JEWISH PAST AND COLONIAL SHANGHAI: TRADE, TREATY-PORT, AND TRANSITIVE MODERNITY

BY

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DISSERTATION

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Abstract

This dissertation explores the transnational and colonial encounters of Sephardic Jews and Chinese in treaty-port Shanghai by examining 1) the Jewish networks of capital, goods, and market; 2) Jewish elites and their political activism; 3) transnational legal and political status of Sephardic Jewish elites in Shanghai and 4) Jewish cultural heritage in Shanghai. A central argument of this work is that as an expatriate business community living in treaty-port Shanghai, Sephardic Jews took advantage of the British colonial system to achieve wealth and at the same time established extensive contacts with the Chinese in Shanghai. As a result, they deeply influenced Shanghai’s economic, political and social institutions and rhythms of life.

Using both Chinese and English archival resources, a wide range of Chinese and English language newspapers and periodicals, this study contributes new materials and analyses to three areas of scholarly research: the modern history of Shanghai, Jewish diaspora in port-cities, and colonial studies in China. Ultimately, the purpose of this study is twofold: to document the economic/social encounters of Jews and Chinese in a colonial context and to examine the urbanization and modernization process of Shanghai itself as a result of this encounter.
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**Introduction**

Walking on the Bund in Shanghai today, one is impressed by the many architectural landmarks overlooking the Huangpu River. Among these buildings, the Fairmont Peace Hotel, built as Sassoon House and called The Cathay Hotel before 1949, is considered the crowning achievement (Figure 1). Its severe yet elegant ferroconcrete facade topped by a green pyramid roof has been a stunning landmark on the Bund for over 80 years. However, few people know of the deeper connections that this building has with the city of Shanghai. As architectural historian Jon W. Huebner points out, this 12-story hotel built in the Gothic style of the Chicago School, with its granite exterior and copper-sheathed roof, “conveyed the optimism of an expatriate business community which established an enduring presence in Shanghai under the social and economic order which had been created by extraterritoriality.”\(^1\) The business community that Huebner describes is that of the Sephardic Jews who lived in Shanghai for over a century beginning in the mid-1800s, and who are the subject of this dissertation project.

During the second half of the 19\(^{th}\) and first half of the 20\(^{th}\) centuries, three waves of Jewish immigrants came to Shanghai. These waves of immigration comprised Jews from various national, social, economic, political and cultural backgrounds. The Sephardic Jews were among the earliest foreign settlers in Shanghai since its opening as a treaty port in 1843. Since the mid-19\(^{th}\) century, Sephardic Jews from Baghdad, Iraq and its adjacent areas in the Ottoman Empire started moving eastward to British India and further to South Asian countries such as Malaysia,

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Java, Singapore, Myanmar and Philippines. After the First Opium War in 1842, with the British expansion in China, the weakening of anti-Semitism in the British Empire and the renunciation of the monopoly of trade by the East India Company, Sephardic Jews began to form a well-integrated “trade diaspora” that stretched from British Bombay to Hong Kong and Shanghai with London as its European base.²

Along with this trade diaspora, Sephardic Jews in Shanghai established a living community in the International Settlement of Shanghai that was known for its own communal institutions, economic prosperity, and vibrant cultural life. By 1874, there were more than two dozen Baghdadi Sephardic Jews employed by the Sassoon Company.³ They made up the core population of the Shanghai Jewish community. By the 1880s, many of these former Sassoon

² Chiara Betta in her study of “The Trade Diaspora of Baghdadi Jews: From Ottoman Baghdad to China’s treaty Ports, 1843-1931” states that there is a continuity of Jewish networks within the framework of the British Empire. She uses the term “trade diaspora” even though, in the last part of the 19th century, trade diasporas tended to disappear as a result of the westernization of commerce and the consequent creation of large ecumenical trade zones. Her article describes in detail the trade network that Baghdadi Jews established during this time period. My work will elaborate it more in the first chapter through the examination of the Sassoon Company’s opium trade.

³ The history of the Baghdadi Sephardic Jews in Shanghai could be traced back to the time when the Sassoons, Baghdad’s most eminent Jewish family, extended their trade network to treaty port Shanghai during the mid-19th century. In 1844 shortly after the Opium War, Elias David Sassoon (1820-1880) came to Shanghai and established David Sassoon and Sons & Co. (“Old Sassoon Group”) in 1845. Soon after, a steady flow of Sephardic Jewish clerks and their families joined the Sassoons in Shanghai. The history of the Jewish immigrants’ settlement in Shanghai thus began. Elias David Sassoon’s grandson, Victor Sassoon (1881-1961), established a new branch of the Sassoon company, E.D. Sassoon & Co., Ltd. in 1920, also called “New Sassoon Group.”
employees had developed their own independent businesses and thus expanded the Sephardic Jewish population in Shanghai. According to one estimate, by 1895 there were approximately 175 Sephardic Jews living in Shanghai, most of whom were employed in the opium and cotton businesses. By the early 20th century, the number of Sephardic Jews in Shanghai had grown to between 800 and 1,000. They were later joined by Ashkenazic Jewish immigrants from Russia in the late 19th century and Jewish refugees from Central Europe during WWII to form the largest Jewish community in the Far East.

Taking advantage of close connections with their business partners in British-ruled areas, Sephardic Jews acquired wealth quickly by first developing a robust import and export trade. Later they invested in real estate, public utilities and manufacturing and became the most active industrial and commercial-financial group in Shanghai. During the 1920s and 1930s, Sephardic Jews owned almost half of the shopping, business and residential districts and private estates in

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5 Maisie J. Meyer. From the Rivers of Babylon to the Whangpoo—A Century of Sephardi Jewish Life in Shanghai. (London & New York: University of America, Inc. 2003),12. There are various other secondary resources that provide information about the Sephardic Jewish population in Shanghai at the turn of the 20th century. Jacob B Abraham in his book Jews in China estimated that by 1895, there were around 175 Baghdad Sephardic Jews living in Shanghai who were mostly involved in opium and cotton trade business. By 1900, there were at least 800 Baghdad Sephardic Jews living in Shanghai. The whole population of Jews in Shanghai by WWII had reached more than 20,000 because of the incoming the large numbers of Jewish refugees from central Europe.
the city. The political and social outlook of the Sephardic Jewish community was deeply influenced by the strong position of the British Empire in the Far East. During WWI, most of the Sephardic Jewish elites in Shanghai renounced their Ottoman nationality and obtained British protection under the British mandate. The community was also known for its well-established political and communal institutions, as well as its active involvement in the politics in and out of the foreign settlements in treaty-port Shanghai.

**Historiography**

The Jews of Shanghai have been a topic of scholarly interest for more than a decade. Yet several issues remain unaddressed. Firstly, most publications focus on the Jewish refugee community in Shanghai. Little research has been done on the Sephardic and Russian Jewish communities. Secondly, few scholars examine the encounters between the Jews and Chinese in

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6 *Israel’s Messenger*, Oct. 9, 1925, in which Marcella Crohn Rubel, an American visitor to Shanghai in 1925, recorded that half the business and residential areas were in the hands of Baghdadi Sephardic Jews who had made their fortune in the Orient.

7 In the 19th century, British protection of employees of the Sassoon firms extended to Jews of other British firms. Many Sephardic Jews registered as British subjects at the British consulate. During WWI, many of them renounced their Iraqi nationality. Following the creation of the State of Iraq in 1921, even more of them applied for the registration of British subjects. Wealthy Jewish applicants who had properties registered at the British consulate were favored by the consular officials. Maisie Meyer in her book listed several application cases through British consular records and demonstrated the efforts that Jews made in in the application for British legal status.

8 Due to the linguistic difficulties posed in using Russian language archival resources, currently there are few studies of Russian Jewish communities in Shanghai. In a few cases, this focus is included within the study of the broader
Shanghai since the 1840s, and especially on interactions between Jewish immigrants and the local Chinese community. Thirdly, more research needs to be done concerning the departure of Jews from Shanghai beginning in 1945 and the connections that these former Jewish residents maintained with the city. Fourthly, the contributions of Jews to the Chinese political and social movements in Shanghai are also understudied.9

The research for this project thus began as a response to these less discussed issues in the study of modern history of Shanghai and Jewish diaspora in China and emphasize the transnational/colonial encounters of Chinese and Jews in treaty-port Shanghai. During the past twenty years, historians have already reshaped their understanding of the past through the new perspectives of transnational historiography, such as the study of global environmental change, human rights, migration, economic and cultural globalization, regional communities and non-governmental organizations. These studies tend to illuminate historical developments through thematic subjects rather than following a certain time frame or geographical unit, as illustrated by Akira Iriye in his book on transnational history.10 With the same perspective, this project also hopes to shed light on the colonial encounters and intricate social networks that the Sephardic Jews established with the Chinese host society, across the boundaries of nation-state, and taking

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9 Pan Guang, the forefront scholar in Jewish studies in China also points out the lack of study of Jews’ contributions to Shanghai’s political and social movements in his book Yigeban shiji yilai de Shanghai Youtairen—Youtai Minzushi shang de dongfang yiye.

place in a semi-colonial urban society. A central argument of this work is that as an expatriate
business community living in treaty-port Shanghai, Sephardic Jews took advantage of the British
colonial system to achieve wealth and at the same time established extensive contacts with the
Chinese in Shanghai. As a result, they deeply influenced Shanghai’s economic, political and
social institutions and rhythms of life.

This dissertation project is anchored in the context of economic, political, social and legal
transformations in treaty-port Shanghai since the mid-19th century. In considering the dynamic
Sephardic Jewish community against the social environment of Shanghai, there are four threads
which this study will examine: the community’s intricate networks of capital, goods, and market,
Jewish elites and political activism, Shanghai Sephardic Jews and their transnational legal and
political status, and finally Jewish cultural heritage in Shanghai. In each thread, this work tries
to delineate the contacts between the Jews and the Chinese, the adaptations that the Sephardic
Jews made to the social and political changes occurring in Shanghai and the impact that they had
on the modernization process of the city. Ultimately, the purpose of this study is twofold: to
document the economic/social encounters of Jews and Chinese in a colonial context and to
examine the urbanization and modernization process of Shanghai itself as a result of this
encounter.

The experiences of the Sephardic Jews in Shanghai had a significant impact on the city’s
development, especially in the economic sphere. The period examined in this work stretches
from the mid-19th century when the Sassoon Group, the first Jewish firm in Shanghai, extended
its business network into the city to 1949 when the majority of the Jews emigrated from
Shanghai, and ends with a discussion on the cultural heritage and legacy of Sephardic Jewish life
on Shanghai today. After the historical rupture of Jewish life in Shanghai between the 1950s and the 80s, the search for the Jewish past is part of the local resuscitation of “haipai” (海派) culture, which is associated with plans for economic growth and profitability in Shanghai.  

Modernization is associated with a series of historical processes on various levels, from economy and politics to culture. It is often labeled by capitalist development, industrialization, urbanization, democratization and secularization. The concept of modernity, on the other hand, is central to cultural studies and used as a discourse to emphasize its opposition to the “traditional” or the “foreign.” As literary theorist David Punter points out that, modernity is “always and everywhere political; it is consequently also inseparable from economic and technological conditions.” In this work, I use the term “modernization process” to talk about Shanghai’s economic and political developments since the late 19th century. On the other hand, the concept of Modernity is associated with my discussion of Jewish cultural heritage preservation in Shanghai in Chapter four. More importantly, the portrait of Shanghai modernity as a discursive representation is a way of thinking about the city’s past, present and future.

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11 Marie-Claire Bergere explains in her book on Shanghai that “haipai,” or “the Shanghai style,” was the very expression of the commercial and cosmopolitan culture of modern China. Initially, the term designated a regional genre of opera, but at the beginning of the twentieth century, it took on a more general sense and was applied as much to the practices of daily life as to forms of literary and artistic expression. To learn the history of the term haipai, and its successive meanings, see Li Tiangang’s preface, “Haipai: Jindai Shimin wenhua zhi lanshang” (Haipai: the Source of Modern Urban Popular Culture), in Renwen Shanghai: Shimin de Kongjian (Shanghai: Shanghai Jiaoyu Chubanshe, 2004), 1130-1159.

Shanghai modernity was formulated in a transitional space of treaty-port Shanghai. It’s defined by a sense of contingency and this explains why I use the term “transitive modernity.”

**Literature Review**

In addition to a few publications that discuss generally the history of Jews in Shanghai, there are currently three major English publications devoted to the Sephardic Jews’ experiences in the city. Two of these, respectively by Maisie J. Meyer and Chaira Betta, focus largely on the dissections of Jewish lives and identities from an inner community perspective. The third, by Sarah Abrevaya Stein, puts the study of Sephardic Jewry in Shanghai within the larger context of British Empire building in the Far East.

Maisie J. Meyer’s book, *From the Rivers of Babylon to the Whangpoo: A Century of Sephardi Jewish Life in Shanghai*, provided the first comprehensive history of Baghdadi Sephardic Jews in Shanghai. In her book, Meyer highlights several key issues in regard to this community: the origin of the Baghdadi Sephardic identity; the status of Baghdadi Jews in Shanghai; and their communal organizations, professional profiles, traditions, and religious activities. Meyer’s book also examines the interactions between the Baghdadi Jews and their Ashkenazi coreligionists: the Shanghai Russian Jews and the Jewish refugees from Nazi persecution. Additionally, one chapter is devoted to efforts the Baghdadi Sephardic Jewish community made to reach out to the dying Kaifeng Jewish community in China. Overall, Meyer’s focus is on the Jewish community itself and its connections with other foreign communities in Shanghai. She portrays the

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13 Dr. Meyer’s focus is largely on the economic, social, political and cultural barriers that hindered interaction between the Baghdadi Jews and other Jewish communities in Shanghai.
Shanghai Baghdadi Jews as an elite foreign community, disengaged from the local Chinese society.

Another major contribution to this topic is Chiara Betta’s study of the Sephardic Jewish merchant Silas Aaron Hardoon, *Silas Aaron Hardoon (1851-1931): Marginality and Adaptation in Shanghai*. Dr. Betta analyzed Hardoon's presence in Shanghai within the framework of the trade diaspora of Jews of Baghdadi origin in China. She also discussed the middleman role that this group performed in trade between India and China under the aegis of the British Empire in the nineteenth and early twentieth century.\(^4\) Identity is an important issue in Betta’s work. Silas Aaron Hardoon, according to Betta, not only maintained a strong attachment to his own primary Jewish culture and a pragmatic alliance with the British, but also established a strong emotional tie with the Chinese socio-cultural milieu. Betta’s work focuses on the process of Silas A. Hardoon’s adaptation to his host environment in Shanghai. Compared to Meyer’s study, Betta’s work does pay more attention to the connections of one individual Jew with the local Chinese society; however, she represents this as an exception to the attitudes and circumstances of the larger Jewish community. That is to say, Betta still views the larger Jewish population as part of the foreign community detached from the Chinese society.

Finally, Sarah Abrevaya Stein’s piece “Protected Persons? The Baghdadi Jewish Diaspora, the British State, and the Persistence of Empire,” focuses on Silas Aaron Hardoon and his

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controversial status in Shanghai. Her article seeks to answer questions about the legal definition of the extraterritorial Jews in a semi-colonial setting when Empire gave way to nation-states, and about what political allegiance the Jews would seek for themselves once their extraterritorial status came into conflict with evolving national and international legal norms. Stein places her study of Shanghai’s Baghdadi Sephardic Jewish community within the context of the process of decolonization, especially for Jews from the Middle-East and Mediterranean areas.

Whether focusing on an individual or a whole community, the existing English language literature on the Sephardic Jews in Shanghai tends to anchor itself within the context of Jewish diaspora and British Empire building in the Far East, while ignoring the encounters of the Sephardic Jews with the Chinese host society. It is Chinese scholarships in this field of study that have tried to fill this gap by examining the experiences of Shanghai Jews within the broader field of modern history of Shanghai.

Ever since the year of 1980 when sociologist Pan Guangdan (潘光旦) published the article on the Journal of Chinese Social Science and examined several key issues related to the subject of

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16 Scholarships on Shanghai usually portray Shanghai as a semi-colonial city. The term could be traced back to Lenin, Sun Yet-sung and Mao, suggesting that China had never been entirely colonized. Treaty port Shanghai contained multiple foreign settlements with extraterritorial jurisdiction, formal enclaves of foreign residence and governance without full colonialism.
Jews in China, research in this area has started to revive in China’s academia.\textsuperscript{17} Entering the 21\textsuperscript{st} century, several scholarships have been produced with more research depth and comparative perspective. In 2005, Social Science Academy in Shanghai (CJSS) organized a conference on the subject of “Jews in Asia: Comparative Perspectives.” Its research articles were later published as a book in 2007. Among them, the director of CJSS Pan Guang （潘光）’s “Jewish Communities in Hong Kong and Shanghai” examined the formulation of Sephardic Jewish community in Shanghai and its connections with the Hong Kong Jewish community. Pan analyzed how Shanghai and Hong Kong became the favorable geographic location to develop a thriving import-export trade and then how Jews quickly amassed a great amount of wealth in both cities. Pan Guang’s work built a foundation for future scholars to explore further on the subject of Jewish life in Shanghai.\textsuperscript{18}

In 2008, CJSS published a collection of research articles to review 30 years of research on Jewish studies in China. The scale of these research ranges from Jewish philosophy in Greco-Roman period, Sino-Israel relations to anti-Semitism during and after WWII. As to the study of Jewish communities in Shanghai, leading scholars in CJSS such as Pan Guang, Wang Jian (王健) and Tang Peiji (唐培吉) by that time have published a few books on this subject including 1990 Yiseliu/Youtai xue Yanjiu 以色列 / 犹太学研究 (1990 Israel/Jewish Studies), Shanghai Youtairen 上海揅太人 (Shanghai Jews), Youtairen zai Shanghai 犹太人在上海 (Jews in

\textsuperscript{17} Pan Guangdan. Zhongguo Jingnei Youtairen de Ruogan Lishi Wenti (Beijing: Beijing Daxue Chubanshe, 1983)

\textsuperscript{18} Pan Guang, ed., The Jews in Asia: Comparative Perspectives. CJSS Jewish & Israeli Studies Series Vol I (Sanlian Publishing, 2007), 84-95.
Shanghai), *Yigeban Shiji Yilai de Shanghai Youtairen* 一个半世纪以来的上海犹太人 (*Shanghai Jews in One and Half Century*). These research examined comprehensively the various aspects of Jewish life in Shanghai. The Sephardic Jewish experience is studied as part of the larger Jewish community in Shanghai and their economic impact is emphasized compared with the Russian and Central European Jewish communities.

Among the most recent Chinese scholarships, Wang Jian’s book, *Shanghai Youtairen Shehui Shenghuoshi* 上海犹太人社会生活史 (*Social Life History of Shanghai Jews*), is the most comprehensive study of “social lives” (shehui shenghuo 社会生活) of the Shanghai Jews. The author states out that he adopts the broader concept of “shehui shenghuo” and examines at least three aspects of Jewish life in Shanghai: economic life, cultural life and social relations. It paints a general picture of Jewish community as a whole in Shanghai, through three waves of Jewish immigrations, and spans from mid-19th century till after WWII. This book extensively introduced various aspects of Shanghai Jewish life including community institutions, occupations of Jews, economic consumptions, education, religion, cultural activities so on and so forth. It serves a good resource book to understand Jewish life in Shanghai in general.

In 2010, Wang Jian and Pan Guang’s published book *Youtairen Yu Zhongguo: Jindai Yilai liangge Gulao Wenmin de Jiaowang he Youyi* 犹太人与中国：近代以来两个古老文明的交往和友谊 (*Jews and China: Contact and Friendships between Two Old Civilizations in Modern Times*) once again integrated previous studies, mapped out Jewish communities in several big

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cities of China—Shanghai, Tianjin, Hong Kong and Harbin, and examined the interrelations among these communities.\textsuperscript{21} As to Jews in Shanghai, the authors examined the economic, political and cultural activities of Jews in Shanghai and discussed the “Jewish diaspora life pattern” in Shanghai, that is, “the lack of anti-Semitism, an open political and social environment, and the great economic achievements by the Sephardic Jews, so as to enable the Jewish social, political and cultural developments in Shanghai.”\textsuperscript{22} In a word, current Chinese scholarships on Sephardic Jewish community tend to be part of the research of Jewish lives in Shanghai in general. Although scholars have laid out various aspects of Sephardic Jewish life including its communal institutions and social impact, there is a lack of systematic study of the community or community members’ encounters with the Chinese society. More importantly, current study also needs to be put within transnational theoretical frameworks to contribute to the discussions of general historical trends and progressions.

**Scholarly contributions**

Following the path of previous scholars who have done research in the field, I intend to examine the Sephardic Jews’ cross-cultural encounters with the Chinese host society within both the local and international contexts. The intent of this project is to contribute new materials and

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\textsuperscript{21} Pan Guang & Wang Jian, *Jews and China: Contact and Friendship between Two Old Civilizations in Modern Times* (Shishi Chubanshe, 2010).

\textsuperscript{22} Ibid., 23.
analyses to three areas of scholarly research: the modern history of Shanghai, Jewish diaspora in port-cities, and colonial studies in China.\textsuperscript{23}

\textit{Modern History of Shanghai}

Historian Yeh Wen-hsin points out that two lines of questioning have been developed concerning the modern history of Shanghai. One focuses on guilds and native-place associations and asks questions about the relationship between state and society. The second line of inquiry draws inspiration from economic history, focusing on the various business institutions that developed in modern Shanghai. Scholars see the rise of a new form of urban economy as a concrete expression of relationships between China and West, and seek to determine the nature of this interaction by examining the economic dynamics of the connection.\textsuperscript{24}

This study contributes to both lines of inquiries. First, it examines the Jewish networks of capital, goods and market against the background of the construction of the economic infrastructure of the city of Shanghai. Second, this project also examines the Jewish communal institutions and extensive social networks that Jews established in treaty-port Shanghai, which illustrates the relationship between the state and society.

