

S H A N G H A I

The municipality of greater Shanghai contains a population in excess of 1,500,000 which insures its position as the metropolis of China and places Shanghai as one of the great cities of the world. It is the preeminent commercial center of China, both in foreign and domestic trade. In fact, Shanghai ranks among the five greatest world ports. It is also, by far, the first industrial center of China. Here, too, the largest number of foreigners reside and here are found the greatest foreign investments. Consequently, the political and social significance of Shanghai exceeds that of any other point in China.

One would expect to find in the lower Yangtze Valley a great city. In fact, the Yangtze Valley and especially the delta is by far the most productive and densely populated portion of the Chinese state. The Yangtze River is an excellent stream for navigation and has connected to it thousands of miles of navigable tributary streams and canals which serve a vast area of fertile land and a population of 180,000,000 - nearly one-half of China's teeming millions. Within this area, climatic and soil conditions allow a variety of agricultural products, some of which are in great demand in the foreign markets of the world. Especially is this true of silk, tung oil and tea. A variety of minerals, more readily accessible here than elsewhere in China proper allow exploitation and the development of manufacturing. A dense population and a variety of agricultural raw materials allow a varied industrial development. But, the valley alone does not account for the focal position of the Yangtze mouth. Most of western China and much of north China finds its most ready access to the sea by way of the Yangtze Kiang. In addition, the coasts north and south are not favorable to port development. Southeast China is a mountainous land and although there are a number of good natural harbors none of them can extend their trade far inland. To the north, the coast is flat and shelves gradually into the sea. There are no good harbors until the Shantung Peninsula is reached. Consequently, there is a great development of coastwise trading, by small boats, from Fukien to Weihaiwei which centers on the mouth of the Yangtze River. The result of all this is that China's economic life is more concentrated on a single sea-gate than is any other great country of the world. Shanghai, which controls this gate, handles more than 40% of China's foreign trade and at least four times more than any other Chinese port.

The exact location of the city of Shanghai is due to a combination of geographic and political facts. Prior to the Opium War, the Chinese city of Shanghai was but a small fishing settlement. As early as the 11th century its strategic commercial significance seems to have been recognized when a native custom-house was established there. It was not until the 14th century, that it was raised to the dignity of a walled city and made a subprefectural or district center. Until 1842, however, Shanghai was but a port of call for river and sea-going junks. The British army under Sir Hugh Gough occupied the native city on June 19th and by the Treaty of Nanking of that year Shanghai was included as one of the five treaty ports opened to foreign trade. The following year the limits of the English settlement were established. Soochow Creek formed the northern boundary (see map on opposite side) the Whangpoo formed the eastern limit and the now extinct Yang-King canal limited the settlement on the south. The concession extended inland from the river to Defence Creek. This original site lay a half-mile north of the native city. Further extensions were later granted, the last in 1901, and this area occupies approximately what is today called the Central

District of the International Settlement. In 1849, the French acquired a similar grant of the area between the north walls of the native city and the English Settlement. In 1860, a further grant was made of the area between the native city and the river and in 1902 a western extension was added.

Americans rented a tract of land in Hongkow (Hungk'ow), just north of Soochow Creek in 1862. The following year this American settlement was incorporated with the British area and the whole was termed the "International Settlement". A previous combination had been drawn up, in 1854, between the French and British groups, but the French soon withdrew and their settlement has ever since remained independent. Further extensions have been made and the interests of all trading nations except France have become centered in the International Settlement. This settlement maintains its own police and its own courts. Trade has grown rapidly as has the city. The Bund, which borders the river, is one of the most colorful and commercially active streets in the world. It is lined with great commercial and banking houses. Here the old and the new, the East and the West, mix to a surprising degree. Here is located the most valuable property in all China.

The geographical setting of Shanghai has been most significant in its prosperity. The site of the city is on the inland bank of the Whangpoo at a point 15 miles from the southern channel of the estuary of the Yangtze River. This location furnishes adequate protection and depth for sea-going vessels. The harbor which is 9 sea miles in length has an average width of 1,500 feet of which about 500 feet is navigable. A 30-foot depth is maintained from the Yangtze to Shanghai. There are 17 mooring berths ranging from 500 to 750 feet in length and numerous wharves along the shore. Soochow Creek opens up a wide and rich hinterland and connects with the Grand Canal. There are some 3,500 miles of navigable canals in the immediate district having an average depth of four feet. This district or immediate economic domain of Shanghai has a population of 25,000,000, giving a density of nearly 900 to the square mile. It includes such cities as Hangchow (600,000), Soochow (500,000) and Ningpo (465,000). There are in this district 30,000 Japanese and 15,000 other foreigners. There are 3,718 Americans and nearly 200 American firms doing one kind of business or another.

There are certain disadvantages to the site, however. The bar at the outlet of the Whangpoo and the shoals in the channel require constant dredging and expense. The city was built on low, swampy ground which means a constant problem in maintaining healthful conditions. The underlying material is unconsolidated alluvium and this limits the size of buildings which in turn leads to a congestion of low buildings over a wide area.

In its broader relations, Shanghai is most favorably located. It is the nearest port to Japan proper. It lies midway between Tientsin in the north and Hong Kong and Canton in the south. It is most centrally located for the entire trade of the China seas involving the fertile monsoonal lands of southeastern Asia and the island archipelagoes from Japan to the Philippines. The Yangtze is navigable inland for steamer traffic for 1800 miles and connects with countless tributaries and canals. Other distances from Shanghai are of interest:

Nanking	193.2 miles
Nagasaki	394 "
Dairen	567 "
Hankow	600 "
Hong Kong	759 "
Tientsin	776 "
Peking (Peiping)	907 "
Vladivostok	945 "
Vancouver	5,013 "
San Francisco	5,387 "