good business needs professional knowledge. Wen-hsin Yeh stressed that people started to recognize that knowledge was a critical element in commercial success instead of greed or dishonesty. In a business career, superior knowledge is increasingly crucial [8].

In order to get prepared for a new commerce situation, people were curious about western business skills. The demand for commerce knowledge increased, which promoted the development of business education. To cater to such a social demand, a large number of business schools and business universities emerged. Business-related expertise was increasingly introduced to the Chinese.

Meanwhile, with the rise in earnings, an increasing number of people were willing to take part in commerce activities. Traditional concepts were challenged by the new situation, and business practitioners gained an elevated social status and more respect. This change in status affected the value orientation of the whole society, which will be discussed later.

Besides, business prosperity led to fierce competition, giving impetus to technological innovation and quality elevation. It turned out to be a virtuous circle to promote commerce and prosperity again. Concessions brought business prosperity to Shanghai city, thus making economic activities increasingly become the center of social life and the daily life of people connect with the international market more closely.

4. Cultural Influence

4.1. The Spread of Western Culture

Concessions attracted many foreigners to settle or come to do business, thus introducing western culture to local Chinese. Ratepayers' meeting in the concession let the Chinese people understand the western political culture, such as the representative system. At the same time, Chinese people gradually understood and respected civil and political rights such as freedom of speech, thought, assembly, and publication. It had greatly changed the thinking mode of Chinese traditional political culture and provided cultural preparation for modern political revolution. A more liberal cultural environment facilitated the spread of culture and made cultural communication more frequent.

Moreover, the spread of scientific culture perfected the knowledge structure of Chinese intellectuals. A large number of newspapers and periodicals issued in the concession became an important channel for Chinese people to understand the West and learn the Western culture. These newspapers and periodicals introduced a great quantity of modern Western scientific and cultural knowledge and political systems, and supplemented, and improved the knowledge and cultural system of modern Chinese intellectuals.

In addition, for religious purposes, a large number of churches were established in the concession. On the one hand, western religious culture came. On the other hand, the schools were founded by churches, which promoted the development of modern Chinese education.

4.2. Enhance Cultural Communication between East and West

In the late Qing Dynasty, Shanghai concessions were not only areas under multiple political control and cultural management but also provided a good environment for the coexistence, exchange, and integration of heterogeneous cultures.

Western people who came to settle in concession brought the material civilization, lifestyle, appreciation of beauty, ethics, and values to shanghai, changing local culture and gradually forming a special mixed culture, making it an enclave of western culture in China. Under the concession situation, the Westerners not only brought their daily utensils to China, but also introduced their lifestyle, social system, values, ethics, and morality to the Chinese, which provided an opportunity for Chinese and Western cultures to coexist, contact, communicate and integrate in practice [9].

At the same time, the establishment of the concession gave the foreigners who settled in it the opportunity to contact the local Chinese and understand the cultural customs and traditional ideas of Shanghai. Modern Shanghai city was under a complex situation where heterogeneous cultures were intertwined. The institute of concession provided a space for conversation between Chinese culture and western culture. In communicating Eastern and Western cultures, Shanghai integrated the local and foreign cultures to form a unique urban culture.

4.3. Commercialization of Culture

As mentioned above, the concession had promoted the commercial development of Shanghai, introduced new business concepts, changed the traditional Chinese perception of commerce, and enhanced people's emphasis on business knowledge. Under such a strong mercantilism atmosphere, the culture of Shanghai had also been commercialized.

Plenty of commercial advertising emerged and rapidly spread in people's daily lives, thus affecting the people's attitude and ideas about business subtly. The traditional Confucian ideology was impacted, which means that the aspiration to be traditional Chinese literati changed while being entrepreneurs became a new social value orientation. The traditional opinion that bureaucrats were highly valued had fewer effects on both individuals and families. Traditional choices of businessmen to try their best to transfer their success in commerce into advantages in the official circles changed. Instead of expecting their children to be traditional Chinese literati, large entrepreneurs sent their children to new church-run schools or sent them abroad for education in order to foster their ability in commerce [10].

5. Social Influence

As mentioned above, the political, economic, and cultural environment had changed, the influence of conventional social restrict steadily weakened. As a result, the freedom of ordinary people enlarged and gradually formed a new public space of urban life. In concessions, foreign settlers established urban leisure spaces like theaters and a variety of sports clubs, which made Shanghai residents get to know more about western sports and recreational activities.

The great advantages of municipal construction and urban management in the concession were gradually recognized by Shanghai people and were used for reference in the urban construction of Shanghai outside the concession, which promoted the modernization of Shanghai. More standardized urban management gradually emerged. Referring to the European model of urban governance, the noise management and the modern sanitary system in public settlement got improved [11,12].

Additionally, the concession had also brought about changes in the lifestyle of Chinese residents. The Westerners brought the lifestyle of their own country to Shanghai, and brought their daily necessities, science and technology, customs, and habits to Shanghai, many of which were completely distinct from the local ones. Chinese residents not only felt amazed but also examined them and compared them with the accustomed ones. In several fields, Chinese residents started to "see the sages, choose good from it", prominently reflected in the Western materials and Western medicine [3]. The development from gas lamps to electric lights and the promotion of using tap water, western medical technology, fire facilities, and other daily necessities were introduced through the concession into Shanghai. These more advanced materials and technologies had improved the quality of life of Shanghai residents and promoted the change of the old social lifestyle. Meanwhile, due to the need to promote new commercial products, advertising and other methods were often used to propagandize the lifestyle of new products, which not only made many Western goods gradually localized, but also led the new trend and accelerated the lifestyle changes of local residents.

6. Conclusion

The setup of concessions in Shanghai affected various aspects of Shanghai, promoting the modernization and development of Shanghai. This paper tries to study the effects that concession led to comprehensively by studying various perspectives of society and to give researchers a better understanding of the profound influences on Shanghai society which Shanghai concessions brought to. It turns out that each aspect of influence is often interconnected. For example, the municipal management system affected not only local social government improvement but also had great significance for economic development. The formation of the concession regime institution and the establishment of the municipal management institution brought the Western democratic institution and the scientific municipal management model into Shanghai, which greatly changed the urban institutional environment of modern Shanghai. The new institutional environment provided favorable conditions for the all-round modernization of Shanghai city and greatly promoted the rapid development of the modern urban economy in Shanghai. As a result, it is necessary and meaningful to study more aspects of the influence which concession brought to Shanghai and think about how they interacted with each other. Nevertheless, this article is limited in that historical records are not enumerated exhaustively, and the studies on the connections between political and economic influences also do not go far enough. There is expected to be more relevant research to supplement the limitations of this article.

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