\textsuperscript{23} My archival resource contribution is centered on three areas: 1. Newspapers and journals, both in English and Chinese published mainly in Shanghai during my research period; 2. Municipal government records from Shanghai Municipal Archives; and 3. Records on the Jewish communities in Shanghai from the Center for Jewish History (CJH) in New York City and Harvard-Yanching Library. I will elaborate more in the following section on Archival Resources.

Facing growing persecution and deteriorating living conditions in their homelands, Baghdadi Sephardic Jews chose to immigrate to the Far East for the amiable political, social, legal, and economic conditions and opportunities that Shanghai offered. The political and legal arrangements in Shanghai created a friendly environment for foreigners living and working in the city. But Shanghai’s biggest attraction was the economic opportunities it offered. Having begun as a market town, Shanghai developed as a local port, county seat, and center of cotton production, up to the City’s opening as a treaty port. After the treaty-port system was established, freedom of trade was to be respected. Merchants would not be obliged to trade only with the organizations and agents that the imperial authorities designated. They would no longer be subjected to arbitrary fees but would instead pay taxes, and information concerning the taxes would be widely circulated. Governed by the treaty system, Shanghai was prepared for the establishment of a far more solid commercial and diplomatic relationship with Westerners. Shanghai’s treaty-port status has also recently been studied within the context of colonialism, bringing China into colonial studies. The asymmetrical relations created by the colonial power in Shanghai played out in all kinds of colonial interactions such as hybrid mechanisms of

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25 Under the rule of Daud Pasha (1817-1831), political pressure, conscription and persecution in Iraq forced an increasing number of Baghdadi Jews to immigrate to India, which was under the British rule and had rich trading potential. Sassoon, Kadoorie, Abraham, and Elias were some of those prominent Jewish families from Baghdad who built up their commercial network through India, Southeast Asia, Shanghai and Hong Kong.
administration and multiple jurisdictions. This will be further elaborated in my discussion on colonial studies of Shanghai.

From the early 1850s to mid-1860s, Shanghai experienced a series of violent disorders, rebellions, massacres, looting and repression. Following that period, a phase of industrialization began through joint efforts on the part of the foreigners and the Chinese. Shanghai was one of the principle centers of the Foreign Affairs Movement (yangwu yundong 洋务运动). The Treaty of Shimonoseki signed in 1895 at the conclusion of the Sino-Japanese War, allowed foreigners including the Japanese to make direct capital investments in China. By 1899 Western investments in Shanghai had increased dramatically. During this time, the City’s urban infrastructure — roads, gas lighting, an electrical network, running water and tramlines — was also established in the foreign concessions. By the end of the 19th century, foreign capital investment exhibited a dynamic modernizing energy.

The 1911 revolution ended the Chinese imperial regime. From 1912 until the beginning of the second Sino-Japanese War in 1937, Shanghai experienced an economic boom due largely to private entrepreneurship. Western style infrastructure played an important role in creating Shanghai’s commercial culture. Sherman Cochran’s study of commercial culture on the City’s

[26] See Twentieth-Century Colonialism and China—Localities, the Everyday and the World ed. by Bryna Goodman and David S.G. Goodman, which offers essays about the colonial spaces in Shanghai and particularly its financial institutions within the colonial context.

Nanjing Road describes Western commercial approaches, such as newspaper advertising and displaying goods in open cases, which served as models for Chinese-owned businesses.\textsuperscript{28} In the 1920s, there were generally four types of foreigners in Shanghai: businessmen, merchants and bankers; professionals drawn to the city by its growth and opportunities in the foreign settlements; officials who worked in the International Settlement and the French Concession; and finally missionaries and educators.\textsuperscript{29} Collectively, these foreigners brought diverse cultures and social contacts to the local people.

As an expatriate entrepreneurial community, Jews were deeply involved in the treaty-port system in Shanghai and made the city one of their main centers of trade. In Shanghai, through their transnational trade-networks and collaborations with both foreign and Chinese commercial institutions, they participated in the construction of treaty-port economy and the invention of the treaty-port economic culture. Their economic activities not only focused on trade, real estate and finance, but also spread to an extensive variety of local industries. They formulated a trade network that stretched from British India to Southeast Asia and China within the British colonial system, which is best demonstrated by the establishment of their opium business triangle. At the same time, they brought in modern management concepts and strategies modeled after other European trading firms and thereby contributed to the development of western capitalism in Shanghai. In short, Sephardic Jewish merchants’ economic activities made up a significant part

\textsuperscript{28} Sherman Cochran ed. *Inventing Nanjing Road: Commercial Culture in Shanghai, 1900-1945* (Ithaca: Cornell University 1999).

of the treaty-port commercial profile and facilitated the construction of a western economic order in the city.

*Jewish Diaspora in Port-Cities: An Alternative Path to Social Integration*

Historians have studied the phenomenon of port Jews in various contexts. The classic Dubin-Sorkin concept of port Jews as a social type was originally confined to the Sephardic Jews of the Iberian Peninsula, who settled in port cities on the Atlantic seaboard between the late 16th and mid-18th century.\(^{30}\) In more recent studies, this analytical concept has been broadened beyond the 18th century Sephardi.\(^{31}\) It has been applied to the study of Jewish communities with more diversified racial and geographical backgrounds that include Ashkenazi and mixed Jewish mercantile communities in modern and non-European societies. Port Jews’ distinctive path toward social integration in early modern Europe became one of the many processes by which Jews gained emancipation by politically becoming equal citizens of the State and socially

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\(^{31}\) David Cesarani’s edited volume *Jews and Port Cities 1590-1990: Commerce, Community and Cosmopolitanism* contains a collection of essays that broaden the concept of port Jews and apply it to the study of Jewish communities in port cities such as Glasgow, Copenhagen, Hamburg, and Amsterdam. These studies deal with various aspects of port Jewish communities’ characteristics.
integrating into the mainstream of their home societies.\textsuperscript{32} The study of port Jews therefore resonates with the key theme of Jewish emancipation in modern Jewish historiography.

The tolerant environment of port cities is often described as a weakened rabbinate and strong lay leadership, stronger individual innovation, fluid identity, intellectual questioning, and generally pragmatic social mores.\textsuperscript{33} Port cities tended to offer Jews civic inclusion earlier than other regions. Due to trading and commercial practice, some port city Jews were in constant motion, crossing geographical, political, linguistic and cultural boundaries. They built networks that provide commercial channels. The superior legal status they enjoyed in port cities offered Jews a distinctive stepping-stone to emancipation. These characteristics can be seen more or less in treaty-port Shanghai. As Ottoman subjects living in the International Settlement under British protection,\textsuperscript{34} Baghdadi Sephardic Jews in Shanghai enjoyed many of the legal, political, and

\textsuperscript{32} Emancipation is one of the key themes in modern Jewish historiography. Through political and social emancipations in the 18\textsuperscript{th} century, Jews in Western and Central Europe were able to integrate into the societies they lived in. The foundations and conditions of Jewish life thus had been transformed in every imaginable way. From Jacob Katz’ unilateral German-French model, to later Birnbaum and Katznelson’s diversified processes of Jewish emancipation, modern Jewish historiography has illustrated the diversity of Jewish emancipation in each European society.

\textsuperscript{33} David Cesarani summarized these characteristics of port city political and social environment in his book.

\textsuperscript{34} Maisie J Meyer in her book \textit{From the Rivers of Babylon to the Whangpoo—A Century of Sephardi Jewish Life in Shanghai} talks about Baghdadi Sephardic Jewry’s status by pointing out that “Shanghai Sephardim became more Anglicized with their increasing prosperity.” (157) Sarah Abrevaya Stein’s article “Protected Persons? The Baghdadi Jewish Diaspora, the British State, and the Persistence of Empire” also argues that Baghdadi Jews were the protégés who acquired, lost, and negotiated for the status of British Protected Person in China.
economic privileges defined by the aforementioned international treaties. Mercantilism in particular gave Baghdadi Sephardic Jews an opportunity to integrate into the upper class foreign societies in Shanghai.

For the past two and half centuries, Jewish life has been inextricably bound up with urban society. It was in the city that Jews first faced the challenge of modern life: how to balance their religious and ethnic loyalties with their commitment to the larger society. It was also in urban society that 19th and 20th century Jews made their livelihood, established modern communal and religious institutions, and created distinctively new cultural forms. Yet just as urban life profoundly affected the Jew, so too has the Jew deeply influenced the economic, political, social, and intellectual institutions and rhythms of modern urban society. Contributing to studies of port Jews’ diaspora, my dissertation places the Jews within the treaty-port city’s distinctive urban typology and reconstructs their experience in areas of economic success, political influence, and flexible legal/political identities, and therefore examines their unique path to social integration.

Colonial Studies of Shanghai

Implementation of the Treaty of Nanjing constituted a major turning point in the history of Shanghai.35 As a result of its opening as a treaty port after the Opium War (1839-1842),

35 Historians argue on two issues regarding the historiography of Shanghai: one is the “fishing village myth” and the other the “other China” concept. According to the “fishing village myth,” prior to the Opium War (1839-1942), nothing worth calling a city existed in Shanghai. It places the start of Shanghai’s history as an urban center in the 1840s, when Westerners first began to live in the port. The “other China” concept debates Shanghai’s status and identity: a Chinese native city or a creation and agent of the imperialist West (i.e., a colonial city). On one hand, some scholars contend that treaty port cities like Shanghai were crucial in transferring the impact of the West and leading the rest of China into the modern world. Other studies maintain that because treaty ports were disengaged
Shanghai’s political, legal, commercial and social profile changed fundamentally. The city was divided into two foreign-run districts and a separately administered Chinese Municipality. There were two foreign jurisdictions in Shanghai: the British Settlement and the French Concession. The British settlement was established in 1843 under the terms of the Treaty of Nanjing. American and French involvement followed closely. In 1863, with the establishment of French Concession, the British and American settlements formally united to become the Shanghai International Settlement. The International Settlement was a large enclave of foreigners of many nationalities established for the purpose of trade. Foreigners in the International Settlement, including Jews, enjoyed fixed tariffs, extraterritoriality, and the most-favored-nation provisions. The International Settlement was a self-contained community, politically and jurisdictionally independent of the Qing court and, beginning in 1912, the Republican government.

Both settlements and concessions infringed upon China’s authority and created colonial regime in Shanghai. The most important infringement from a legal standpoint was the provision from most of inland China, Shanghai was not a significant factor in effecting modernization. Building on the latter interpretation, some scholars see Shanghai as a quintessential example of the “other China” which developed along a trajectory quite different from the rest of inland China. However, historians generally agree that the discussion of the history of Shanghai needs to be looked at in two periods: pre- and post-1843. Before its establishment as a treaty port in 1843, Shanghai was a county in the Yangzi delta region with no history of government or administrative prominence compared to cities like Suzhou, Nanjing or Hangzhou. But Shanghai had been and was a first class commercial city. Linda Cooke Johnson in her book *Shanghai: From Market Town to Treaty Port, 1074-1858* examines the historical development of Shanghai and its continuity in the context of Chinese urbanization. She also examines the first 15 years of Shanghai’s history after its opening to Western powers as a treaty port. Her book thus contrasts the portrayal of traditional commercial Chinese city of Shanghai with the developing Western town and treaty port in the nineteenth century.
of extraterritoriality, through which foreigners were exempt from the jurisdiction of local law.\textsuperscript{36} The creation of the Shanghai Municipal Council in 1854 laid the foundations of the government of the International Settlement when it received the right from landowners to levy taxes on all residents including the Chinese in the International Settlement. In 1864, due to the great influx of Chinese refugees who were escaping from the Taiping Rebellion into the International Settlement in the last years of Taiping Rebellion, a “Mixed Court” was created in the British Consulate over which was placed a deputy of the Shanghai Magistrate assisted by a member of a consular staff. The Mixed Court formed an integral part of the extraterritorial jurisdiction of the Treaty powers. It dealt with cases between Chinese in the Settlement or between Chinese and foreigners. By comparison, foreigners enjoying extraterritoriality were tried in their own courts: a British Supreme Court for China established in 1905 and an American Court for China established in 1906. These legal arrangements in Shanghai were complicated and problematic. As Nicholas R. Clifford pointed out, the Mixed Court was a completely unjustified system as far as purely Chinese cases were concerned, and it “kept in affluence a legal fraternity far in excess of the genuine requirements of the foreign community.”\textsuperscript{37}

Baghdadi Sephardic Jews in Shanghai, under British protection, were subject to the British laws. The extraterritorial status of the Sephardic Jews gave them great leverage in the colonial order of Shanghai. Bryna Goodman in her study of colonialism and China argues that within China’s colonial contact zones, colonial agency “created new social actors and attracted others,

\textsuperscript{36} For more information on extraterritoriality in Shanghai, see Par Kristoffer Cassel’s \textit{Grounds of Judgment: Extraterritoriality and Imperial Power in Nineteenth-Century China and Japan}.

\textsuperscript{37} Nicholas R. Clifford, \textit{Spoilt Children of Empire}, 30.
some deliberately (through the insertion of consular and policing structures), and some by accident (as a result of economic and social opportunities, or new transportation infrastructures).”³⁸ Attracted to Shanghai by its trade opportunities, members of the Baghdadi Jewish community became “accidental” social actors under the colonial system. Their existence added to the complexities of ethnicity, class, and nationality within the foreign populations in Shanghai. Their extraterritorial legal status reflected the intriguing social roles that Jews played in the process of British colonization of Shanghai.

Sephardic Jews came to Shanghai through a trade network built up along with the British colonial expansion in East and Southeast Asia. Scholarship in modern Jewish studies often neglects that “Jews may have maintained an active relationship to modern colonialism or to the subtle but persistent redeployment of European imperialism in the wake of the First World War.”³⁹ For instance, some Middle Eastern Jews such as Silas A. Hardoon, outside of the boundaries of Palestine or Israel, sometimes functioned as “colonial citizens, advancing, struggling with, resisting, or strategically manipulating the colonial order, on the one hand, and actively negotiating the transition to national and informal colonial (including treaty port and


³⁹ Sarah Arevay Stein, “Protected Persons? The Baghdadi Jewish Diaspora, the British State and the Persistence of Empire” (Paper presented at UC-Utrecht Symposium on Jewish Politics and Political Behavior at the University of California, Los Angeles, 2008).
mandate) regimes, on the other."\textsuperscript{40} The Sephardic Jews in Shanghai took advantage of their extraterritorial status and formed a commercial alliance with the British colonial power in China. This utilitarian relationship is examined in this work as a contribution to the colonial study of Shanghai in general.

**Archival Resources**

This dissertation is firmly grounded in primary sources in both English and Chinese languages. It makes use of documents from the Shanghai Municipal Archive, Nanjing Library Republican Government Archive, The Center for Jewish History (CJH) in New York City, Harvard Yenching Library, and Harvard Widner Library Judaic collections.

The Shanghai Municipal Archive contains municipal government documents, such as civil court records, police reports and government correspondence. It also has extensive records on foreign settlements in Shanghai. What I found useful included land regulations, real estate values, jurisdictional records so on and so forth.

The Center for Jewish History (CJH) in New York City (affiliated with the YIVO Institute for Jewish Research) holds a Shanghai collection accumulated by the YIVO Committee in Shanghai from 1904 to 1953. This collection provides a vivid picture of Jewish lives in the Shanghai through detailed accounts such as correspondence among Jewish organizations, newspaper clippings, financial reports and personal memoirs.

\textsuperscript{40} Elizabeth Thompson, *Colonial Citizens: Republican Rights, Paternal Privilege, and Gender in French Syria and Lebanon* (New York: Columbia University Press, 2000).
The Harvard Yenching Library’s collection of commemorations of Silas A. Hardoon at his funeral in 1931 is an important primary resource through which to examine Hardoon’s social impact in Shanghai. Many of the politicians and public figures in Shanghai such as Yu Youren (于右任 1879-1964) and Huang Jinrong (黄金荣 1868-1953) contributed to this collection. In addition, Harvard Widener Library’s Judaica collection has several documents related to the Jewish communities in Shanghai such as the Ohel Moishe Synagogue membership reports.

Print media, both Chinese and English, were another major primary resource for this dissertation. I studied newspapers published in Shanghai from the 1850s to 1945, including *Minguo Ri Bao* 民国日报, *North China Herald* 北华捷报, *North-China Herald* and *Supreme Court & Consular Gazette* 北华捷报及最高法庭与领事馆杂志, *Shen Bao* 申报, *The China Weekly Review* 密勒氏评论报, *Zilin Hubao* 字林沪报 and *the Israel’s Messenger* 以色列信使报 targeted toward the Sephardic Jewish community in Shanghai. Shanghai local gazetteers and local district historical records, such as trade, judicial and medical reports, represented another important source of information for my research. Finally, a number of published memoirs, and literary writings offered valuable personal accounts and representations of the Jewish cultural heritage in Shanghai. An unpublished report on the Jewish Ohel Rachel Synagogue was also provided by my former advisor Professor Xu Xin from Nanjing University, China.

**Chapter Outline**

This dissertation includes four chapters, bookended by an introduction and an epilogue. The first chapter focuses on the study of the Jewish Sassoon Firms in Shanghai to illustrate the Jewish networks of capital, good, and market within the British colonial system. The chapter
first reviews the Sassoon Firms’ opium trade against the general background of British opium policy in China. It then examines the Sassoon Firms’ investment (especially that of the new Sassoon Company) in real estate along with the creation of the modern real estate industry in Shanghai particularly since the early 20th century. Lastly, since the 1920s, other than real estate, the new Sassoon Company extensively invested in finance and general industries such as public transportation, auto industry, shipping, manufacturing, and food. The chapter highlights these economic activities against the background of the construction of the economic infrastructure of the city of Shanghai. This chapter intends to emphasize that the economic success of the Sassoon business in Shanghai was deeply rooted in the treaty-port system of Shanghai, and it was through mercantilism that Jews established utilitarian relations with the British colonial power in East Asia.

The second chapter discusses the Jewish communal institutions and the political activism of the Baghdadi Sephardic Jewish elites in foreign and Chinese societies of treaty-port Shanghai. The chapter first discusses the formation of the Jewish community and the establishment of major Jewish communal institutions. It focuses on the Shanghai Zionist Association, established in 1903, to discuss its key political agendas: the Shanghai Sephardic Jewish community’s general attitudes toward this institution and its endorsement by the Chinese Republican government. The second part of the chapter examines the involvement of the Shanghai Jewish elites in local governance and the social networks that they built up within the local foreign as well as the Chinese societies. These Jewish elites stepped outside of their own community and became political actors in the local societies in which they resided. Some of them also supported the Chinese Nationalist political movements. The chapter makes the argument that taking advantage of the social and economic privileges in treaty-port Shanghai, Baghdadi Sephardic Jews were
active not only in Jewish communal politics but also the governing of local society. They generally took a pragmatic approach in dealing with communal affairs and reaching out to the dominant societies of treaty-port Shanghai.

The third chapter tackles the questions and issues surrounding the legal debates on the Hardoon Will/Inheritance Case. The first question relates to Hardoon’s legal status and nationality and whether his estate was subject to Chinese, British, Jewish, or Iraqi laws. This chapter argues that at the colonial intersection of Shanghai, Baghdadi Sephardic Jews negotiated with their legal identity (the Ottoman, Iraqi, Jewish, British and Chinese) and gained leverage as a diaspora merchant community living under the British protection in the International Settlement of Shanghai. Second, the death of Hardoon’s widow, Lisa, in 1941, brought numerous members of their large family to court again to probe the legality of the will she had left. Interrupted by the Japanese occupation of Shanghai’s International Settlement, civil war and the Communist conquest of Shanghai, the Lisa Hardoon’s Will Case went through different jurisdictions reflecting the contingencies of Chinese and global politics. It became a showcase of the political, social and legal transformations of the city of Shanghai. To sum up, the protracted legal debates surrounding the Hardoon Will/Inheritance case illustrate at least two trends. First, Baghdadi Sephardic Jews, especially those of wealth, enjoyed the legal identity of “British protected person” or “British subject” in their colonial encounter with the Chinese, and second, it was the change of local ruling power that determined the jurisdiction and the final settlement of the case.

The fourth chapter examines the search for the Jewish past and the preservation/restoration of the Jewish cultural heritage in Shanghai. David Lowenthal in his book Possessed by the Past
points out that since the 1980s, “the world rejoices in a newly popular faith: the cult of heritage.” In this chapter, I examine the discovery and preservation of Jewish heritage in Shanghai. This process includes not only the preservation of Jewish sites and buildings and the establishment of museums but also Chinese memories and literary representations of Jews. Heritage reflects politics of the time. This is best represented by the literary representations of Silas A. Hardoon throughout time. Since the 1980s, with the implementation of open door policy and economic reforms in China by Deng Xiaoping, the preservation and celebration of Jewish heritage in the city of Shanghai has become part of the local resuscitation of “haipai” culture, which is associated with plans for economic growth and profitability in modern Shanghai.

In sum, this dissertation is a transnational history of Sephardic Jews living in treaty-port Shanghai. The research focuses on the community in the city of Shanghai, but also looks beyond its geographical boundaries. It not only examines the extensive contacts that Jews established with the local society, but also emphasizes the impact of this community had on the urban modernization of Shanghai during the late Qing and Republican period of China. Modern Jewish historiography has illustrated the diversity of Jewish emancipation in European society. Through their emancipation, the Jews of Europe gained equal rights as citizens of nation state and were able to interact with their host society in a comprehensive manner. In the remote land of Shanghai, Baghdadi Sephardic Jews had very different experiences from their European brothers and sisters. These Jews were an elite foreign community under British protection, and as such they enjoyed legal, political, social and economic privileges that the local Chinese did not

have. Their participation of British colonialism was achieved through mercantilism and culturally more of a process of Anglicization. However, as a different ethnic and religious group, Baghdadi Sephardic Jews always maintained their Jewish identity and pursued different political agendas than either their British protectors or their Chinese hosts, which is illustrated in their Zionist agenda. And although their status easily became controversial under the complicated political and legal circumstances in Shanghai, this community had a strong adaptability to the social environment of the city.

Study of the Baghdadi Sephardic Jewish community in Shanghai provides a different perspective for examining the modern history of Shanghai as well. During their century-long stay in Shanghai, the Sephardic Jews had a significant impact on the City’s modernization, especially in the economic sphere. The examination of this Jewish merchant community will illustrate in part the modernization of Shanghai since the mid-19th century. Although Baghdadi Sephardic Jews had generally left Shanghai after WWII and the founding of PRC, today, with the implementation of the open-door policy and economic growth in Shanghai, the Jewish cultural heritage becomes significant again. The search for the Jewish past reflects the current political agenda for economic growth and profitability initiated by the Shanghai municipal government. In that sense, the impact of this community and the relationship that it evokes with the host society of Shanghai continues, only in a different power dynamic.
Citation: Shanghai’s Bund along the Huangpu River in 1935. The domed building is the Hong Kong and Shanghai Bank building. The building with the clock is the Customs House. Further down, the building with the pyramidal roof is Sassoon House. A Last Look: Western Architecture in Old Shanghai. By Tess Johnston. Hong Kong: Old China Hand Press, 1993.

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Chapter 1: Chinese Markets, Jewish Merchants and Treaty-Port Economy—Sassoon Firms in Shanghai

In 1884, Mr. Benjamin David Benjamin (1884-1960), a Jew and a native of Baghdad, was prosecuted by the Shanghai and Hong Kong Banking Corporation for misappropriating the proceeds of 10,000 cases of kerosene oil, which had been stored in his godowns at Pudong, Shanghai, as security for loans made by the bank to Raymond E. Toeg, another Jewish merchant living in Shanghai. The prosecution was based on a warrant made by Toeg and Reuben Aaron Gubbay who alleged that Benjamin had confessed to them that he had taken the proceeds of the oil because he was pressed for money. Benjamin’s defense, Mr. David Hai Silas, who was described by Benjamin’s lawyer as Benjamin’s confidential clerk, argued that Benjamin took no part in the management of the godown. It was his agent, Mr. Moncrieff, who had the sole control of the godown and actually took the money and mysteriously disappeared from Shanghai after a warrant for his arrest was issued. With this defense, the chief justice Sir Richard Temple Rennie decided that the charge against Benjamin based on an alleged “confession” by Toeg and Gubbay was unsatisfactory. The jury found Benjamin not guilty for lack of evidence.42

The prosecution made Benjamin David Benjamin a public figure in the foreign communities of Shanghai. The full reports of the trial in the local daily newspaper extended over several days. A local dramatist even produced a play entitled “Three Black Crows” to portray this event of the time.43 Besides Benjamin, several other Jews were involved in the legal proceedings of this case, including Louis Charles Balfour, the acting accountant of the Hong Kong and Shanghai Bank,

42 “Law Reports in H.B.M’s Court for China and Japan,” The North China Herald, June 13, June 20, June 27, 1884.
43 “The Hong Kong Creditors—Three Black Crows,” Shanghai Mercury, June, 1884.
Reuben Aaron Gubbay, employee of the firm David Sassoon, Sons & Co., and Louis Moore, one of Shanghai’s auctioneers and a popular Rabbi in those days. The career profiles of these Jewish merchants went public as the case attracted more public attention.

Benjamin David Benjamin’s career in Shanghai was typical among Baghdadi Sephardic Jewish merchants. Like many other first generation Baghdadi Jews who came to Shanghai for business opportunities, Benjamin first found employment in the firm of Messrs. E.D. Sassoon & Co., and in the 1870s became the Sassoon Company’s agent in Tianjing. In 1874 or 1875 he established his own company and started as a share broker. Benjamin became extremely successful in finance and was considered the “lion of the Shanghai Stock Exchange.” He was involved in many other businesses, such as trade in kerosene oil, lead, tea and silk, as well as extensive opium speculation with Messrs. E.D. Sassoon & Co. From 1879 to 1883, he became one of the most important speculators and landed proprietors in Shanghai, owning large properties in the British Settlement. By the 1880s, Benjamin was spoken of as the millionaire of the Far East.

The success story of Benjamin David Benjamin says much about the lives and careers of Baghdadi Sephardic Jewish immigrants in Shanghai at this time. Attracted by the trading opportunities in Shanghai, Baghdadi Jews first came and found jobs among the Sassoon Companies. Later, in the 1870s and 1880s, many of them started their own businesses dealing in the trade of tea, cotton, wool, silk, and opium. Others were shopkeepers, importers and exporters,

44 “Benjamin Prosecuted” Chapter III in Some Queer Stories of Benjamin David Benjamin and Messrs. E.D. Sassoon & Co.—Wealth, Fraud and Poverty (Published at the “Celestial Empire” Office, Shanghai, China. 1888), 2-6.

45 Ibid.
commission agents, retailers, property agents and stockbrokers. Some made fortunes as money changers, buying and selling silver currency on a large scale. According to a June 1889 census conducted by the British consulate in the foreign settlement of Shanghai, the foreign population totaled 3,673 persons, including 1,453 British, 457 Portuguese, 247 Americans and numerous individuals of other European and Asian nationalities.\(^46\) The number of Baghdadi Jews was estimated at approximately 180, and all were listed as general merchants and brokers in the Shanghai directory.\(^47\) The two Sassoon companies (David Sassoon Sons & Co., and E.D Sassoon & Co.) listed 23 and 20 Jewish employees respectively.\(^48\) With the addition of a few women and children, these Jewish merchants made up the earliest Jewish entrepreneurial community in Shanghai.

Chiara Betta in her study of the trade diaspora of Baghdadi Jews, highlighted in the Introduction of this dissertation, also argues that we can distinguish three generations of Baghdadi Jewish firms in the treaty port of Shanghai. The first generation was formed by the Sassoon firms, between 1845 and 1880s, which lay the foundation for a permanent Jewish community in Shanghai. The second generation of Jewish firms was founded by ex-Sassoon

\(^{46}\) *The Chronicle and Directory for China, Japan and the Philippines for the Year 1889* (Printed and published at the “Daily Press” office, 1889), 412.

\(^{47}\) The notion of “Baghdadi Jews” in China and India include not only Jews from Baghdad and its adjacent areas, but also many other areas of the Ottoman Empire as well as Persia and even Afghanistan. Chiara Betta in her study also mentioned a minority of Jews working for the Sassoon Company who originated from other neighboring regions such as the Egyptian Jew Simon A. Levy. (British Archives: FO 372/47/21695).

\(^{48}\) *The Chronicle and Directory for China, Japan and the Philippines for the Year 1889*, 451.
employees who broke away from the Sassoons and started to operate as individual brokers and general merchants from the middle of the 1870s onward. These entrepreneurs were still firmly anchored in Baghdadi Jewish culture and did not always utilize Western accounting practices and their business records and correspondence were often kept in Judaeo-Arabic language. The third generation of Baghdadi firms was founded in the early 20th century by Baghdadi Jews who were often born in Shanghai and identified more with the commercial and social ties they maintained with the local British community. 49

The business making of Sephardic Jews generally followed such a pattern: before the 1880s, they dealt mainly in the export of tea and silk and the import of opium. They also traded in a wide range of commodities such as rubber, cotton yarn, linen, kerosene oil, and lace lingerie. After the opium trade became illegal and less lucrative in the late 19th century, the Sephardic Jews began to invest more in real estate and financial services, such as the Shanghai Stock Exchange. Their businesses expanded further to incorporate banking, shipping, general merchandise and public utilities. Beyond their business dealings, Baghdadi Sephardic Jewish entrepreneurs’ contributions to modern architecture and the construction of Shanghai’s urban infrastructure also left a significant mark on the city’s urban facade.

Although before its opening as a treaty-port, Shanghai had already had a history of commerce and trade, the real modernization of the city began in the 1840s with the proliferation

49 Chiara Betta, “The Trade Diaspora of Baghdadi Jews: From India to China’s Treaty Ports, 1842-1937”, in Diaspora Entrepreneurial Networks Four Centuries of History, ed Ina Baghdiantz McCabe et al. (Berg, 2005), 279.
of foreign contacts.\textsuperscript{50} Philip D. Curtin in his study of cross-cultural trade points out that, in effect, the Opium War “imposed the Western commercial culture on China, at least on the part of China that traded with the West.”\textsuperscript{51} He further argues that “the full set of Western commercial institutions--banks, merchant houses, and insurance firms; in time, railways built by Western capital carried the entering wedge of Western economic order into the heart of the country.”\textsuperscript{52}

Following Curtin’s argument, in this chapter, I will focus on the study of the Jewish Sassoon Firms in Shanghai to examine the encounters of Jews with the Chinese society in the economic sphere and in further to illustrate the impact of foreign enterprises on the economic development of Shanghai. I will first review the Sassoon Firms’ opium trade against the general background of British opium policy in China. Secondly, I will examine the Sassoon Firms’ (especially the new Sassoon Company) investment in real estate along with the creation of the modern Shanghai real estate industry in Shanghai since the early 20\textsuperscript{th} century. Lastly, since the 1920s, in addition to real estate, the new Sassoon Company invested extensively in finance and general industries, such as public transportation, auto industry, shipping, manufacturing and food. I will highlight these economic activities against the background of the construction of the economic infrastructure of Shanghai. The economic success of the Sassoon businesses in Shanghai was

\textsuperscript{50} Linda Cooke Johnson in her book \textit{Shanghai: From Market Town to Treaty Port, 1074-1858} examines the historical development of Shanghai and its continuity in the context of Chinese urbanization. It also examines the first 15 years of history of Shanghai after its opening to Western powers as a treaty port. It thus forms the comparative component contrasting the traditional commercial Chinese city of Shanghai with the developing Western town and treaty port in the nineteenth century.


\textsuperscript{52} Ibid.
deeply rooted in the city’s treaty-port system. The chapter therefore argues that through mercantilism Sephardic Jews infiltrated Shanghai’s semi-colonial economy and in further established great socio-economic contacts with the Chinese society.

The Sassoon Firms and Opium Trade

The origin of the Sephardic Jewish settlement in Shanghai should be traced back to the establishment of the David Sassoon Sons & Co. (Old Sassoon Company) in Shanghai. Coming from a prestigious family in Baghdad, David Sassoon (1792-1864) was the leader of the local Jewish community. In 1832, under the oppression and persecution of Ottoman Empire authorities, David Sassoon fled first to Bushire, Iran and then to British Bombay, India.\textsuperscript{53} British-ruled India was an attractive destination because of its open economic and religious climate and heterogeneous society. In Bombay, David Sassoon built his textile operations into a profitable triangular trade. Indian yarn and opium were carried to China, where he bought goods that were then sold in Britain, from where he obtained Lancashire cotton products. The success of the Sassoon business in India attracted many Iraqi Jews and coreligionists from Persia to work for the Sassoon Company.

The extension of the Baghdadi Sephardic Jewish trade network to Shanghai was the result of the British Empire’s eastward expansion and the establishment of Shanghai as a treaty port. With the growth of commerce in the city, Shanghai attracted numerous Baghdadi Jews from British India (mainly Bombay). The city of Shanghai had favorable prospects for trade in textiles and opium, as well as a vast potential market for metals, wool, and cotton goods. The first Sassoon who came to Shanghai was David’s second son, Elias David Sassoon (1820-1880), who

was attracted by the favorable prospects for trade and arrived in the city in 1844. In Shanghai, following the successful example of the British company Jardine, Matheson & Co., Elias David Sassoon and his father established the David Sassoon Sons & Co. (also called the Old Sassoon Company – in Chinese “Lao Sha Xun Yang Hang” 老沙逊洋行) to engage in trade. At its start, the company’s major business was opium. In the 1850s, Elias David Sassoon made Shanghai his personal base and, in addition to opium, began to import metals, yarns and cotton while expanding the spice trade with the India. He bought warehouses and acted as a broker to smaller traders in need of capital and later established himself as a commission agent, buying and selling cargo for other traders.

In the early 1850s, the Old Sassoon Company had established solid footing in China and started to expand its branches to Japan. Elias David Sassoon established his own company E. D. Sassoon Co. (also called the New Sassoon Company or, in Chinese, “Xin Sha Xun Yang Hang” 新沙逊洋行) in 1867 with offices in Bombay and Shanghai and trading mainly in opium, cotton, tea and silver. Albert Sassoon inherited the Old Sassoon Company in 1864, after the death of his father, David Sassoon. Albert refocused the business on India and the operation of

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54 Jardine Matheson & Co. was a British firm and founded in Canton in July 1, 1832. After the Treaty of Nanjing in 1842, the firm moved its base to Hong Kong with branches all over China. Till 1949, this firm was considered the most important and prestigious commercial enterprise in Hong Kong. The history of the firm reflects the history of industrialized British colonial contact with China in the realm of trade and commerce.

his company became a significant part of the industrialization of Bombay in the 19th century.\textsuperscript{56} With the settlement of Albert Sassoon and his siblings in England, the shifting of their focus to British politics, and the decline of opium business, the Old Sassoon Company’s business in Shanghai was gradually replaced by the New Sassoon Company towards the end of the 19th century.

Both the Old and New Sassoon Companies were deeply involved in the Chinese opium trade, their branches in Bombay, Calcutta, Singapore and Hong Kong forming a link in the India-China opium trade chain. The origins of the opium trade in East Asia can be traced back to Muslim traders in the 8th century, a time when opium was used mainly as medicine. By the 17th century, as Dutch and English traders extended their opium trade network from Southeast Asia to China, opium started to be used for recreational purposes. The East India Company, a 17th-19th century British trading company that eventually accounted for half the world’s trade in basic commodities, established direct commercial relations with China as early as 1637. Opium was not represented in the official cargoes at that time but had been introduced to China (mainly Fujian and Taiwan) through private venues.

Britain dominated the Indian market in Bengal and Bihar, which provided the opium to sell in China. Although opium smoking had not become a nationwide problem yet, the Qing emperors realized its potential to produce an epidemic. In 1729 Emperor Yongzheng (r.1723-1735) issued

an edict banning its sale and distribution.\textsuperscript{57} Subsequent edicts repeated this broad restriction and imposed narrower, more specific penalties. After 1773, the import of opium to China increased as the British East India Company began its shipment to China through subcontracting agents, establishing a monopoly on opium trade at this time.\textsuperscript{58} In 1799, Emperor Jiaqing (r.1796-1820) implemented strict rules and banned opium completely, making trade and poppy cultivation illegal in China.

Despite this illegalization, opium trade to China increased very fast after the East India Company lost its monopoly on the trade in India in 1833. The consumption of opium in China had already spread from commoners to elites and from Southerners to people living in the capital city of Beijing. The Qing government’s suppression of opium traffic in 1839 led directly to the outbreak of the First Opium War, between Britain and China. Although historians have long debated the real causes of the War, opium trade was unquestionably one of the primary issues of conflict. The Treaty of Nanjing signed at the end of the war in 1842 forced the Qing government to make significant concessions, including indemnification for the confiscated opium and the opening of Shanghai as a treaty port. The status of opium was not changed, but Chinese local officials and British consular officials committed to a policy of non-interference. British smuggling continued at every open port in China. Shanghai became the most important of these,

\textsuperscript{57} “Chengban Xing Fan Yapian ji Kaishe Yanguan zhi Tiaoli 惩办兴贩鸦片及开设烟馆之条例 (Rules for Punishing Trading Opium and Opening Opium Dens)” 1729 by Yongzheng Emperor, in Tianjing Tongzhi (Tianjing Shehui Kexueyuan Chubanshe, 2001), 544.

\textsuperscript{58} In 1773 the British government in India assumed a monopoly of the sale of opium in their dominions and in 1797 of its manufacture.
with the Yangzi River valley providing the major market for the drug, and by 1849 opium imports through Shanghai represented almost half of the total trade of the drug with China.\textsuperscript{59}

In the 1850s, Jardine, Matheson & Co. became the leading opium merchant to China. Opium was also the major portion David Sassoon Sons & Co.’s business at this time; however, the company did not have a great impact on the opium trade, as it depended for transportation upon the clipper fleets of the Jardines and the Dent.\textsuperscript{60} Following China’s defeat in the Second Opium War and the legalization of opium trade in 1858, the drug began to be produced on a massive scale in India and sold as a special article. The result was enormous growth in the lucrative opium trade. In the 1860s, after the new Messrs. E.D. Sassoon & Co. was established, it joined in the opium trade as well. The New Sassoon Company took advantage of its link with Bombay and purchased the opium crops directly from Indian dealers at much lower prices.\textsuperscript{61} The Sassoon Company was prepared to advance as much as three quarters of the costs to those willing to consign shipments on a regular basis. With its close control over prices and cost, Sassoon


\textsuperscript{60}See Table 1. This table of Shipping Intelligence Arrivals, showing the cargos shipped to Shanghai in 1851 provides an example. As the table illustrates, Jardine, Matheson & Co. shipped the most opium to China compared to the other trading companies. And while the only cargoes of David Sassoon, Sons & Co. that year were opium, they shipped a mere fraction that carried by Jardine, Matheson & Co.

\textsuperscript{61}As Le Fevour points out, “the most pertinent result of legalization was the importance given to the organization of the trade in India. After 1860, all dealers in China, regardless of experience, faced the same tax and the growing competition of the Chinese drug, so that prices and costs in India became crucial to continued success in the trade.” It was for this reason that Sassoons had the edge and in effect forced Jardines and Russell out of the Chinese market altogether. \textit{Western Enterprise in Late Ching, 1842-1895} (Cambridge: Harvard University Press, 1970).
controlled 70 percent of the opium of all varieties produced in India by 1871. Opium could be shipped in one of the firm’s own vessels at a reduced rate and insured by one of the firm’s managed companies, such as the Bengal Insurance Society. This portfolio of services continued to attract shippers and facilitated the opium trade to China. By the early 1870s, the Sassoon Companies had become the largest opium (especially Malwa drug) importer to China. This lasted until the early 20th century when local opium cultivation in China increased and led to the decrease in opium importation from India. In early 1871, the Sassoon Company was acknowledged to be the major holder of opium stocks in India and China. The Jardine, Mathewson & Co., on the other hand, gradually withdrew from opium dealing with China.

In 1885, the Sassoons and another Jewish business tycoon, Silas A. Hardoon, established an opium trading center in Shanghai that traded 20,000 chests per year. In Shanghai, more than 50 retailers bought opium directly from the Sassoon firms. The profit from this trade was enormous, and opium became the foundation for extensive trade growth on the part of both China and the companies dealing with it. Opium provided the capital reserve for the Sassoon companies in China to survive and grow in a precarious economic environment. It also lubricated the export trade, stimulated the improvement of communications, and provided Chinese firms with a surplus to invest in world markets. French historian Le Fevour pointed out that decades of concentration upon the opium trade “had conditioned the whole nature of western

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63 Ibid., 27-9.

64 Ibid.

65 Shanghai Municipal Archives, Sassoon Collection, 7495-7-4.
enterprise in China.” Using the Jardines as an example, profit from opium averaged an estimated 15 percent on the firm’s own investments and four percent on agency business during the 1850s and 60s. With these profits, the Jardines built the structure needed to sustain the trade and to finance the company’s investment in tea and silk. It is estimated that from 1840 to 1914, the Sassoon firms traded opium in the amount of 468,645,936 Chinese taels (‘‘Tls.’’). The net profit amounted to Tls. 140,593,780 calculated at the rate of 30 percent. This huge profit became the catalyst for China’s foreign trade and the capital for the Sassoon companies to further invest in other industries in China.

The 1840s were obviously the threshold of the golden age of opium trade in China. Before 1767, the amount of opium imported from India to China rarely exceeded 200 chests per year and by 1800 had reached only 2,000 chests. Between 1835 and 1839, the annual import was 35,445 chests. After the Sassoon Company entered the opium market in Shanghai, the annual

66 Le Fevour, 29.

67 Fevour uses the number from the Jardine, Matheson and Company archives deposited in Cambridge University library. See Accounts, Journals and Ledgers, 1850-1870 and UC, July 18, 1868. London. Robert Jardine referred to these estimates.

68 The tael was a Chinese monetary unit of varying value depending on the type of tael and historical period. In 1900, a tael may have been equivalent to approximately U.S. $0.77. Eunice V. Johnson, Timothy Richard's Vision: Education and Reform in China, 1880-1910 (Wipf and Stock Publishers, 2014), 7.

import increased to 78,354 chests by 1855.\textsuperscript{70} Between 1879 and 1880, the total import of opium from India to China (including Hong Kong) reached its peak – 94,835 chests with a value of 13,123,488 British pounds.\textsuperscript{71} Beginning in 1880, however, the import of opium from India was reduced due to growth in local opium cultivation in Sichuan Province, China. It was estimated that by 1906, the yield from Sichuan reached 325,270 chests, while imports totaled only 54,225 chests.\textsuperscript{72}

With the increasing consumption of opium in China, the nation’s anti-opium campaign intensified. The Qing government started to ban the sale of opium, restricting the issuing of licenses to opium dens, and banning opium use among government officials. This campaign promoted by the Qing government reflected the rise in nationalist sentiment at the turn of the century, a nationalism stimulated by the series of defeats that China had experienced in international politics.\textsuperscript{73} On the British side, the establishment in 1874 of the Society for the Suppression of the Opium Trade, demonstrates that there was also anti-opium sentiment and increasing opposition to the India-China opium trade in both clerical and popular opinion in

\textsuperscript{70} Hosea Ballou Morse, \textit{The International Relations of the Chinese Empire} (London: Longmans, Green, and Co., 1910-18), 208-10.

\textsuperscript{71} \textit{British Parliamentary Papers}, Vol. 40 (The University of Ireland Publishing House), 814.

\textsuperscript{72} \textit{The North China Herald}, July 18, 1908.

\textsuperscript{73} Zhao Suisheng in his book \textit{A Nation-State by Construction—Dynamics of Modern Chinese Nationalism} argues that Chinese nationalism began to take shape in the late 19\textsuperscript{th} century when a growing number of Chinese elites began to think of their country no longer in a cultural sense but rather in political & territorial terms as a nation-state. The years between the Opium War (1840-2) and Sino-Japanese War (1894-95) were a critical transition when explicit nationalist doctrines were imported from abroad in response to internal and external threats.
Britain. However, opium merchants continued to defend the business and considered it financially inexpedient to abolish the trade. For example, M.S. Howard of David Sassoon, Sons & Co. maintained that “opium had debilitating effects on those who could not afford it whilst it was a mere entertainment activity for the upper classes.” S.A. Nathan, an employee of the E.D. Sassoon & Co. also added that “if taken moderately opium was very beneficial.” In 1908, orders were given by the British government to reduce the cultivation of opium in India. The Sassoon Company of Bombay, the largest dealer in the Malwa drug, protested against the impost as encouraging opium production in China. In the same year, 1,436 opium dens in the International Settlement of Shanghai were ordered to close before 1909. As a result of the anti-opium campaigns in both China and Britain, the Sassoon Companies’ trade in the drug suffered greatly.

In May 1913, however, the foreign and Chinese opium merchants in Shanghai and Hong Kong collectively took over the accumulated stocks of opium, hoping to drive up prices for the drug. The Chinese banks and the British-owned Hong Kong and Shanghai Bank also supported efforts to increase the price of opium. By the 1920s, production and consumption of opium was again on the rise in China, and opium smuggling was widespread. British Confidential Foreign Office reports of the time indicated that the use of opium was more widely condemned by Chinese than by the foreigners, who stubbornly argued that their Chinese work force, and hence

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74 *The North China Herald*, January 10, 1894.

75 *The North China Herald*, March 30, 1894.

76 *The North China Herald*, July 19, 1908.
the economy of the territories, simply could not do without it. Because the International Settlement became the only place for the Chinese to buy opium, the Sassoon firms were able to increase the drug’s price and their profits significantly. Opium prices went from Tls. 700 per chest to Tls. 5,950 in 1913 and to Tls. 9,012 per chest by November, 1915. By 1922, the Sassoon Company’s correspondence to Bombay still requested opium as a commodity. Opium was also listed in the company’s inventory in 1923. In August 1927, the Chinese Nationalists established an Opium Suppression Bureau in Shanghai to end the drug traffic by bringing the importation of opium under government control. Although the Nationalists sought cooperation from the foreign authorities, who they asked to recognize government licenses for the importation, sale and smoking of opium in their districts, the Nationalist government’s effort collapsed in the end. This was due largely to bribes by the opium merchants to the Shanghai Municipal Police and the Garde Municipal to block any formal actions, the merchants generally spending $1.5 million annually.

In the 1930s, opium use in China was still pervasive. During the Japanese occupation, opium supplies fell into the Japanese hands, and the restrictions against opium use became looser. However, the control of and resistance against opium as a social evil in China continued up to

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77 John T Pratt, “Memorandum Respecting the Opium Problem in the Far East, 1929,” In The Opium Trade, 1910-1941 (Wilmington, Del.: Scholarly Resources, 1974), 11-43

78 The North China Herald, September 2, 1916.

79 Sassoon Collection, 795-7-7.

80 Nicholas R. Clifford, Spoilt Children of Empire, 267.
the 1950s. The Sephardic Jews, under the guidance of the Sassoon firms, by the 1930s had effectively abandoned the opium trade. In their search for fresh lines of business since the turn of the 20th century, many of them chose to invest in real estate instead and made huge profits from it.

**Real Estate Industry in Semi-Colonial Shanghai**

Before Shanghai was opened as a treaty port, most land in the city and surrounding areas was privately owned. Land buying or selling was generally for agricultural purposes. The foreign settlements, by providing the advantages of political asylum, active economic development and increasing populations, led to the growth of real estate as an industry.

The Treaty of Nanjing, signed in 1842, gave British subjects the right to trade through the treaty ports opened along China’s east coast. The supplementary Treaty of the Bogue, signed in 1843 between Qing and Britain, granted the British the right to rent land and houses in treaty ports. Article VII of this treaty states:

> It is accordingly determined, that ground and houses; the rent and price of which is to be fairly and equitably, arranged for, according to the rates prevailing amongst the people, without exaction on either side; shall be set apart by the local Officers, in communication with the Consul, and the number of houses built or rented, will be reported annually to the said local Officer by the Consul for the information of their respective Viceroy and Governors, but the number cannot be limited, seeing that it will be greater or less according to the resort of Merchants.81

Based on the terms of this treaty, a piece of land was set aside for the foreigners to live separately from the Chinese. This later became the first foreign settlement of Shanghai.

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In November 1845, a list of 23 Land Regulations for the Foreign Settlement of Shanghai were proposed by Captain Balfour and the Dao Tai (道台, local governor during Qing period) of Shanghai, which defined the boundaries of the foreign settlement north to the Soochow (Suzhou) Creek, east to the Whangpoo (Huangpu) River, south to the Yang-king-pang (Yang Jing Bang) and west to the Temple of agriculture (Jing’an Si 静安寺). The regulations acknowledged that China had the ultimate sovereign right over the lands in the settlement, and a land tax should be paid to the Chinese government annually. The regulations provided specific guidelines on the rights of the British in renting lands or purchasing houses in the foreign settlements. Significant in this version of Land Regulations, Article IX stated that only the renters, and not the proprietor, could terminate a lease. This effectively guaranteed foreigners the right to permanently lease lands in the settlement and use them freely with no restrictions. Article XII also allowed foreigners to build urban construction such as public roads, bridges, and fire control. Chinese were not allowed to reside or rent houses in the foreign settlement, and the area rented by each foreigner rent could not exceed 10 mu.\(^2\) Both rules were later abolished in the 1854 version of Land Regulations, as the foreign settlements expanded.\(^3\)

With the arrival of the French, Americans and other international populations, the city of Shanghai grew rapidly. To address the lack of central authority in handling international affairs, a new code of Municipal and Land Regulations was announced to the foreign communities by the British, French and American consuls on July 11, 1854, the same year that the Municipal

\(^2\) 1 mu=666.66 square meters

Council of the International Settlement, made up of the British, American and French treaty powers, was founded. In the new version of Land Regulations, Chinese were allowed to rent grounds or houses and reside in the foreign settlement. The Land Regulations also acknowledged Chinese sovereign rights on the land. In 1869, a third version of the Land Regulations was established after the separation of the French concession from the British and American International Settlement. A set of by-laws was added to the existing regulations providing specific legal guidelines for land use and urban construction in the foreign settlement. The Chinese were permitted to participate in the municipal government although the new Land Regulations were framed without input from the local Chinese authorities. Finally in 1899, with the further expansion of the International Settlement, minor modifications were again made to the Land Regulations. Among these modifications, article VI stated that land renters and others who were entitled to vote were allowed to “purchase land leading or being out of the Settlement,” or to “accept land from foreign or native owners upon terms to be mutually agreed upon…” This further broadened the rights of foreigners in land speculation in a colonial context.

The Land Regulations created a legal basis for foreigners to control land and develop real estate as an industry in Shanghai. In 1853, The Small Swords uprising in Shanghai led a large

84 Harley Farnsworth MacNair, *China’s International Relations & Other Essays*. 1st Ed. (Shanghai, China, 1926), 127.

number of Chinese refugees from the surrounding areas to flood into the foreign settlements, dramatically increasing the Chinese population from 500 to 20,000 in one year and creating a huge demand for housing.\textsuperscript{86} Although the foreign consuls were opposed to Chinese and foreign residents living close to each other in the settlement, foreigners started to rent out their housing to the Chinese refugees to make money. Between September 1853 and July 1854, more than 800 houses were built to rent to the Chinese.\textsuperscript{87} These simple wooden houses were built at low cost and rented out at high prices. The profits were enormous.

Between 1860 and 1862, Taiping Armies invaded Shanghai three times.\textsuperscript{88} Many landlords, bureaucrats and rich merchants from surrounding areas such as Jiangsu and Zhejiang provinces fled to the International Settlement of Shanghai bringing in large amount of capital. The population in the International Settlement increased from 300,000 in 1860 to 500,000 in 1862.\textsuperscript{89} Many of the foreign enterprises, such as David Sassoon Sons & Co., Jardine, Matheson & Co. and Gibb, Livingston & Co., which had invested heavily in the opium business now recognized the potential profits from real estate and shifted their focus to this area of investment. Records show that the number of houses built in the International Settlement at this time reached 8,740.\textsuperscript{90}


\textsuperscript{87} Xu Gongxiao & Qiu Jinzhang, 347.

\textsuperscript{88} Taiping Movement (Rebellion) is a millenarian movement led by a peasant leader Hong Xiuquan against the Qing government from 1850 to 1864. It’s one of the deadliest military conflicts in history. In the 20\textsuperscript{th} century, Taiping Movement was considered by the Communists as heroic revolution against a corrupt feudal monarchy.

\textsuperscript{89} \textit{Shanghai Yan Jiu Zi Liao}, (Shanghai: Shanghai Shu Dian Publishing House, 1984), 138.

\textsuperscript{90} \textit{Shanghai Wen Shi Zi Liao Xuan Ji} (Vol 6), (Shanghai: Shanghai Renmin Publishing House), 1989, 11.
By the early 20th century, Shanghai had become a typical immigrant city, with people coming from all over the world. Among the foreign populations, other than the British, there were also Americans, French, Germans, Greeks, Italians, Dutch, Russians and so on. Japanese flooded in by the late 19th century and soon became the second largest foreign population in Shanghai. Nonetheless, the Chinese population in total was almost 50 times greater than the foreign population. Besides coming from neighboring areas of Shanghai, the city attracted immigrants from all over China, including Guangdong, Anhui, Shandong, Hubei, and other provinces. These new residents of Shanghai created a huge demand for housing and the development of the real estate market.

The use of the “title deed” (Dao Qi 道契) in the real estate business further standardized transactions and guaranteed to the treaty-power subjects91 permanent use of land in Shanghai’s foreign settlements.92 The history of the title deed can be traced back to 1847. Such a deed was issued by the Shanghai Dao (上海道), a sub-unit of Jiangsu administrative branch located in Songjiang Fu (松江府), and acknowledged by both Chinese and treaty governments. The title deed usually contained three copies: one saved by the foreign consul, one by the local Shanghai Dao, and the third by the foreign speculator. The signing of the title deed began with negotiations between the foreign speculator and the Chinese proprietor. After a price was agreed upon, the

91 Throughout this dissertation, I use the phrase “treaty-power subjects” to refer to those nations and their citizens other than China and the Chinese who were governed by the treaties that established the treaty ports.

92 The title deed was a voucher that guaranteed the property ownership of foreigners who lived in the leased habitats and were engaged in the real estate industry.
The proprietor would give the original land book to the foreigner. This was followed by a contract between the Chinese proprietor and the foreign speculator, along with the original map of the land and original evaluation of the property. All of this information would be included in the application to the foreign consul for a title deed. Once the foreign consul received the application, a title deed number would be issued to the foreign speculator. The Municipal Council would then measure the land under the supervision of a Chinese official sent by the Shanghai Dao and produce a map with relevant information. All these documents would also go through the Chinese side for review. When both sides acknowledged the legitimacy of the documents with their seals, three copies of the title deed would be drawn up and eventually go into the hands of the foreign consul, the Chinese administrator, and the foreign speculator.

Compared to the traditional Chinese land book, the title deed included a more accurate map based on scientific measurement. The procedure for creating the deed was simplified, with greater official supervision and barriers to expropriation, and was also comparatively easier to verify. Title deeds offered legal protection to the enormous foreign investment in land within the settlements — investments which themselves became a major source of new capital for investment in the city’s expanding economy. Rhodes Murphy commented that title deeds for

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93 A land book was a legal certificate issued by the Qing government to real estate agents as a basis for the collection of taxes. These original certificates were called either “tian dan” (田单), issued in 1855 after the land calculation; and “fang dan” (方单), issued in 1911.

94 With increasing controversies between the foreign and Chinese sides in measuring the size of the land, in 1889 an individual bureau was set up by the Qing government in charge of the measuring of the land. This further guaranteed the accuracy of the production of the title deed.
real estate in the settlements, registered with the foreign consuls, were important as security for loans to both foreign and Chinese entrepreneurs.\textsuperscript{95}

In 1869, the Municipal Council had started to collect taxes on land and housing. Statistics show that the tax rates on both increased throughout years. In 1865 the Municipal Council divided the International Settlement into four districts and began evaluating land prices for each district separately. From 1869 to 1933, land prices were adjusted once every three or four years, leading to the increase of tax rates as well. Many foreign real estate businessmen either were the chief members of tax bureau or held important positions in the Municipal Council. The increase of land prices and tax rates in the end benefited these foreign investors, including the Sassoons, in the real estate market in Shanghai.

**The Sassoon Firms’ Investment in Real Estate in Shanghai**

By the early 20\textsuperscript{th} century, Shanghai had created prospering economic conditions and financial support for the growth of a real estate industry in the foreign settlements of Shanghai. Broadly speaking, there were five types of land speculators in Shanghai: foreign entrepreneurs, foreign missionaries, Chinese entrepreneurs, Chinese bureaucrats and landlords, and compradors.\textsuperscript{96} Foreigners generally dominated the market and had the greatest impact on the

\textsuperscript{95} Rhoads Murphy, *Shanghai: Key to Modern China* (Harvard University Press, 1953), 82.

\textsuperscript{96} Compradors were Chinese merchants who acted as the prime collaborators of Western business enterprise in China and strongly profited from their association with foreign firms. Due to the ignorance of the foreign merchants about the Chinese language and commercial customs within the domestic market, foreign merchants often time relied on their native agents, who were called “compradors,” to carry out purchases, sales, negotiations with other Chinese merchants and other services. The compradors have been regarded as the “cat’s-paw of the imperialist
industry in Shanghai. Protected by legal rights of extraterritoriality, these treaty power subjects were able to evade legal controversies when conflicts arose between them and the Chinese. Since many of the big land speculators served in the Municipal Council, they were better informed with regard to investment opportunities. Foreign investors were also supported by a prospering foreign financial services sector in Shanghai. In 1949, British real estate companies had the largest land speculations in Shanghai. American companies were the second and French companies the third.  

97 Britain and America controlled the International Settlement and French companies invested mainly in the French Concession.

Among the foreign companies, Jewish investors played an important role. The New Sassoon Company and the Hardoon Company occupied huge land properties on Nanjing Road. In 1877, E.D. Sassoon & Co. bought a piece of land on the Bund from the American company Augustine Heard & Co. at the price of Tls. 80,000 and started to invest in real estate. By the 1920s, this property had increased its value to Tls. 1,700,000.  

98 By 1880, the Sassoon firms became the largest land speculator on Nanjing Road west of the Bund. They held this position until 1916 when the Hardoon Company replaced the Sassoons and became the primary foreign investor in real estate in Shanghai.

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97 “Problems in Shanghai’s Housing Market,” in *Shanghai Real Estate Bureau Archives--Shanghai Yanjiu Ziliao*, (Shanghai Shudian, 1984), 113-126.

98 Shanghai Municipal Archives, Sassoon Collection 398-5-1.
In fact, the Bund witnessed the earliest real estate development in Shanghai. Soon after Shanghai became a treaty port, more than 20 foreign companies including Dent & Co., Jardine, Matheson & Co., Gibb, Livingston & Co., and Rawson & Co. erected buildings along the Huangpu River on the Bund. Throughout the late 19th century and up until the 1920s/30s, further construction was done to that shaped the present architectural pattern of the Bund. Nanjing Road was the district involved in the early real estate development west of the Bund. With the formation of the commercial district in this area, Nanjing Road became the most expensive section of the city in terms of real estate values.

From 1877 till 1920, the Sassoon firms collectively purchased 29 real estate properties in Shanghai. Their investment strategies differed case by case. Their purchase of a piece of land north of Suzhou creek was due to the bankruptcy of former British company Dent & Co.’s comprador, Xu Run (徐润 1838-1911). In 1883, affected by the war between China and France (Guerre Franco-Chinoise), Xu Run was in debt for Tls. 200,000. In 1887, he sold the four pieces of land on Tiantong Road north of Suzhou River to the New Sassoon Company at the price of

99 Zhang Zhongli & Xu Zengnian, 36.

100 Xu Run was a well-known industrialist and comprador of the British Dent & Co. Between 1859 and 1864, he invested extensively in the trade of opium, silk, cotton and real estate in Shanghai, Ningbo, Wenzhou and other cities in China. In 1868, he left Dent and established his own tea trading company. In 1873, Xu was hired by Li Hongzhang in the Westernization movement to manage the China Merchant's Steam Navigation Co., which became a huge success. In 1902, Xu established Shanghai Jinglun Textile Co. and owned stock shares in many of the enterprises in Shanghai. Xu wrote a memoir in his later days and commented on many of the transformations since Shanghai turned into a treaty port.
Tls. 95,000 in total. Years later, in his memoir, Xu Run talked about this sale and commented that the value of these properties had increased more than 30 times within just ten years.\textsuperscript{101}

Using high interest mortgage loans, the Sassoon Firms were also able to buy at low prices some of the properties such as the Yingchun Fang (迎春坊) at Hubei Road and Anyi Li at Huangpi Nan Road. The Sassoons, who served on the Municipal Council, were very well informed about construction plans in the International Settlement. In November, 1912, E.D. Sassoon & Co. bought in the Gonghe Li property located in Hongkou district at the price of Tls. 110, 000. In the letter to the Sassoon branch in Bombay, it was mentioned that this area was already listed for road expansion in plans by the Municipal Council. After the expansion, the value of this property would be increased greatly.\textsuperscript{102}

Auction was another venue to acquire cheap real estate properties. In March, 1887, together with a Chinese comprador Shen Jicheng (沈吉成), the new Sassoon Company bought a piece of land in the size of 9.46 mu at the intersection of Fuzhou road and Guangxi road through a local auction. The property included 67 Chinese style buildings and 59 Western style two-story buildings. Shen and the Sassoon Company paid Tls. 8,650 respectively. In December, the Sassoon Company offered to buy the other half of the property from Shen at the price of Tls. 20,500. The value of this piece of property increased to Tls. 120,000 by 1916 and Tls. 250,000 by 1920.\textsuperscript{103} The Sassoon Company thus made huge profits through such land speculation.

\textsuperscript{101} Xu Run, \textit{Xu Yuzhai Zixu Nianpu} (1927), 42.
\textsuperscript{102} Shanghai Municipal Archives, Sassoon Collection 433-4-7.
\textsuperscript{103} Ibid., 745-7-1.
The Sassoon Company also rented out their properties for profit. In 1917, the company rented out part of the Changxin Li property for the period of twenty-one years. In the E.D. Sassoon’s telegram to Bombay, the company talked about the benefits of renting out properties: they could let the renters renovate the buildings on the property; there was a guaranteed long term income; a maintenance fee was also usually paid by the renters.\(^{104}\) In 1917, the Sassoon Company started to rent out land to Chinese entrepreneurs on which to build houses. In 1921, the Sassoon Company’s annual income from renting was Tls. 734,000. This part of the income had a lot to do with the increase of land price and tax rate within the settlements. From 1917 to 1941, the Sassoon Company rented out land covering an area of 140,860 *mu*, and after the expiration of the leases on these parcels, the company was able to acquire hundreds of residential buildings, commercial buildings, and warehouses built on these properties.\(^{105}\)

In 1921, the Sassoon Company produced a report on the company’s 29 real estate properties in Shanghai.\(^{106}\) According to this report, the entire amount of properties that the company owned covered around 298 *mu* and their total value amounted to Tls. 13,299,348. Of these 29 pieces, nine were purchased at original prices totaling Tls. 980,650. In 1921, the value of these nine pieces of properties was estimated as Tls. 6,244,341, a more than six fold increase in original value. In 1916, the Sassoon Company valued 10 of its real estate properties at Tls. 2,375,753.

\(^{104}\) Lu Wenda & Xu Baorun, “Xin Shaxun Yanghang Liyong Chuzu Tudi Lueduo Fangwu Qingkuang—Shanghai Shi Fangdichanju Shiliao Bianyanshi Weikangao”, in *Shanghai Gazetteer* (Vol 3, 1994).

\(^{105}\) Ibid.

\(^{106}\) Shanghai Municipal Archives, Sassoon Collection 397-2-2.
Within five years, the value of these properties increased to Tls. 5,809,466. These numbers demonstrated a surprising increase in real estate prices within a short period of time in the Shanghai foreign settlements. (See Figure 2 below which shows the dramatic increase of real estate value)

Figure 2.

In 1927, the Nationalists established their capital at Nanjing. During the “Nanjing Decade” (1927-37), Shanghai became the capital of finance, commerce and industry for China. During this time, foreign investment in Shanghai increased quickly. Within China, because of the tangled warfare among warlords, Shanghai became the safe zone for the flow of domestic capital. In 1931, the investment in real estate properties in Shanghai increased to 10.5 percent of the total

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\(^{107}\) Ibid.
investment amount.  

From 1925 to 1934, investment in urban construction reached Tls. 4.67 billion, which greatly pushed the urban development of Shanghai.  

Currency inflation can act as a catalyst for real estate development. Since real estate development projects are capital intensive, relying on large loans or mortgages that are paid off over a number of years, inflation tends to work in a developer’s favor. The early 1930s was an inflationary period in Shanghai. An article on the silver crisis in the China Weekly Review talked about the connection between the silver bust and the land boom in Shanghai.  

But during the second half of 1934, economic crisis started to affect Shanghai, which led to the downturn of the real estate market. In 1935, the Nanjing government initiated the currency reform, which turned the market for the better until the outbreak of the second Sino-Japanese War in 1937. After 1937, the real estate market in Shanghai basically stagnated without any further development.


109 Ibid.  

110 “One of the main effects of the low price of silver has been to stimulate real estate and building operations. One of the main reasons for this has been that investors, seeing that the gold purchasing price of their money has been greatly decreased, have decided to put their money into land, concrete, steel and stone. Despite the impending…rendition of Shanghai to the Chinese, foreigners have been investing heavily.” China Weekly Review, October 25, 1929, 201.  

111 Until the early 1930s, money in China came in so many different shapes and forms that it was easily the most confusing in the world. Four kinds of money - sycee, silver dollars, paper money and copper coins - were in circulation and served different purposes. The currency reform launched by the Nanjing government in 1935 made fabi - the paper money issued by government banks - the legal tender, and all silver dollars were nationalized. The currency reform was in many ways a success. The money supply resumed and deflation was under control. It helped
Shanghai’s architecture industry also flourished as a result of real estate development in the city.\textsuperscript{112} By the 1930s, the construction of skyscrapers and monumental buildings on the Bund had transformed it into an “architectural showcase” and the “New York of the Far East.”\textsuperscript{113} Many of these architectural landmarks were assembled by Baghdadi Jewish entrepreneurs and “conveyed the optimism” of this expatriate business community.\textsuperscript{114}

When Edward Elias Sassoon, who ran the E.D. Sassoon & Co. from his base in London, died in 1924, he left the business to his son, Victor Sassoon (1881-1961). Victor Sassoon had a unique vision as a real estate developer. When he came to Shanghai, the city was full of two-story Chinese houses and Anglo-Indian buildings with columned verandahs. But Victor envisioned Shanghai as a skyscraper city with the glamour and electric vitality of New York. In Shanghai, he set up a series of high-rise buildings including the Embankment House, Hamilton House, Cathay Mansions and Grosvenor House as well a multitude of Chinese residences, shops, theaters and offices.

\textsuperscript{112} Between 1910s and 1930s, China became a goldmine for foreign architects hunting for jobs in East Asia. There were seven foreign architecture firms in Shanghai in 1893, and the number doubled to fourteen by 1910. By 1936, twenty-seven out of the thirty nine registered architecture offices were led by foreign architects. See Xuefei Ren’s Building Globalization: Transnational Architecture Production in Urban China. Chicago: The University of Chicago Press, 2011. A recent article in NY Times (Oct 2, 2014) “The Man Who Changed the Face of Shanghai” also talked about the Cathay Hotel and other architectural achievements by Victor Sassoon in Shanghai.


\textsuperscript{114} Ibid.
In 1928, Victor Sassoon opened the Sassoon House, which was located in the business center of Nanjing Road, close to the Bund with its north building facing the Huangpu River. This 12-story skyscraper was built in the Gothic style of the Chicago School. The hotel's granite exterior with its copper-sheathed roof rises 77 meters above ground level with a reinforced concrete structure. It was designed by the famous British architecture firm Palmer & Turner Architects Limited. The first four floors of the building were used as offices, shopping centers and banks. Sassoon’s own business empire was also located there. The rest of the structure was the Cathay Hotel (renamed the “Peace Hotel” 和平饭店 after 1949 and reopened as Fairmont Peace Hotel Shanghai in 2010 after three years of renovation). After the completion of the building in 1929, “the Cathay Hotel became an instant success financially and a legend of its own time.”115 “Its severe yet elegant ferroconcrete facade, topped by a green pyramid roof, became the very symbol of the economic boom in the 1930s Shanghai.”116 Its art deco design showed off its luxury and magnificence. According to the introduction on the website of today’s Fairmont Peace Hotel, the hotel, with its “milky-yellow walls, the revolving hall gate, the white floor of Italian marble, and the copper-colored chandeliers” was considered “the number one mansion in the Far East.”117

The completion of Sassoon House was a breakthrough in the Sassoon Company’s business expansion in real estate. Because the land tax in Shanghai didn’t take into account the levels of the building, a skyscraper was usually a better investment in real estate. The Sassoon House’s expensive office space also provided a source of income for the company. The influence of the

116 Ibid.
117 http://www.shanghaipeacehotel.com/indexe.htm
Sassoon Company on the evolution of treaty-port Shanghai’s architecture in terms of style, engineering and building type was also reflected in some of the Company’s other projects such as the Metropole Hotel (1930), the Hamilton House (1934), the Grovesner House (1934), the Majestic Apartments (1934), and the Bank of China Building (1936). These buildings were part of a stylistic development that was happening on a global scale. By the early 1940s, the Sassoons owned 21 percent of the skyscrapers in Shanghai.118

In 1926, the Sassoon Company established a branch named Cathay Land Co. Ltd. to focus on the real estate business. Between 1927 and 1934, Cathay Land Co. engaged in the buying and selling of real estate properties as well as the construction and leasing of residential houses. In 1927 and 1928, Cathay Flats and Cathay Mansions were established. In 1928, the company bought the Verdun Garden property (Fan’er-deng Huayuan 凡尔登花园) in Shanxi Nan Road, and the Arnhold Building (An-Li Dasha 安利大楼) on Sichuan Road. In 1931, Cathay Land Co. annexed two other real estate enterprises: the Yaloon Property and Ezra Estate. In 1933 and 1934, the company constructed North-end Court Apartment Building and Grosvenor Gardens, which were two luxury apartment buildings. Funding for Cathay Land Co. came not only from bank loans but also the issuing of bonds.

Besides the Cathay Land Co. Limited, the Sassoon Company also became the significant shareholder of The Shanghai Land Investment Co. Ltd., Central Properties Ltd., San Sing Properties Ltd., and Greater China Industrial Corp. Ltd. After the Pacific War, some of the

Sassoon properties, such as the Sassoon’s Villa in the western suburb of Shanghai, were occupied by the Japanese, which caused a series of legal disputes after the War. By 1945, Cathay Land Co. had moved its base to Hong Kong. A valuation of the company’s fixed assets in Shanghai in January 1946 estimated them to be no lower than 27,540,760 Hong Kong dollars, which was around 1,721,297 British pounds at the time.\(^{119}\)

The Sassoon Company invested huge amount of money into the real estate market in Shanghai with their capital from opium trade. Between 1926 and 1934, the Company’s investment in the construction of several skyscrapers was more than 2,200,000 pounds.\(^{120}\) Zhang Zhongli in his study of Sassoon Group in old China pointed out that generally speaking the Company’s profit from investment in real estate came from two sources: the reselling of land properties, and leasing.\(^{121}\)

Over the years, the Sassoon Company made huge profits in leasing. The Company collaborated with compradors and relied on their services to collect rent. In the French Concession, the court would not accept a case on missed payment of rent unless it was more than four months old. In the International Settlement, although there was no time limit, the adjudication would usually take a long time. The litigation fee would have to be paid through detention and auction. If the tenant was in bankruptcy or ran away, the lessor would suffer.\(^{122}\)

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\(^{119}\) Shanghai Municipal Archives, Sassoon Collection, 371-7-1.

\(^{120}\) Shanghai Municipal Archives, Sassoon Collection, 435-2-7.

\(^{121}\) Zhang Zhongli & Chen Zengnian, 56.

\(^{122}\) Shanghai Municipal Archives, Sassoon Collection 401-2-1, E.D. Sassoon’s correspondence to its branch in London and Bombay on Mar. 8, 1915.
Therefore, collecting rent often fell into the hands of the compradors. In 1907, in the contract signed between the Sassoon Company and two compradors, Shen Zhixian (沈志先) and Ma Xiaomei (马晓梅), it was stated that they would collect the rent for the company. As a result, losses from missed rent payments became so small that the Sassoon Company bragged about this strategy in its correspondence to Bombay and London.\(^{123}\)

By the early 1930s – with the construction of a series of skyscrapers and the establishment of Cathay Land & Co. Ltd., Eastern Estate & Land Co. Ltd., and the Hamilton Trust Co. Ltd. – the Sassoon Company had become one of the top real estate investors in Shanghai. After 1935, the company made no further expansion in the real estate market, and after the Pacific War, it had started to sell some of its properties. But even by 1946, the Sassoon Company still owned the greatest number of estates among foreign real estate enterprises in Shanghai.

Sassoon Company’s success in Real Estate is closely related to the treaty-port system in Shanghai. The relative stability and security in the foreign settlements created a demanding market for the growth of real estate business. Jewish elites taking advantage of their colonial privileges in the governing institutions of the foreign settlements and the profit that they made in opium trade, quickly became successful in the buying, selling and leasing of land and real estate properties. The development in foreign finance also facilitated the real estate business. As a result, during this prospering wave of real estate industry in Shanghai, it was not only Shanghai’s modern city infrastructure but also a social and economic urban space was established. For

example, by 1922, Victor Sassoon owned more than two dozens properties in Baokang Li (宝康里), Qingyun Li (青云里) and Dekang Li (德康里), which became the main residential areas (石库门) in Shanghai. The largest properties that Sassoon owned in Nanjing East Road (南京东路) also became the busiest commercial center in Shanghai even till today. Not to mention that the Sassoon House (沙逊大厦) and Huamao Hotel (华懋饭店) have become Shanghai’s landmarks standing on the Bund.

**The Sassoon Firm and Shanghai’s Industrialization**

During the 1880s, the textile industry was an important focus of the Sassoon Company in Bombay. During WWI, the Sassoon mills in India had been profitable; however, after 1918 there was increasing competition from cheap, high-quality Japanese textiles in both the Indian and Chinese markets. Political and labor unrest in India, such as the boycott on British products led by Gandhi in the 1920s, also affected the business of the company.

Following WWI, the Sassoon Company planned to shift its textile industry base to Shanghai, using the experience the Company had accumulated in India. In 1923, the Sassoon Company produced a report on the textile investment prospects in Shanghai. The report particularly emphasized the availability of cheap labor, large potential market in the area, and the benefits that foreign merchants enjoyed in Shanghai. The company therefore planned to establish a textile factory first and then purchase five Chinese mills that were in debt.\(^{124}\) However, this plan was never realized due to the economic depression of 1923, the tangled warfare, and crop failure in many parts of China. The famous Jardine Cotton Mill also suffered from the 1923 depression.

\(^{124}\) Shanghai Municipal Archives, Sassoon Collection 431-752-8.
Its profit decreased from 152 percent in 1920 to 16 percent in 1923, and it even lost money the following year. Under these circumstances, the Sassoon Company gave up its plan for investment in textiles and instead started to work on the annexation of the established produce firm of Arnhold Brothers & Co. (安利洋行).

The Arnhold Brothers & Co. was originally known as Arnhold, Karberg & Co., established by the Jewish Arnhold brothers and a German Jew P. Karberg. With Karberg’s departure in 1919, the company fell into the hands of the younger Arnhold brothers and reregistered in Hong Kong with its headquarters in Shanghai and branches in several cities of China, including Wuhan, Changsha and Guangzhou. Arnhold Brothers & Co.’s business covered a variety of fields from cosmetics to coal mining. Among its famous enterprises were China Import & Export Lumber Co. Ltd., Hankow Press Packing Co. Ltd., New Engineering & Ship-building Works Ltd., and the Arnhold Brothers mills. Although the Arnhold Brothers were politically active and served in important positions on the Municipal Council in the International Settlement, their business was failing by the early 1920s. In 1923, the company was at the edge of bankruptcy, a time when the E.D. Sassoon & Co. was interested in expanding its investment in local industries. E.D. Sassoon & Co. was attracted by Arnhold’s wide range of businesses and well-known industrial enterprises. It eventually took over the Arnhold’s company in 1926.

The Sassoon Company assumed control of the renamed company, Arnhold & Co., by becoming its major shareholder. Through annexation of the enterprises that used to belong to the

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former Arnhold Brothers & Co, the Sassoon Company extended its investment to a variety of local industries. The New Engineering & Ship-building Works Ltd. built in 1903 was an example. In 1936, the Sassoon Company owned 11 percent of the enterprise’s capital. In June, 1936, the ship-building works was annexed with the company Reynolds & Collyer and renamed Shanghai Dockyards Ltd., becoming the largest ship-building factory in Shanghai. The Sassoon Company was its major stockholder.

A second example was the China Import & Export Lumber Co. Ltd., which was established in 1884 and had branches and factories all over China. After its annexation with the Sassoon Company in 1936, the Sassoon Company held 75,151 shares of China Import & Export Lumber Co., stock, roughly 32 percent of its capital. Five of the company’s six-person Board of Trustees were members of the Sassoon Company.

Both the New Engineering & Ship-building Works Ltd. and the China Import & Export Lumber Co. Ltd. were famous British enterprises in China. Through increased investments, business expansion and mergers, the Sassoon Company came to dominate the shipbuilding and lumber industries in Shanghai during the 1930s. By 1941, the stocks of these two companies were among the most popular in Shanghai’s stock market.

From 1923, the Sassoon Company monopolized several industries in Shanghai in addition to those it had acquired through annexation with the Arnhold Brothers & Co. During the 1930s, the

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126 Zhang Zhongli & Chen Zengnian, 75.

Sassoon Company also took over the British China General Omnibus Co. Ltd. and the Shanghai Electric Construction Co. and as a result monopolized the urban transportation industry in Shanghai. In late 1920s, the Sassoon Company established several auto companies, including the Auto Palace Co. in Shanghai, the United Motors Ltd. in Shenyang, and National Motors Ltd. in Nanjing. Because car use was still relatively rare in China, only the auto company in Shanghai survived. In addition to these industries, the Sassoon Company also acquired monopolies in lighter transportation, warehousing operations, and the beverage industry. For example, from the 1930s until the outbreak of the Pacific War, the Sassoon Company had the largest stock share of two beverage companies in Shanghai: Caldbeck Macgregor & Co. and Union Brewery Co. By 1936, the Sassoon Company had invested in more than 40 enterprises across at least 13 different local industries such as shipping, food, mining and textile in Shanghai. As a result, their business empire had great impact on all aspects of Shanghai’s daily life.

Shanghai as the most westernized city in China represents a modernity of material transformation of everyday life. The rise of a new form of urban economy is a concrete expression of relationship between China and the West. The discussion of Sassoon firm and Shanghai’s industrialization also illustrates this economic pattern and the very phenomenon of Shanghai modernization.

**Moving into the World of Finance**

Prior to Edward Elias Sassoon’s death in 1924, the Sassoon Company had already shifted its focus from manufacturing to finance. In 1920 it became a limited liability banking and trading company to take full advantage of the commercial opportunities in Shanghai. The firm set up a
series of trusts, mostly in Hong Kong and Shanghai, through which they could shield themselves from British taxation.\textsuperscript{128}

Shanghai was considered as a tax haven after WWI. British law stated that subjects living outside the Empire for more than six months of the year were not required to pay British income tax. Although the International Settlement was within the British sphere of influence, it was technically outside the empire itself. After Victor Sassoon took control of the firm in 1924, he arranged his schedule so that he stayed in Shanghai each year long enough to maintain tax-exempt expatriate status.\textsuperscript{129} This scheme also enabled the Sassoon Company to transfer assets denominated in the overvalued British currency into the relatively undervalued Chinese currency. This rate of exchange provided a powerful argument for Victor Sassoon to move his main base of operations out of British India to Shanghai.

\textsuperscript{128} “The Shanghai Boom” in the January 1935 issue of \textit{Fortune} magazine discusses why and how Victor Sassoon moved his assets to the Far East to avoid British taxation, including this quote: “Sir Victor saw himself as the inheritor of a great tradition of international trade and finance, and he set forth to build the Sassoon edifice up to new heights. He ran head on, however, into the post-War British tax collector. There was bitterness and recrimination. Sir Victor sat himself down to contemplate international law. Was there no spot where one could put one's money to work without paying more than half of one's earnings to a government? He discovered Hong Kong and he discovered Shanghai… As a result, during the late twenties, while many of Sir Victor's companies were incorporated in the British Crown colony of Hong Kong, his cash and his credit were thrown, million by million, into Shanghai. Altogether, he transferred from Bombay to Shanghai about sixty lakhs of tael, which is roughly $85,000,000 Mex. (Mexican silver dollars were the common form of exchange in Shanghai at the time with a value of about fifty cents in United States currency.) He invested the major portion of this and other money in that same magic land along the Bund.”

In 1865, the Sassoon Company, Dent & Co., and Peninsular and Oriental Steam Navigation Company had co-founded the Hong Kong & Shanghai Banking Corporation in both Shanghai and Hong Kong. Beginning in the 1920s, with the expansion of its business and increase in assets, the Sassoon Company started to establish its own financial institutions. Between 1928 and 1930, Sassoon established a series of financial institutions in Shanghai, including the Far Eastern Investment Co. Ltd., Shanghai Properties Co. Ltd., the Hamilton Trust Co. Ltd., and Zikawei Estate & Investment Co. Ltd. In 1930, the E.D. Sassoon Banking Co. Ltd, Shanghai Branch was also founded in order to create Sassoon’s own financial system and better allocate capital in China. In addition to these, the company also established two investment companies in Hong Kong: Yangtsze Finance Co. Ltd. and the International Investment Trust Company of China Ltd. These two companies were mainly engaged in the business of securities trading, the issuing of bonds and mortgage loans, and the like. By 1933, the Sassoon Company held 44 percent of the stock in the International Investment Trust Company of China Ltd. and 8 percent of the stock of the Yangtsze Finance Co. Ltd. Through these financial institutions, the Sassoon Company was able to extend its credit, issue bonds, make investments and control stock holdings, which greatly facilitated its business expansion in Shanghai and Hong Kong.

The Shimonoseki Treaty in 1895 set off Shanghai’s rapid growth by allowing foreigners to make direct investment in Shanghai. With the shelter of the extraterritorial legal system, foreign financial institutions were able to survive in foreign settlements of Shanghai. They were able to conduct their business without any contract with the Chinese government and cultivate

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relationships with foreign trading companies. In Shanghai’s capital market, they played a significant role.

The Sassoon Company was also active in the local stock market. It did not take long for Shanghai to produce the conditions conducive to the emergence of a vibrant stock market. When the Shanghai Stock Exchange was first established, many of its members were Baghdadi Sephardic Jews including the Sassoons, Hardoons and the Kadoories. In the Exchange’s membership list of 1932, 38 of its 99 members were Jewish. Since 1939, the Sassoon Company had been engaged mainly in the trading of foreign shares. They made a huge profit controlling the foreign stock market.

Beginning in the 1860s, a steady flow of new companies in Hong Kong and Shanghai offered fire and general insurance. In 1863, along with four other shipping firms, the old Sassoon Company founded the North-China Insurance Company to provide shipping insurance. In its early years, the company operated on the basis of a three-year term, and it had an initial capital of Tls. 120,000. During the 1860s, as one of the major shareholders of the company, the old Sassoon Firm enjoyed 10 percent of the annual interest and 60-70 percent of the bonus each

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132 “In the Deed of Settlement of the Old Sassoon Company it was provided that the Directors should revise the list of shareholders once in every three years, for the purpose of enabling them to reduce the number of shares held by unprofitable shareholders, those who did not contribute sufficient business to the company.” *The North-China Herald*, 25 July 1884.
year.\textsuperscript{133} By 1890 it was highly successful and larger than its local rivals. The new Sassoon firm also established an insurance department acting on behalf of the North British Fire & Marine Insurance Co. Ltd.\textsuperscript{134}

In the 1930s, the worldwide economic depression finally affected Shanghai after a temporary boom in building and the real estate market. In 1931, in the face of a deflationary financial crisis that had been exacerbated by the collapse of the Austrian Bank, \textit{Creditanstalt}, Britain abandoned the gold standard. Germany, France, and Canada followed this policy in the same year and the United States in 1933.\textsuperscript{135} There was no immediate reaction in the Shanghai property market. However, the economic shock from the collapse of the gold standard reverberated for years, and in 1934, the Shanghai bubble burst. In that year, the United States congress passed the Silver Purchase Act, which drove the price of silver so high that the previous trade advantages of China’s currency became disadvantages. In fact, the Chinese market was one of America’s considerations in passing this Act. By increasing the price of silver, the U.S. hoped to increase the purchasing ability of China and thereby help to solve the economic crisis in the U.S.

The American Silver Purchasing Act had an immediate effect on the Chinese economy. Chinese exports became expensive, and foreign investment dried up, since investors had little interest in paying inflated costs to invest in an unstable country like China. Many investors in China took advantage of the silver boom to move their money somewhere else. The net effect


\textsuperscript{134} \textit{Jiu Shanghai de Waishang yu Maiban} (Shanghai Renmin Publishing House, 1987), 178.

\textsuperscript{135} \textit{Finance and Commerce}, (May 13, 1936): 568.
was immediate and deep deflation in the Chinese economy. Interest rates rose significantly, and the availability of credit dried up.\textsuperscript{136}

At first, Shanghai’s vast silver deposits shielded the city from China’s deflationary recession. However, permissive banking legislation in the International Settlement left its bankers free to indulge in currency speculation with bank deposits. When the commodity value of the metal in the Chinese currency rose to a point greater than the purchasing power of the coins, Shanghai’s bankers started to melt China’s money supply into silver ingots and sell the metal to the Americans. Silver poured out of Shanghai quickly. Currency speculators reaped huge returns at the expense of China’s economy. The nation’s economy was starved of money. As a result in 1935, the Republican authorities abolished the silver standard and replaced it with a single national paper currency issued by the government, the trade value of which floated on the world market.\textsuperscript{137} The currency change led to inflation later, but importantly it signified the Nationalist government’s takeover of monetary control of Chinese banking.

Facing the currency crisis, the Republican government took two major steps, first, requesting of the American government that it readjust the silver price, and second, planning to raise foreign loans. Victor Sassoon at this time announced his relief plan through the Reuters in Shanghai. On March 28, 1935, the Chinese newspaper \textit{Shen Bao} published the plan, in which Victor Sassoon suggested that China raise loans from Britain and issue a new currency based on the British

\textsuperscript{136} Pan Ling, \textit{Old Shanghai, Gangsters in Paradise} (Hong Kong: Heinemann Asia, 1984), 73.

\textsuperscript{137} Ernest Hauser, \textit{Shanghai, City for Sale}, 220-234.
pound. This relief plan was intended to force the United States to abolish its Silver Purchase Act and allow China to maintain its silver standard.

Chinese financial experts in Shanghai immediately criticized Victor Sassoon’s relief plan. On March 29, Shen Bao published an editorial pointing out that the relief plan would not solve the financial crisis in China, and issuing another currency would even worsen the mixed currency system that already existed in China. Experts argued that this relief plan was clearly advantageous to the British while ignoring China’s harsh realities. Its goal was to bring the Chinese currency into the British pound system. On March 30, Chinese Finance Minister T.V. Song commented on the relief plan, emphasizing that the currency system in China was already in chaos, and issuing another currency would only degrade the current system further. Victor Sassoon’s relief plan was thus aborted. But the whole incident reflected the Sassoon Company’s strong impact on the Shanghai financial market. Nonetheless, with its rejection of Sassoon’s relief plan, the Chinese nationalist government was able to establish a relatively strong central banking system and regulate the Chinese monetary system before the full outbreak of the Sino-Japanese War in 1937.

Conclusion

This chapter has focused on the development of the Sassoon Firms in Shanghai and their major investments in opium trade, real estate, finance and general industries to illustrate their roles in the formation of treaty-port Shanghai economy. The treaty system in Shanghai provided

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139 Shen Bao, March 29, 1935.

140 Shen Bao, March 30, 1935.
foreign merchants both an organizational framework and numerous business opportunities. For expatriate Sephardic Jews as a social group, this means that they could take advantage of the treaty-port colonial institutions and achieve economic success quickly. The side effect is that the opening-up of Shanghai as a treaty port with flexible administrative and legal policies also brought up the booming of capitalism and established the economic infrastructure of the city.

By the 1860s, Shanghai’s economic activity was based on external trade and the importation of foreign technology and capital. For a long time, trade, finance, and land speculation dominated the economy of Shanghai. With increasing population in the foreign settlements, real estate became a profitable business. The growth of trade and the real estate market created a demand for financial services as well, such as the development of credit in Shanghai.

The period of 1860 to 1895 marked the beginning of the industrialization of the city. By 1894, Shanghai had 108 modern industrial businesses representing a combined value of Tls. 30 million.\textsuperscript{141} By the 1930s, modern industry accounted for 2.2 percent of the net domestic product.\textsuperscript{142} The combination of international circumstances and private initiative played an important role in the economic miracle of the 1920s. In short, treaty-port Shanghai saw the rise of a new form of urban economy for China. The city became a center of international commerce and a link to the economy of inland China.


Under these circumstances, Sephardic Jews took advantage of the British colonial system in the Far East and established trade networks across East Asia and Southeast Asia. They were first mainly involved in the trade of tea, silk and opium. With their settlement in Shanghai, they penetrated more industries and adapted to the dynamic of the treaty-port economy in Shanghai.
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Chapter 2: Jewish Elites, Social Networks and the Communal Politics in Treaty-Port Shanghai

Baghdadi Sephardic Jewish community in Shanghai was established on the transnational trade network that stretched from Bombay to Shanghai with London as its European base. In the 1870s, the community was composed of only around two dozens of the Sassoon Company Jewish employees. By 1895, there were around 175 Baghdadi Sephardic Jews living in Shanghai, engaged in the trade of opium and cotton. By the turn of the 20th century, the number of Jewish merchants and their families living in Shanghai had reached almost 800.\textsuperscript{143} With its enlarging population in Shanghai, the Jewish community started to take shape and Jewish communal institutions also started to evolve in order to deal with communal politics and other issues. In 1909, the Shanghai Jewish Community Association (SJCA) was founded to cope with the growing administrative needs of the community. This was either preceded or followed by a series of Jewish communal institutions such as Jewish schools, synagogues, charity groups and the Zionist association. By the early 20th century, the Baghdadi Sephardic Jews in Shanghai had formed an active community with institutions well managed by themselves. They reached out both locally and globally to Jewish communities around the world.

Baghdadi Jews generally confined their interest in trade, finance and industry and therefore economic achievements characterized this diaspora entrepreneurial community the most. However, along with their economic success, Baghdadi Sephardic Jewish elites also enjoyed high social and political status in the foreign settlements. Different from European Jews who struggled to achieve political emancipations for full access to social and political rights,

\textsuperscript{143} Pan Guang, \textit{Youtairen zai Zhongguo} (Beijing: Wuzhou Chuanbo Chubanshe, 2003), 16.
Sephardic Jews in Shanghai took a completely different path. Some wealthy Jewish merchants served in the Municipal Council of the International Settlement or the French Concession. Therefore, they were actively involved in the political and military affairs of foreign governments in treaty-port Shanghai. At the same time, in order to expand their economic and political interest in China, they built up extensive social networks both within and outside of the foreign communities, as well as with powerful local Chinese groups. Such involvement in local politics not only strengthened their economic interest but also formed key alliances with leaders and relevant organizations, and fostered the contacts between the foreign and local Chinese communities.

As a treaty port, Shanghai was a city of trade. Half of China’s foreign trade passed through the city and its banks controlled 90 percent of that trade. With the incoming of foreign ideas, Shanghai also became the most politically conscious city. In the foreign settlements of treaty-port Shanghai, there was a diversity of social groups and political regimes. Imperial powers had checks on the municipal councils in foreign settlements. The British had dominated the Shanghai, but after WWI, they were outnumbered by the Japanese. The Americans were growing more important, and the French had retained a significant stake in the French Concession of Shanghai. The city itself was a miniature world of international politics. On the Chinese side, its labor movement was the largest and best organized in China. Its merchants were the most nationalistic.

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and progressive in the nation. Shanghai’s financial contributions to the Chinese Nationalistic movement and the Republican Nationalist government were enormous. 145

Living in this city with exposure and access to both domestic and international political movements, Baghdadi Sephardic Jews’ political activism was not unique. On the one hand, they administered their own community, maintained the welfare of the community members, reached out to Jewish populations both locally and globally and spoke out their own political concerns as a Jewish community; on the other hand, many Jewish elites took advantage of the tolerant treaty-port conditions as well as their protected status, actively involved in the politics of the foreign settlements, built up social networks with both foreign and Chinese societies and at the same time propagated their own nationalist political agendas. In this chapter, I will focus on Jewish communal politics—their engagement in forming a lively Jewish community in Shanghai with nationalistic agendas and the political activism of the Baghdadi Sephardic Jewish elites in foreign and Chinese societies of treaty-port Shanghai. The chapter will first discuss the formation of the Jewish community and the establishment of major Jewish communal institutions. It will focus on the Shanghai Zionist Association established in 1903 to discuss its Jewish nationalist political agendas, the Shanghai Sephardic Jewish community’s general attitudes toward this institution and its endorsement by the Chinese Republican government; the second part of the chapter will examine the Jewish elites’ involvement in local governance and the social networks that they built up within the local foreign and Chinese societies in Shanghai. The

145 Lloyd Eastman in his study of the Nationalist government points out that aside from taxation, “an average of over one-fifth of the government’s annual receipts were obtained through borrowing over the period 1929-1937, which meant that these funds were supplied almost entirely by the Shanghai banks.
chapter intends to make the argument that taking advantage of the social and economic privileges in semi-colonial Shanghai, Baghdadi Sephardic Jews were active not only in Jewish communal politics but also politics of local society. They generally took a pragmatic approach in dealing with communal affairs and reaching out to the dominant societies of treaty-port Shanghai.

The Formation of the Jewish Community in Shanghai

When Baghdadi Sephardic Jews first arrived at Shanghai, they tended to dwell in the British settlement near the Bund. With the expansion of the International Settlement and commercial development of the city, many of them moved to the west part of the Settlement. Based on the listed addresses in the *Israel’s Messenger* published from 1904 to 1909, it is shown that in the beginning many of the Jewish merchants and their families lived in Hongkou district in the north of Shanghai or north of the International Settlement near the Bund, where life was much cheaper. With their economic success and incoming of more Russian Ashkanizic Jews into Shanghai, by the 1920s, the Jewish demography changed a great deal. Most of the Baghdadi Sephardic Jews moved out of Hongkou area and into the west part of the International Settlement centering around the Ohel Rachel synagogue as well as the French Concession near today’s Huai-hai Zhonglu.\(^{146}\) The cheap areas in Tilanqiao in Hongkou district were later occupied by the European Jewish refugees during the wartime period (See Figure 4).

\(^{146}\) Based on the September 9, 1904 issue of the *Israel’s Messenger*, New Year’s greetings from the local Sephardic Jews, we can see that early Jewish residents in Shanghai still lived in Hongkou area near the Bund. For example, Mr. & Mrs. B. N. Ezra lived at 6 Woochang Road; Mr. & Mrs. Hardoon lived at 29 Soochow Road; Mr. & Mrs. W. Leopold lived at 6 Miller Road; and the Levys, Shibbeths, and Solomons all lived on Quinsan Road. By the 1920s, records show that rich Jews had moved to West of the International Settlement and French Concession. For
In 1862, the first Jewish cemetery was established in Mohawk road (today’s Huangpi road 黄陂路) with the financial aid of the Sassoon family, which stands for the formation of the Jewish community in Shanghai. In the beginning, religious activities were conducted at private homes. In 1898, the first synagogue, Beth El, was founded in Shanghai with the financial aid of the Sassoon family. Beth El served as the communal home for Jews and was constructed in the orthodox fashion with women’s section curtained off from the rest. Its committee members included wealthy Jewish elites such as Lewis Moore, E.E. Sassoon, Silas A Hardoon, E.M. Ezra and E.J. Moses. In 1899, a second synagogue, the Shearith Israel, was founded in Wuchang Road to serve the more strictly Orthodox members of the community such as S.J. Solomon, A.E. Abraham, N.E.B. Ezra and Isaac A Levis. Before the opening of Ashkanazic Ohel Moishe synagogue, the Russian Jewish immigrants in Shanghai also conducted their own service at Shearith Israel. Both synagogues became the focus of community activities and social exchange especially for the early Jewish residents in Shanghai. With the founding of Ohel Leah synagogue in Hong Kong (a gift of Sir Jacob Elias Sassoon in memory of his mother) in 1902, the Jews in Shanghai also petitioned to Arthur David Sassoon to build a bigger synagogue, which eventually led to the establishment of Ohel Rachel in 1917. In 1927, Silas A Hardoon donated the Beth Aharon synagogue on Museum road in memory of his father and this synagogue replaced the

example, based on the June 2 of 1922 issue of the Israel’s Messenger, Mr. & Mrs. J.J. Judah moved to the new residence at Yuyuan Road and Mr. & Mrs. D.H. Selas moved to Xiao Shadu Road; On July 7 of the paper, the J. Solomons and Benjamins moved to Shanxi Bei Road and Yuyuan Road. On June 4 of 1926, the Israel’s Messenger stated out that every month there was at least one Jewish family moving from the Hongkou area to the West district. There were now more Jews living in the West than those in the North, Hongkou area.

147 Israel’s Messenger, March 6, 1925, 6.
Shearith Israel eventually. On June 3, 1927’s *Israel’s Messenger*, it talked about the donation of the Beth Aharon synagogue that “Thanks to the generosity of Mrs. Lisa Hardoon who spent some $300, 000 on a building of striking Moorish and Byzantine architecture, Shanghai Sephardim received a worthy house of worship.” The construction of these synagogues reinforced the Jewish identity of this community and fostered the cohesion among the Jewish residents in Shanghai. They provided a public space for the community members to socialize and formulate a sense of community among the Jewish residents. In the beginning, the courtyard of the Ohel Rachel Synagogue was used as a meeting place for youngsters after synagogue service. It later also functioned as the playground for their social and sporting activities.

Besides synagogues, the earliest Jewish communal organization in Shanghai, the Anglo-Jewish Association (AJA), Shanghai branch, was established in 1898. Because of the close ties that Sephardic Jews had forged with the British colonial regime and the British legal status that many of them possessed, many Jewish merchants in Shanghai became members of the AJA. There were no records of the Association’s early activities in Shanghai. But since 1904, there had been annual reports of the Association published in the Jewish newspaper *Israel’s Messenger*. It was shown in its sixth report that the secretary and treasurer of the Shanghai branch was Baghdadi Jew Ephraim Jonah. There were around 80 members then, most of whom were Sephardic Jews. Funding of the Association came largely from the donations of the members. Its seventh report in 1905 indicated that membership of the Association extended to Jews outside of Shanghai, such as Hankou and Tianjing. Members donated money, from $50 to $250 (approximately $1,351 to $6,756 today), to the community to set up scholarships for the
Jewish School in Shanghai. The AJA generally functioned as providing and managing financial support for the Sephardic Jewish community in Shanghai especially in the field of education.

With the enlarging population and increasing administrative needs, the wealthy Jewish merchant, Edward Ezra, proposed to create the Shanghai Jewish Community Association (SJCA) in 1906. Its objective was the centralized control of general communal affairs, the upkeep of the existing cemetery, the purchase of land for a new one, distribution of charity to the impoverished, and the arrangement of passage for the destitute leaving Shanghai. The SJCA kept an official register of births, marriages, and deaths, and its consent was required for the performance of marriages and the grating of divorces. In 1906, the committee members elected David Moses David the chairman of the Association and E. Jonah the secretary. Congregants of the Beth El and Shearith Israel Synagogue automatically became registered members of the Association.

The SJCA had an impact not only in the Sephardic Jewish community, but in the Ashkenazic Jewish community as well. In 1907, the Ashkenazic congregation, Ohel Moishe, and Hebrew Philanthropic Society joined the SJCA and made the commitment that as long as the SJCA provided financial aid to the poor Ashkanizic Jews in Shanghai, the congregation would donate

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148 *The Israel’s Messenger*, June 30, 1905. In the first annual report of the Shanghai Jewish School published on May 19, 1904 of the *Israel’s Messenger*, it is stated that following donations had been received toward the fund of the Shanghai Jewish School: Mr. S.S. Benjamin ($250), Mr. Sun Tsze Woh, compradore of Messrs E.D. Sassoon & Co., ($150), Messrs S.J. David & Co., ($150), Mr. E.S. Kadoorie ($100), Mr Yih Win Tse, Compradore of Messrs. S.J. David & Co, “sympathizers” ($50). So the total amount of donation to SJS was $800.

149 Ibid., September 10, 1909.
Tls 400 to the Association annually. Through a second election, the new committee was made up of both Sephardim and Ashkenazic Jews in Shanghai. In 1909, E.J. Abraham became the chairman of the Association and remained in that position for the next thirty years. Because there was no rabbi in Shanghai until 1921, the chairman of the SJCA was also authorized to perform marriages according to the custom and usage of the Association and according to Jewish law.

The SJCA was engaged in various kinds of charity activities. Other than helping the local Jewish poor, in June 1906, a large sum was raised for the victims of the Kishinev pogrom. The rabbi of Mosul, a city in Northern Iraq, visited Shanghai in 1908 to solicit funds for the victims of the famine in Hebron too. Other functions and subunits of the SJCA included the Shechita Board to provide kosher meat for the community, a Jewish school whose British-style curriculum included Hebrew, Bible, arithmetic, geography, history, needlework, drawing and sports, the Jewish Club funded by Sir Elly Kadoorie to cater to the cultural, social and recreational needs of the community, the Shanghai Jewish Boy Scout Brigade, the Jewish Company of the Shanghai

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150 Ibid., Jan. 12, 1906.

151 In April of 1903, an anti-Jewish riot took place in Kishinev, the then capital of the province of Bessarabia in the Russian Empire. 47 Jews were killed, 92 were severely and 500 were slightly injured, 700 houses were destroyed and 600 stores were pillaged according to the *Jewish Encyclopedia* entry on Kishinef (Kishinev) by Herman and Max Rosenthal. In October, 1905 a smaller riot took place again.

152 Ibid., October 29, 1920, 41.

153 Shanghai Jewish School curriculum was based on the British pattern with supplementary classes in Hebrew, Jewish history, religious observance and tradition. In time it provided a sound secular education, including shorthand, typewriting, and bookkeeping, equipping its pupils to earn a living, particularly in junior posts in mercantile firms.
Volunteer Corps, and the Shanghai Jewish Youth Association which provided educational, vocational, and recreational facilities for Jewish youth.

All these Jewish institutions served the administrative needs of the community, maintained the security and general welfare of the community members, and reinforced their Jewish identity through religious and secular group activities that reformed Jewish groups from different countries into a more consolidated Jewish community in Shanghai. They promoted the visibility of Shanghai Jewish community and connected the Jews in Shanghai with Jewish communities in other parts of the world.

For example, the Shanghai Volunteer Corps (SVC) was set up in 1853 as a voluntary international militia by various European countries, and including Russia, Japan and the USA, to protect their foreign-trade missions from the frequent local civil wars and general disorder in Shanghai during the 19th and early 20th centuries. In 1931-2, as there was fierce fighting between Chinese and Japanese forces around Shanghai, Jewish community felt a stronger need to play a more significant role in promoting community welfare. In the summer of 1932, some former members of the Jewish Scouts and current members of the Shanghai branch of the Zionist movement Betar met and proposed the forming of a Jewish unit of the SVC.¹⁵⁴

With the incoming of more Russian Ashkenazic Jews after the 1917 Russian Revolution and central European Jewish refugees in the 1930s, Jewish communal institutions that served mainly

¹⁵⁴ For more information about the Jewish Company of the SVC, please refer to Martin Sugarman’s article “Hagedud Ha-Sini: The Jewish Company of the Shanghai Volunteer Corps, 1932-1942”.

this other Jewish community started to take shape in Shanghai as well. In 1902, White Russian Emigrants Committee of Shanghai was formed to discuss the construction of an Ashkenazic synagogue in Shanghai, which finally led to the establishment of Ohel Moishe in 1907. Russian Ashkenazic Jews moved the B'nai B'rith from Harbin to Shanghai. In 1916, they also established the Shanghai Hebrew Relief Society and Shelter House, and in 1922, the Chevra Kadisha to provide the burial service to the community members. In 1932, the Shanghai Ashkenazi Jewish Communal Association (SAJCA) was founded, which caused certain conflicts within the Russian community in Shanghai and eventually led to the breakaway of SAJCA from the Russian community. Ashkenazic Jews also tended to have joint activities with the Sephardim. For example, both communities sent most of their children to the Shanghai Jewish School which was Sephardim controlled.\textsuperscript{155} Sephardi and Ashkenazi youth were closely involved in the 5th Shanghai Jewish Boy Scouts Troops, in the 9th Shanghai Girl Guide Troop, as well as in the Jewish Company of the Shanghai Volunteer Corps. The B’nai B’rith Shanghai Lodge had done a great deal to unite both communities as well.

In the 1930s, central European Jewish refugees fled to Shanghai and formed another new community within a Jewish environment. In terms of population, this community was much bigger than the Sephardic and Russian Ashkenazic communities.\textsuperscript{156} They established a

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\textsuperscript{155} Sigmund Tobias in his memoir \textit{Strange Haven: Jewish Childhood in Wartime Shanghai} and Samuel Iwry in his \textit{To Wear the dust of War: from Bialystok to Shanghai to the Promised Land: An Oral History} both talked about the Jewish school as the active center of Jewish learning.

\textsuperscript{156} The number of Jewish refugees in Shanghai, chiefly of German and Austrian origin, was estimated about 17,000, according to David Kranzler.
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government of their own, Juedische Gemeinde (Jewish Community of Central European Jews), which was a European type all-encompassing religious and social community.\textsuperscript{157} It set up departments to handle youth affairs, Jewish education, ceremonies, and statistics of births, deaths, marriages, and etc. It even included an Arbitration Court, which adjudicated the civil disputes among the refugees.

In 1939, the Shanghai Bar Association sued the German Jewish community of Shanghai for establishing its own “Arbitration Court for European Emigrants” to hear civil disputes among members of that community. The Bar Association challenged the legitimacy of the Arbitration Court on the basis that the Germans had lost their consular jurisdiction in Shanghai at the end of WWI, and as residents of Shanghai, should be subject to Republican China’s laws and legal process. Jewish Arbitration Court had infringed Chinese sovereignty and circumvented the Chinese judicial system. Therefore the Shanghai Bar Association petitioned to immediately suppress the Arbitration Court in the interests of preserving the integrity of the judicial rights of China. Under these pressures, the Arbitration Court eventually revised their regulations and was able to sustain till after the War.\textsuperscript{158} On the other hand, under the leadership of E.S. Kadoorie (1867-1944), the wealthy Sephardic Jewish elites in Shanghai also established the Committee for Assistance of European Refugees (CFA). It became the largest and most authoritative refugee


\textsuperscript{158} Japanese support played an important role in the sustaining of the Court. The \textit{Judische Gemeinde}’s broad membership and influence over the largest of the Jewish refugee communities offered unique opportunities for better Japanese supervision and control of a substantial segment of the foreign population during Wartime Shanghai.
assistance organization in Shanghai. By the end of 1938, CFA had raised the relief fund of around 8,000 dollars. And since 1939, CFA had funded to set up several refugee camps in the northern part of the International Settlement. Victor Sassoon’s embankment building became one of them to put up the newly arrived Jewish refugees.¹⁵⁹

By the 1930s, the whole Jewish population in the city numbered over thirty thousand, forming the largest Jewish community in the Far East.¹⁶⁰ This community had its own communal associations, synagogues, cemeteries, schools, hospitals, clubs, and chamber of commerce. All these communal institutions played important roles in sustaining the normal lives of the Jewish community members as they were living in a foreign land in the Far East. Moreover, they provided the community cohesion and reinforced the Jewish identity of these community members. In many of the memoirs left by the former Shanghai Jewish residents, they also talked about the significance of these organizations in building up their lives in Shanghai. For example, Ernest Heppner in his memoir Shanghai Refuge talks about joining the British Boy Scouts in Shanghai to assist a charity ball for the refugee youth. And it is there he met his future wife Illo Heppner. Sigmund Tobias in his memoir Strange Haven remembers himself attending meetings of the Betar, the militant Zionist group in Shanghai and disliked the militaristic atmosphere at the Betar meeting. He attended the Kadoorie School as a refugee and had difficulties in picking up English as the language taught in school. James Ross in his memoir Escape to Shanghai also

¹⁵⁹ Sassoon Collections, Shanghai Municipal Archives, U1-4-2971.

talks about attending the Shanghai Jewish school and joining the Shanghai Jewish Youth Association and how the rich Sephardic Jews assisting the refugee community in Shanghai.

**Shanghai Zionist Association and The Israel’s Messenger**

Besides these communal religious and administrative institutions, the one political institution that most expressed the Jewish identity and its political agendas was the Shanghai Zionist Association (SZA) established in 1903. It is important to understand that Baghdadi Sephardic Jews’ economic, social and legal status had a great impact on their political agendas in semi-colonial treaty-port Shanghai. As I have discussed in the first chapter, economic achievements characterized this entrepreneurial community the most. As a trade diaspora community, Sephardic Jewish community was built upon the three generations of Jewish businesses under the protection of British colonial regime. Generally speaking, the community enjoyed economic prosperity and many wealthy Baghdadi Sephardic Jews made fortunes in Shanghai.

Despite their economic success, like many other Jewish Diaspora communities around the world, Baghdadi Sephardic Jews were the minority living among the majority. In the Chinese natives’ eyes, Baghdadi Sephardic Jews were probably no different from other “foreigners” who enjoyed many privileges living in the foreign settlements. The city of Shanghai was relatively free of anti-Semitism compared to Europe and afforded a hospitable environment for the Jews in general. However, early Baghdadi Jews tended to use Judaeo-Arabic language and lived in isolation from other foreigners in Shanghai. They kept a tight network with the Jewish
communities in other South-Eastern Asian commercial centers such as Hong Kong, Singapore, Surabaya, Rangoon, Calcutta and Bombay.  

Chiara Betta in her studies argued that Baghdadi Jews in Shanghai were “in reality not British merchants but Orientals under British protection.” Their process of Anglicization is more complicated than we thought. This is especially true for the first generation Baghdadi Sephardic Jewish immigrants. Early Baghdadi Jewish merchants conducted business in an old fashion by building up a family-based trading network. Women played an especially important role in the preservation of traditions. They kept many Baghdadi Jewish traditions and customs. Most of them led traditional Sephardic Jewish way of life. Elias David Sassoon, for example, portrayed himself as an Oriental merchant-prince. According to Maisie Meyer, he was an “archetypical traditionalist, intent on founding and maintaining a little Baghdad in the heart of Shanghai.”

He lived his life almost all in his own community according to strict Orthodox Jewish precepts and played the role as the originator and charismatic leader of the Shanghai Sephardic Jewish community. As Maisie Meyer stated, Elias David Sassoon was responsible for “laying the

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161 Jeanne Beth Branstetter in her study of the Sassoon family in Anglo-Jewish assimilation pointed out that the Sassoons consciously made efforts of assimilation into the British society but they also tended to emphasize their Eastern roots. In Bombay, for example, the Sassoons adjusted themselves to the new Western government but they also preserved Jewish customs. Sephardic Jews generally embraced their Eastern origins that distinguished themselves from their European brethren. Even before 1880s, British culture placed a higher values on Judaism when it was associated with the East rather than with Europe.

162 Ibid., 1008.

163 Maisie J. Meyer, 14.
foundations for safeguarding the ethnicity and identity of Baghdadi Jews who had settled in Shanghai in the mid-19th century.”

The Baghdadi Sephardic Jewish Community’s economic, social, educational and religious life evolved around the Sassoon family. Therefore, Elias David Sassoon’s orthodoxy had a great influence on the community.

As to the relationship of Baghdadi Jews with “Britain in China”, the Westernized Baghdadi Jews acted more as “reliable collaborators in the expansion of British commercial interests in the treaty ports.” Shanghai was actually a gray area in which practices of policies from the remote British Empire were flexible. Jews were allowed to take any jobs and professions. Shanghai’s British settlers were also glad to cooperate with the Jewish elites in order to gain the maximum amount of economic and political interest. The fact that Jews served the municipal council in the foreign settlements was the evidence. The relationship between Jews and the British colonial power in Shanghai could be viewed from two sides: on the one hand, Baghdadi Sephardic Jews were eager collaborators of the British in the expansion, strengthening and defending of their economic interests; on the other hand, the local British oligarchy also searched for support from the Jews.

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164 Maisie J. Meyer, 16.


166 Ibid., 1005. Betta argues that the major local ally for the British oligarchy in Shanghai was the Jewish elites. Therefore, Baghdadi Jewish elites always had a seat in the Municipal Council between 1869 and 1921.
In reality, Baghdadi Jews, to a certain degree, also suffered from anti-Semitism in the foreign settlements. In Shanghai, there had never been institutionalized anti-Semitism but there was a natural legacy of distrust and hatred of the Jews in the foreign communities. Betta used the term of “imagined Britons” to describe Baghdadi Jews’ identity in Shanghai. The Anglicization of the second and third generations of Baghdadi Jewish elites transformed their “Judaeo-Arabic” identity to a “Judaeo-British” identity, but only to a certain degree. On a social level, Baghdadi traders were never fully accepted by the British community particularly since the late 19th century when anti-Semitism simmered among some sections of the local British community. When Benjamin David Benjamin’s business fell, local British press used anti-Semitic languages to sneer at his failure. Intermarriage between Jews and non-Jews was disapproved and rare in this community. What’s more, the Anglicization was only limited to the upper class, the affluent and wealthy ones of the Jewish elites. Poor Jews, having no options of Westernization, kept more of their non-Western Jewish traditions and customs.

To summarize, treaty-port Shanghai generally provided a tolerant environment for Baghdadi Sephardic Jews as a socially and culturally distinct group to develop their economic and political interest. As the earliest Jewish immigrants in modern Shanghai, Baghdadi Sephardic Jewish social elites such as N.E.B. Ezra and Elly S. Kadoorie were able to take the lead in the political Zionist movement of the Far East. However, at the same time, because of the British protection and economic interest that Sephardic Jews had in China, they were less enthusiastic with the Zionist movement compared with the Russian Jewry who came to Shanghai later, whose political

attitude was much more aggressive and militant. Many Sephardim distanced themselves from the Russian Zionist activities and discouraged their children to associate with Betar, the Russian Revisionist Zionist movement in Shanghai. Because of the close ties that Baghdadi Sephardic Jews held with Britain, the issue of “dual loyalty” made the promotion of a Jewish homeland a delicate issue as well. Moreover, as a purely political institution, the SZA was not registered as a limited liability company under British protection. This also discouraged the Shanghai Sephardim to fully identify with the movement. It is within these contexts that SZA was established and developed in the Baghdadi Sephardic Jewish community in Shanghai.

Under the influence of the first World Zionist Congress in Basel, Switzerland, in 1897, in April, 1903, the Sephardic Jews in Shanghai met and discussed the expediency of establishing a branch in Shanghai in support of the Zionist movement. The attendants unanimously approved of setting up a Zionist branch in Shanghai: the Shanghai Zionist Association (SZA). In April, 1904, the Shanghai Zionists started to publish their English language by-weekly newspaper *The Israel’s Messenger*, which was later issued monthly. The publication claimed to be the official organ of the Shanghai Zionist Association and aimed to inform its readers of the activities of the Sephardic communities in China, Hong Kong, Manila, Singapore and also of other Jewish communities in China. Nissim Benjamin Ezra became the founder and chief editor of this publication. He remained in that position until the last issue in 1934 and became one of the most important proponents of the Zionist Association in Shanghai. The paper was interrupted between February, 1910 and September 1918 mainly owing to financial difficulties and then resumed until October 17, 1941.
The Israel’s Messenger is considered the world’s first Zionist publication and opens a unique window on the Baghdadi Sephardic Jewish community’s life in China since the turn of the 20th century. Shanghai Jews had extraordinary success in the print media in general. From 1903 to 1949, more than fifty Jewish newspapers and magazine came out in Shanghai in English, Russian, German, French, Chinese, Japanese, Polish, Hebrew and Yiddish. From 1939 to 1946, more than thirty German, Yiddish and Polish newspapers and magazines were published by Jewish refugees in Shanghai. Most of them conveyed at least to some degree of modern Zionist ideas. It was not surprising that during the time of increasing anti-Semitism and persecutions of the Jews in Europe, Jews all over the world turned to Zionism for the solution to the “Jewish Question”. The Israel’s Messenger played an important role in spreading the Zionist ideas among the Baghdadi Sephardic Jews in China and facilitating the connections between the Jewish communities in Shanghai and the world Jewry.

In the first issue of the paper in 1904, Nissim Ezra had claimed that the purpose of this paper was to unite the scattered communities in the Far East. Zionist movement played a considerable part in organizing and unifying the Jewry all over the world. Local participation in the Movement was considered heroic deeds and was strongly encouraged by the editor. From the very beginning, community awareness and the unification of Jews in Diaspora were emphasized.

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168 Pan Guang, The Jews in Shanghai (Shanghai Pictorial Publishing House 1995), 4. YIVO Institute for Jewish Research’s Shanghai Collection contains newspaper clippings as well as issues of Shanghai Jewish Newspapers. Most of the clippings originate from three German newspapers published in Shanghai and a list of 46 periodicals published between 1904-1947 in Shanghai giving details of their publication compiled by Usher Rozenbes.
in a very strong secular nationalistic tone, although on the other hand, religious texts such as prayers and excerpts from the biblical texts were always quoted to demonstrate a strong traditional Jewish identity. In the first few issues, questions concerning what Zionism were raised time and again. Israel was treated emphatically as a “nation” instead of just an idea or inspiration and Zionism demanded concrete support in order to raise the general status of the Jewish people and ameliorate the condition of the poor, downtrodden and persecuted Jews. At the same time, it is stated that Zionism was not only a philanthropic movement but also the arousing of Jewish consciousness, the strengthening of Jewish conscience and institutions and the feeling of unity and catholicity. For Diaspora Jews, unity probably was a necessity for survival in a foreign land. At the same time, Zionism, as it had a completely different historical and religious contour from secular nationalism, still conveyed the traditional faith for a spiritual home in Palestine. Its religious meaning was utilized to inspire the Jewish people living in Diaspora. One thing that calls attention is that from its early subscription list, we can see that some wealthy Baghdadi Jewish elites were the enthusiastic supporters of the publication as well as the movement. Elly Kadoorie, as an example, became the president of the SZA since 1915 and played a dynamic role in promoting the Zionist movement in Shanghai.

The Israel’s Messenger certainly followed closely the World Zionist Movement. The Uganda proposal was initiated in 1903 at the 6th Zionist Congress and received extensive discussions in the early issues of the publication. On June 3rd, 1904, for example, it is reported that the British government offered to the Jews a piece of land in East Africa that comprises an area of 5,000

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169 The Israel’s Messenger, May 19, 1904.

170 The Israel’s Messenger, June 17th, 1904.
miles. A commission of exploration started in June of that year. On June 17th 1904 issue of the paper, heated discussions were conducted regarding the choice of Uganda as the territory on which to build the Jewish nation. Many expressed the idea that Jewish nationalism without Palestine was impossible. East Africa at this stage could only act as the stepping stone to Palestine.171 Palestine was still the spiritual center in the eyes of the Baghdadi Sephardic Jewry. As a matter of fact, the SZA established the Shanghai Branch of the Palestine Foundation Fund in 1900. They financed the Kadoorie Agricultural School in Palestine and collected funds for a Hebrew University in Jerusalem.172 But because of the affinity that Baghdadi Sephardic Jews had with Britain, it was also acknowledged that Great Britain was one of the foremost countries that granted religious liberty and adopted humane policies toward the Jews. Their offer of land in East Africa for Jewish settlement received warm appreciations from the Sephardic Jewish community in Shanghai. By the time when this British offer was dismissed in 1905 at the 7th Zionist Congress, Shanghai Jewry responded quickly that “East Africa is not to displace Palestine.”173

The situation of Russian Jewish communities caught the attention of the Baghdadi Jews in Shanghai as well as seen from the early issuances of the paper in 1905, 1907 and 1909. In Oct. 21st 1904 issue of the paper, a message from the community was sent to the Tsar to emphasize the contributions that Jews had made historically to the country of Russia. Regarding the Russo-Japanese War, an interesting article named “Prayers and Counter Prayers” best described the feelings of the Jews that it was deadly conflicts that Jews in China were engaged in. Russia

171 Ibid.


173 The Israel’s Messenger, June, 16, 1905.
stood for the “enemies of civilization and humanity” because their hands are “full of innocent blood and they are opposed to every object that may tend to hasten the establishment of universal peace on earth.” However, Japan, on the other hand, was invading China and destroying the power and pride of the nation that Shanghai Jews were settling in. The article ended with such a prayer, “Let it be my desire to help those that are righteous and of a contrite heart.” By the year of 1905, *The Israel’s Messenger* appealed to the Jewish press of the entire world to stir the consciences of the Jewish financers to help Russian Jews to move out of Russia. Jewish problem in Russia at this time had involved the purchasing of a piece of land and the resettlement of Russian Jewish population.

The year of 1904 was an important year in the history of Zionist movement because of the death of Theodore Herzl. In this year’s *Israel’s Messenger*, a series of articles, editorials and readers’ responses were published to commemorate the death of Herzl. In the Aug. 12th issue, the chief editor Nissim Ezra wrote a special memoir to introduce Herzl’s career and his contribution to the Zionist movement. Ezra reiterated the goal of political Zionist movement—that is, to establish a nation state in the ancient fatherland of Palestine as the final solution to the Jewish question. Ezra also reviewed the recent development of Zionist movement and called upon the Jews in Shanghai to contribute financially to the movement. Special memorial service in memory of Herzl was also held at the Royal Asiatic Society’s Hall under the auspices of the Shanghai Branch of the English Zionist Federation (Shanghai Zionist Association). Since it was open to the public, it was reported that a large attendance of both Zionists and non-Zionists was

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174 *The Israel’s Messenger*, Oct. 21, 1904.

175 Ibid.

176 *The Israel’s Messenger*, August, 25, 1905.
at the memorial.\textsuperscript{177} In Oct 21\textsuperscript{st} issue of the same year, an article named “Herzl…and After” discusses the Zionist project afterwards and the fate of the movement in the future.\textsuperscript{178} This series of reports concerning the death of Theodore Herzl reflected at least three things about the SZA: first is its close steps following of the world Zionist movement and the movement’s European center; second is the identification with the political Zionism promoted by Theodore Herzl and his followers; and third, print media became an important tool for the Zionist leaders in Shanghai to propagate its political ideologies and to attract the local Jews’ and even non-Jews’ for political and financial support.

Arthur Herzberg stated out that two Jewish philosophies dominated the first half of the 19\textsuperscript{th} century: Zionism and its archenemy of assimilation and religious reform. The basic tension between these two schools of thoughts lies in the internal life of Jewry and the wider life of society as a whole.\textsuperscript{179} This tension has been reflected in the very early issuances of the \textit{Israel’s Messenger}. In Aug. 12\textsuperscript{th}, 1904 issue, for example, an article titled “The Hebrew Union College of Cincinnati” talked about the challenges that the ten graduates who had received the degree of Reform Rabbi were going to face. The question was to what degree they would teach and serve the Jewish people in a Jewish way.\textsuperscript{180} On Oct. 21 of that year, an editorial was featured on “Reform Judaism”. The author’s strong statement that “Reform Judaism is a misnomer in itself” largely reflected the early standing of this publication. The article argued that the divine law

\textsuperscript{177} \textit{The Israel’s Messenger}, Aug. 12\textsuperscript{th}, 1904.

\textsuperscript{178} \textit{The Israel’s Messenger}, Oct. 21\textsuperscript{st}, 1904.


\textsuperscript{180} \textit{The Israel’s Messenger}, Aug. 12\textsuperscript{th}, 1904,
requires no change or reform and the Reform Judaism was only meant to corrupt the weak minds and selfish men. Religious faith and Orthodoxy was emphasized without touching upon the Zionist movement. In Nov. 17th, 1905’s issuance, a Mr. Montagu Harris from Singapore talked about the problems of assimilation as “one of the greatest evils for retarding the carrying out of the Zionists propaganda of regeneration.” However, on Aug. 25, 1905, *Israel’s Messenger* published another article about the Hebrew Union College written by a Baltimore Reverent A. Guttmacher. In this article, the author talked about the mission of the future Reform Rabbis in a celebratory tone which obviously represented a perspective of the American Rabbinate.

*The Israel’s Messenger* also facilitated the connections between Baghdadi Jewish community in Shanghai with other Jewish communities in the Far East. In 1900, in Shanghai, with the support of the Shanghai Sephardic Jewish community, an organization aimed for discovering and saving the dying Kaifeng community called “Society for the Rescue of Chinese Jews” was founded. On July 1st 1904 issue of *the Israel’s Messenger*, an article dealing with the accomplishments of the Society stressed that without the support from the Shanghai Jewish community, the undertaking of saving the Kaifeng Jewry could hardly be carried out successfully. Financial aid was urgently needed in order to continue the project. As the author advocated, unless some sort of radical measures be adopted to rescue the “Orphan Colony”, the remnant will be wiped out entirely ere long and assimilated with the hordes of natives that surround them.

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181 *The Israel’s Messenger*, Oct. 21st, 1904.
182 *The Israel’s Messenger*, Nov. 17th, 1905.
184 *The Israel’s Messenger*, July 1st, 1904.
The author also argued that “far better it is to achieve even a little in our endeavor to rescue them, than see the Chinese Jew, while still alive, losing entirely the little Jewish feeling that is still active in him.”\textsuperscript{185} This strong sense of preserving Jewish identity resonated with the ideals of SZA.

Since 1904 until 1939, each year, there had been an annual report of the Jewish School in Shanghai published in \textit{the Israel’s Messenger}. As the first annual report stated, “in addition to receiving a secular education better than they would otherwise receive in Shanghai, as good as that given in many of the State schools of the West, other and more important lessons of morality, patriotism and religion are inculcated.”\textsuperscript{186} The Shanghai Jewish School emphasized its Jewish religious courses and Hebrew language. Financial support came from the local Jewish community. In the article titled “Hebrew as Living Language” in Mar. 20\textsuperscript{th}, 1909 issue of \textit{the Israel’s Messenger}, the author argued that Hebrew is not dead and Jews still think in that language. Hebrew symbolized the Zion and the revival of the Jewish nation. “Wherever Hebrew is spoken, the Jewish spirit triumphs.”\textsuperscript{187} Hebrew as a spoken language connected to the land of Palestine, was promoted in the Jewish community in Shanghai.

The SZA encountered many difficulties with the outbreak of the First World War, which split the World Zionist Organization into pro-British and pro-German factions. Since most of the Shanghai Sephardic Jews had British citizenships, Shanghai Zionist Association advocated and identified with the goals of the Allied powers. \textit{The Israel’s Messenger} was suspended in 1910

\textsuperscript{185} Ibid.

\textsuperscript{186} \textit{The Israel’s Messenger}, Jan. 25, 1904.

\textsuperscript{187} \textit{The Israel’s Messenger}, Mar. 20, 1909.
due to financial difficulties. But in 1917, with the issuance of the Balfour Declaration, Zionist Association in Shanghai was revived and the Israel’s Messenger resumed its publication the next year. The SZA was successful in obtaining statements in favor of the Declaration from three independent Asian countries: China, Siam (Thailand) and Japan. Ezra wrote to the leaders of China explaining the significance of Balfour Declaration and solicited support. Dr. Sun Yet-sen wrote back to Ezra and expressed his sympathy and support to the Jewish Zionist movement wholeheartedly. In fact, in the 1920s, representatives of the SZA were sent to attend the state funeral service of Sun Yat-sen in Nanjing. The Shanghai Times and The North-China Herald both reported this event. Besides, Ezra also solicited the support from the Japanese who had become the rising power in Shanghai.

The Chinese Minister of Foreign Affairs Chen Lu sent a letter to E. S. Kadoorie on December 4, 1918, expressing the Republican government’s support of the Declaration and the Jewish Nationalistic movement. At the same time, SZA also took efforts in promoting the movement by publicizing the visits of some world Zionist leaders and Jewish celebrities, such as the visit of

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188 Israel’s Messenger recorded the Chinese government’s statement by the Minister of Foreign Affairs Chen Lu (陈箓) Beiyang Government on December 14, 1918 that it had “adopted the same attitude toward the Zionist aspirations as the British government.” Dr. Sun Yet-sen also openly expressed his support to the Zionist movement in Shanghai by saying that “all lovers of democracy cannot help but support whole–heartedly and welcome with enthusiasm the movement to restore your wonderful and historic nation…” published on the Israel’s Messenger on June 4, 1920. This is also recorded by Sun Yet-sen in Sun Zhongshan Quanji (Zhonghua Shuju, 1985), 256-7.

189 “Kadoorie and Ezra to Viscount Uchida, Shanghai, January 15, 1919.” This letter appeared in Israel’s Messenger on November 4, 1927.
Israel Cohen (secretary of the World Zionist Organization) to Shanghai in 1920, scientist Albert Einstein in 1922, American Zionist Mrs. Caroline Greenfield in 1922, and Dr. Uriel Bension (a representative of the Palestine Foundation Fund) in 1925. Ezra’s personal fame and charisma made the SZA known as the “Ezra Group”. His connections with the local society even attracted a group of Chinese, Japanese and Indians to form a proto-Zionist organization in Shanghai.  

Elly Kadoories had been a dynamic supporter of the SZA since he became the president of the Association in 1915. In the 1920s, the SZA established two Jewish settlements in Palestine named one as “China Jewish Colony” and the other after Mrs. Laura Kadoorie in memory of the Kadoorie’s contribution to the movement. But with the failure of his Garden City project in the 1920s, Kadoorie gradually retired from the movement. In 1928, Mrs. Raymond Elias Toeg resumed the role to become the leader of the SZA. With the economic difficulties in the 1920s in Shanghai, the disappointment with the Zionist emissaries sent by the World Zionist Organization and the split within the World Zionist movement, Shanghai Sephardim grew less interested in the Zionist movement. Besides, Shanghai Sephardim had always been sensitive

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190 Pan Guang & Wang Jian, Jews and China: Contact and Friendship between Two Old Civilizations in Modern Times (Shi Shi Publishing House, Beijing: 2010), 105.

191 The Garden City project was a scheme that incorporated industries, synagogues, college, hospitals, schools, banks, theaters so on and so forth for the Jewish settlement in Palestine. It was to be controlled by a municipal council under the management of a committee of seven, of whom Kadoorie or one of his sons would be the permanent chairman. The project was eventually dropped due to the conflicts within the world Zionist organization.

192 With growing concern about Japan’s elevated position in international politics after WWI, the central executive of the WZO in London realized their need to establish networks with the Jewish communities in East Asia and
to the British attitudes toward the Zionist movement. In 1930, the colonial secretary Lord Passfield (Sidney Webb) issued the Passfield White Paper stating that the development of a Jewish National home in Palestine was not considered central to the British Mandate. Britain also made it clear that those stateless Shanghai Jews who wanted to apply for Palestinian citizenship at the Shanghai British consulate had to be born in Palestine and would have to opt for the Palestinian nationality as soon as the Palestine Nationality Act came into force. These factors further discouraged the Shanghai Sephardim from supporting the SZA and its movement.

In the 1930s, while the revisionist Zionist youth group, Betar, established their branch in Shanghai and had 500-600 official members, the influence of the Zionist movement among Sephardic Jews in Shanghai was in further decline. The center of Zionism in East Asia had shifted to Harbin where Russian Jewry became the major supporters of the movement. In Shanghai, although there were different Zionist groups such as the Mizrachi, Agudat Israel and Poalei Zion, there were no intense conflicts among them. In fact, with the increasing anti-Semitism in Europe, Zionists in Shanghai tended to work together to promote Zionist ideas and fight against fascism. Since 1937, the Incoming of large numbers of Central European Jewish decided to send their mission there. Between May 1920 and May 1921, Israel Cohen and several other delegates visited Japan and China giving speeches and raising funds. In Shanghai, according to Maisie Meyer’s research in Central Zionist Archives of Jerusalem, Zionist emissaries received some negative impressions from the Shanghai Sephardim. For example, the attitude of some Zionist emissaries came to Shanghai with the expectations of collecting large sums without much effort. Some delegates were not considered by Shanghai Sephardim as effective propagandists to promote the Zionist movement and kept a political high profile in Shanghai. Plus, Ezra felt that Shanghai Sephardim were not consulted on important matters.

193 The Israel’s Messenger, September 4, 1931.
refugees into the city further strengthened the movement in Shanghai. After the outbreak of the Pacific War in 1941, Japan occupied the foreign settlements in Shanghai and Zionists’ activities became very limited. Shanghai Zionist Association, which was made up primarily of Jews of British nationality was basically paralyzed.

In the next few years, Shanghai Zionists mainly focused on providing financial aid to the Jewish refugees and engaged in physical as well as cultural activities instead. For example, the Kadoorie family donated a school in Hongkou for the free education of refugee children. The Zionists also published a number of newspapers and journals for the benefit of the refugees. Among the Zionist papers was Our Life, in Russian, English and Yiddish; The Shanghai Jewish Chronicle, in English and German was also an influential newspaper with Zionist viewpoints. With the end of WWII, Zionism became the dominant movement among Shanghai Jewry. Pan Guang in his article “Zionism and Zionist-Revisionism in Shanghai, 1937-1949,” The Jews of China, Vol 1: Historical and Comparative Perspectives states out that between 1937 and 1945, SZA played an important role in assisting Jewish refugees and it organized recreational/sports activities among the Jewish young people to reinforce the unity of the Jewish community.

After WWII, Zionist movement in Shanghai entered a new stage. Revisionist Zionists played a leading role in Shanghai especially in dealing with the Chinese government. In early 1947, Shanghai Zionists attended the 22nd World Zionist Conference in Basle, Switzerland and

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194 Lord Lawrence Kadoorie, “The Kadoorie Memoir”, in Monographs of the Jewish Historical Society of Hongkong, Vol. 1 (Hong Kong , 1985), 82.

195 Pan, 270-1.
expressed their support to establish a Jewish state in Palestine. In April of that year, more than 8,000 Jews gathered together in Hui Shan Park (惠山公园) to criticize the anti-Semitism in Britain and support the establishment of a Jewish state. This was considered one of the most significant large-scale political activities by Jews in Shanghai. Shanghai Zionist organizations also sent representatives to Shanghai Bureau of Social Affairs to solicit support. On July 4, 1947, the chairman of the Legislative Yuan (立法院), Sun Ke (孙科，1891-1973), wrote a letter to the leader of the Revisionist Zionist organization in Shanghai and expressed his wholehearted support to the Jewish anti-colonial movement and the establishment of the state of Israel. From the fall of 1948 until the liberation of Shanghai by the Communists in May of 1949, most of the Shanghai Zionist leaders rapidly left to settle in the new State of Israel. Around 4 to 5 thousand Jews from Shanghai arrived in Israel during this time. After their departure, Zionist activities thus ceased completely in Shanghai.

Jewish Elites and the Governance of Foreign Settlements

Contrary to the Shanghai Sephardim’s ambiguous attitudes towards political Zionism, Shanghai Jewish business elites had always been actively participating in the politics inside foreign settlements of Shanghai. Some wealthy Jewish merchants served in the Municipal
Council of the International Settlement or the French Concession; some were actively involved in the political and military affairs of foreign governments in treaty-port Shanghai. The highest authority within the International Settlement was the Shanghai Municipal Council (established in 1854). It was elected annually by the 2,700 ratepayers who could meet the qualifications: foreigners who owned land worth at least Tls 500, paying an annual assessment of at least Tls 10; or householders paying an assessed rental of at least Tls 500 annually. The Municipal Council’s nine members were elected annually with its own chairman. Under the Municipal Council, there were twelve departments including the police, public health, legal, and secretarial, which handled the different aspects of the International Settlement administrations. The French Concession had a smaller administration but basically functioned similar to the International Settlement. Both settlements were run by foreigners for the foreigners and both enjoyed a status of extraterritoriality that removed foreigners from the authority of Chinese imperial power. British impact in the International Settlement was predominant. They were the predominant voting ratepayers and controlled the Municipal Council and its administration. British consul-general was also the most powerful member of the consul body. The communal structure of treaty port life actually reinforced the values acquired in Britain such as “those associated with public schools-imperialism, militarism, and sportsmanship-and the ethos of public service.”

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201 The members of the Shanghai Municipal Council were all foreigners. There was no direct Chinese representation on the Council until 1928.

Expatriate businessmen such as the Sephardic Jewish merchants fell into one of the major categories of settlers in foreign Shanghai. This group included “the traders, bankers, manufacturers and those working for, running or representing mining, shipping or railway interests. They were geographically far more dispersed…and much more likely to be moved from treaty port to treaty port.”

One of the main reasons that these business people came to Shanghai was the myth of making a quick fortune. Settling down in the foreign enclave, Shanghai Sephardim were protected by the Britain and enjoyed treaty power privileges; at the same time, they would also have to adapt themselves to the political and social structures of treaty port life.

In the beginning, the small group of entrepreneurs who dominated the Municipal Council mainly aimed to create favorable conditions for the expansion of its economic activities and the preservation of basic life needs of the community. Gradually, they built up urban infrastructures such as education and health facilities and public services to serve both the foreign and Chinese populations in the settlement. To some extent, as Marie-Claire Bergere argues, these wealthy merchants also introduced modern democratic governance such as the majority vote, and the scientific interests that governed the actions of the Shanghai Municipal Council.

According to the statistics in the Israel’s Messenger, overall there had been 18 Sephardic Jews who used to serve in the Municipal Council of the International Settlement and 6 in the Municipal Administrative Council of the French Concession. Take Silas A Hardoon as an

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203 Ibid., 70.
204 Marie-Claire Bergere, Shanghai: China’s Gateway to Modernity, 14.
205 See Table 2.
example, because of the huge profit he made during the war time period between China and France (1883-85), he was hired by the New Sassoon Company to take in charge of the real estate business in Shanghai. In 1887, the French Concession hired him to serve on the board of the Municipal Administrative Council for his efforts in maintaining the treaty-port economy during the Sino-France War. By 1901, his achievements in the Municipal Administrative Council had been widely recognized by local foreigners as well as the Chinese.\textsuperscript{206} Since 1900, Hardoon also started to serve in the Municipal Council of the International Settlement and the jury of the British consular court in Shanghai. He became the only foreigner in Shanghai who served in Municipal Councils of both foreign settlements and shed huge political influence in Shanghai. He was involved in laying down the land regulations, regulating opium sales, transportations and other urban infrastructure constructions.

The Arnhold brothers (Harry Edward Arnhold & Charles Herbert Arnhold) also had great political impact in the foreign settlements. Harry Edward Arnhold served in the Municipal Council for 7 terms. In 1929, he was elected the new chairman of the Shanghai Municipal Council. Although the next year, he failed in the election for being too much of a reformist (there was also the rumor of anti-Semitism against him), in 1934 he resumed the role of chairman and remained in that position until 1936.\textsuperscript{207} On May 26, 1937, at the time when he left Shanghai to return to Britain, a farewell ceremony with the participation of the Shanghai  

\textsuperscript{206} Ji Juemi, “Hatong Xiansheng Xingye Ji,” in \textit{Hatong Xiansheng Rongai Lu}, (Shanghai, 1933), 2 & 6.

\textsuperscript{207} Arnhold was a Hong Kong born British subject, educated in Britain, but his firm Arnhold Brothers, had been German registered Arnhold Karbeg & Co. in 1914. Reconstituted as a British company after 1919, it was taken over by Victor Sassoon in 1923. Arnhold served as a front for Sassoon’s political interests in the International Settlement.
Volunteer Corps (SVC) was held at the pier on Nanjing Road. This was reported in the local Chinese newspaper *Shen Bao*.\(^{208}\) Other well-known Jewish merchants who were politically active in the foreign settlements included people such as Michel Speelman, a Dutch Jew, who was elected the chairman of the Municipal Administrative Council in French Concession in 1925 and decorated with the Chevalier Order of Orange-Nassau by Queen Wilhelmina of Holland in 1933;\(^{209}\) the manager of the French company Laroche & Cie, P., L. Blum, who was elected to serve in the Municipal Administrative Council in 1926. He was also in the committee of the French Chamber of Commerce in Shanghai;\(^{210}\) Shanghai Land Investment Company’s owner and manager of the New Sassoon Firm, Morris Benjamin, was also a member of the Municipal Council of the International Settlement. Joseph Raffaelli joined the police department of the International Settlement soon after he arrived at Shanghai from Manila in 1928.\(^{211}\)

Other than getting involved in the governance of the Municipal Council, some Jewish elites also actively participated in the management of the foreign residents’ community in Shanghai or worked directly for the foreign consulates. Harry Edward Arnhold, as mentioned previously, reemerged as the settler community leader in the 1930s, serving on the committee of the British Residents’ Association. Arnhold was complimented by others as “persona non grata with many influential members of the community.”\(^{212}\) Danish Jewish merchant Anderson Meyer who ran

\(^{208}\) *Shen Bao*, May 26, 1937.

\(^{209}\) *The Jewish Telegraphic Agency*, October 8, 1933.

\(^{210}\) *The Israel’s Messenger*, January 8, & February 5, 1926.

\(^{211}\) *The Israel’s Messenger*, February 3, 1928.

\(^{212}\) PRO, FO 228/4283/6 69b, Shanghai no. 18, 3 February 1930. Quote from Robert Bickers’ book *Britain in China: Community, Culture and Colonialism 1900-1949* (Manchester University Press, 1999), 132.
the Anderson Meyers & Co. Ltd in Shanghai, worked as the vice consular of the Danish Consulate in Shanghai from 1905 to 1909. He actively promoted the trade and investment between China and Danmark. What’s more, in 1931, Jewish merchant Hugo Reiss became the consul general of the Brazilian consulate in Shanghai.\textsuperscript{213} In 1936, Jewish merchant, O. Fisher, was hired by the Guatemala president as the honorary consul for Guatemala.\textsuperscript{214} And David Moses David used to serve as the deputy consul of Norway in Zhen Jiang.\textsuperscript{215}

Because of the political and economic contributions that Jewish elites made in foreign settlements and foreign residents associations, many of them had won awards from foreign governments in Shanghai, which again demonstrated the elite status of Jews in colonial Shanghai. On November 5, 1924, the Italian foreign government in Shanghai awarded E.J. Shur the King’s medal for his contribution to the Italian community in China.\textsuperscript{216} In July, 1927, E.S. Kadoorie won an honorary award from the French consulate. In 1929, the French consulate also issued an award to Michel Speelman for his contributions to the French Concession. On November 7, 1934, the Dutch consulate issued the Hungarian Red Cross award to Lucien Lion for his work in supporting the Hungarian residents living in Shanghai.\textsuperscript{217}

In 1925, in the aftermath of the May 30\textsuperscript{th} Movement (五卅运动), the foreign economy in Shanghai was suffering from strikes and boycotts, and the relationship between the foreign

\textsuperscript{213} The Israel’s Messenger, April 1, 1931.

\textsuperscript{214} The Israel’s Messenger, January 3, 1936.

\textsuperscript{215} The Israel’s Messenger, April 2, 1926.

\textsuperscript{216} The Israel’s Messenger, December 5, 1924.

\textsuperscript{217} The Israel’s Messenger, December 7, 1934.
communities and Chinese society was in crisis. Morris Benjamin took efforts in repairing the relationship by providing economic support to the workers. His deeds were acknowledged by the Municipal Council. In 1927, when the National Revolutionary Army attacked Shanghai in its Northern expedition to unify China under the Kuomintang banner, Britain sent an army of 12,000 soldiers to protect the British settlers in the city. E.S. Kadoorie provided general financial support to the British army and let them use his property on Nanjing Xi Road. This was highly praised by the British consul-general Sir Sidney Barton. Finally, in the 1930s, the financial Relief Plan that Victor Sassoon proposed is a good example of interfering into the Chinese politics by representing the interest of the British power in Shanghai.

Wealthy Jewish elites, the majority of whom being the Sephardim, actively participated in the governance inside the foreign settlements in Shanghai, by either serving in the Municipal Council or directly taking administrative positions in the foreign consulates. Generally speaking Shanghai Sephardim took a pragmatic approach to foreign settlement politics and worked in the interest of treaty powers in order to pursue their merchant ventures successfully. They demonstrated loyalty to British political regime by becoming increasingly Anglicized with their economic prosperity. As a matter of fact, many Jewish elites, such as the Sassoon family members, later resettled in Britain and entered the political circle in London and socialized with the British upper class. In the course of two generations, the center of the Sassoon family shifted

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218 May 30th Movement was a major labor and anti-imperialist movement during the middle-period of the Republic of China era. It began when Shanghai Municipal Police officers opened fire on Chinese protesters in Shanghai's International Settlement on May 30, 1925. The shootings sparked international censure and nationwide anti-foreign demonstrations and riots.

219 The Israel’s Messenger, March 4, 1927.
from Baghdad to Bombay, Shanghai, Hongkong and to London. They adjusted to the new power structure, accustomed to British rule and socially acculturated with the British such as adopting Anglicized names and etiquettes.220

**Jewish Elites and Chinese Society**

By the year of 1900, the foreign settlements in Shanghai had been well established and became the financial front of China. But in the same year, Boxer Rebellion caused big upheavals in the foreign communities and indicated the increasing anti-foreign and proto-nationalist social sentiments among the Chinese. Before the 1911 Chinese revolution which finally overthrew the Qing imperial dynasty, there had been many revolts and uprisings that indicated the rising nationalism in China. The Chinese revolution in 1911 did not generate a strong central government that could unify China. What followed was a period of warlordism and social upheavals in China. In the meantime, there was a growing sense of nationalism especially after the First World War. China was humiliated by the Treaty of Versailles for transferring the German concession in Shandong province to Japan rather than returning sovereign authority to China. The following May Fourth Movement in 1919 marked a new stage in China’s nationalistic movement. Nicholas R Clifford emphasized that Chinese nationalism after the May Fourth Movement was more radical, and was targeting against the imperialism along with

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220 See Jeanne Beth Branstetter’s work “The Rothchilds of the East: Orientalizing in Anglo-Jewish Assimilation, c. 1860-1890”, which examines the assimilation of the Sassoon family in England. In Bombay, for example, the Sassoons had to adjust themselves to their new Western government.
warlordism. Both the Nationalists and Communists tried to build new institutions that would transcend the provincial and regional lines and provide China with an organized leadership.\footnote{221}{Nicholas R. Clifford, \textit{Spoilt Children of Empire}, 14.}

With the rising of new Nationalism, the foreign position in Shanghai had changed too. Clifford pointed out that the old imperial order had been destroyed by the War and the Bolshevik revolution. For Britain, for instance, imperial problem was not the chief concern any more during the 1920s. Rather it was harried by unemployment and labor unrest domestically and by “the collapse of the prewar economic order, socialism and the demands for a greater equality in the distribution of economic wealth.”\footnote{222}{Ibid.} United States and Japan became the new powers of the Pacific World. In the Washington Conference held in 1921-22, the issue of China’s regaining its sovereignty and building a modern legal system had already been brought onto the table. Some foreign liberals and radicals also claimed that foreign privilege should be ended so that a new democratic system could be built in China. The May Thirtieth Tragedy in 1925 further deteriorated the relations between the Chinese and foreigners in Shanghai and ignited deeper waves of Nationalism.

Through two years of Northern Expedition from 1926 to 1928, the Nationalists theoretically unified China under its own banner and established the Shanghai Municipal Government. During the Nanjing decade (1927-37), the Nationalists launched new policies, institutions and undertook modernization. Christian Henriot in his study of the Municipal government in Shanghai during this period argues that the Municipal administration was outstandingly

\footnote{223}{Christian Henriot, \textit{The Municipal Government in Shanghai during World War II}, 198.}
successful as a counterpoint against the foreign powers.\footnote{Christian Henriot, trans by Noel Castelino, \textit{Shanghai, 1927-1937: Municipal Power, Locality and Modernization} (University of California Press, 1991), 235.} However, he also argues that, the state was also heir “to a long bureaucratic tradition with a predisposition to dominating society by relying on the elites.”\footnote{Ibid., 238.} According to Henriot, the divided jurisdiction of the city ensured weak law enforcement and difficulty for Chinese authorities to crack down on autonomous organizations as well. Since the early Republican period, local institutions and their leaders such as native place associations had become actively involved in the affairs of the city. The municipal leaders thus established close ties with the most influential members of Shanghai’s various business, professional and associational groups. These elites became important players in the complicated state/party/elites relations during this time.

It is against this background of the changing political environment of the city that we talk about the relationships between the Jewish business elites and the Chinese society. With the changing power relations, Jewish elites gradually acknowledged the significance of seeking allies not only with the foreign powers but also among the Chinese in order to guarantee their economic and political interest in China; On the other hand, as Bryna Goodman states out that “both personal connections and larger, structural cliques and affiliations marked Chinese society...
and politics in the Republican era. That is to say, Chinese politicians were eager to acquire economic support and political refuge from the Jewish business elites as well.

Silas A Haroon’s complex links with the Chinese society was the best example. Besides actively getting involved in the politics of the foreign settlements, as early as in 1909, Haroon had established close personal relations with the Manchu royalties. These relations lasted even after the 1911 revolution. Besides, Haroon also maintained relations with former Qing government officials such as the governor-general of Hu-Guang Provinces (Rui Chen 瑞澂) and governor of Guangdong and Guangxi provinces (Cen Chunxuan 岑春煊). After the 1911 Revolution, Rui Chen was able to hide in Haroon’s private Mansion until he passed away in 1925.226

Haroon had always paid close attentions to the changing political circumstances in China and supported the anti-Qing government revolutionary leaders. He established contacts with Zhang Taiyan (章太炎), Cai Yuanpei (蔡元培) and Sun Yat-sen (孙逸仙) and provided them with financial support. In 1902, Cai Yuanpei established Patriotic Women Education and Patriotic Society in Shanghai. Haroon not only provided financial support but also protected the


students after the Qing’s 1903 suppression of revolution (Su Bao Case). After the success of the revolution, in March 1912, conflicts arose among the revolutionaries in regarding to the leadership of the Shanghai area. Negotiations were held in the Hardoon Mansion (Aili Garden 爱俪园) and Hardoon himself participated in the mediation by providing a loan to the new government.

Hardoon’s personal relationship with Sun Yet-san lasted for almost two decades. Back in 1903, Hardoon had provided financial support to Sun for his trip to Honolulu. After the success of the revolution, in December, 1911, Sun came back to Shanghai and the Hardoon Mansion became Sun’s first stop in the city. The parties thrown at the Aili Garden attended by revolutionaries such as Sun Yet-san, Huang Xin, Chen Qimei, and Hu Hanmin became the focal point of Shanghai news at the time. After Sun became the president of the Provisional Republic of China, he again solicited financial support from Hardoon. When Sun stepped down and was forced to seek asylum in Japan, Hardoon again supported Sun for his Constitutional Protection Movement at the time of political chaos.

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227 Su Bao was a small newspaper started in 1896 in Shanghai. Su Bao Case took place in June of 1903 when several of its staff members including Zhang Binglin (章炳麟 1868-1936), and Zou Rong (邹容 1885-1905) were arrested for writing radical anti-Qing government articles on the paper. The trial afterwards lasted several months in the mixed court of the foreign settlement with the eventual loss of Qing government. Su Bao Case had significant social and political impact at the time and marked the emergence of anti-Qing revolutionary movement in Shanghai.


Other than supporting the revolutionary movements in China, Hardoon also maintained close contacts with the Warlord government of Northern China (Beiyang government). Acting as the intermediary, Hardoon offered to have his residence as the place for two negotiations between the revolutionaries and the Beiyang Government in 1912 and 1918. As a matter of fact, in order to win support of Britain and the United States and acquire funding, the Beiyang Government tried actively to build up relationships with Hardoon as well. Over the years since 1917, Hardoon had been awarded the Jiahe Medals (嘉禾奖章) four times, the highest award that the Beiyang Government gave to a civilian or foreign diplomatic envoy. From 1913 to 1924, when the Beiyang clique (wanxi junfa 皖系军阀) controlled Shanghai (outside of the foreign settlements) and its surrounding areas for 11 years, Hardoon maintained close relationships with the Beiyang army leaders. Besides, Hardoon also interacted with warlords of Shandong, Anhui, Sichuan, Hunan so on and so forth.

In general, Hardoon established an intricate web of relationships with Chinese revolutionaries, officials and militarists; and ties with opposing political factions. According to Chiara Betta in her study of Hardoon, as a skillful player in Chinese political environment, Hardoon was not concerned about ideas and policies but instead with “personal relations.” His pragmatic agenda gave him more business opportunities. Betta mentioned an incident that foreigners who didn’t share Hardoon’s close relationship with local political and military elites faced refusals when they asked for permission to erect buildings on the shores of the West Lake, while Hardoon’s Luo Garden was able to stay untouched because of his connections with the local

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governor. Even the British consular authorities were aware of the amount of duplicity in that case.\textsuperscript{232} In fact, Hardoon established much boarder ties with Chinese politicians and militarists compared with other foreign business people in Shanghai at his time.

Besides Hardoon, the Sassoon family had always maintained business relations with warlords, the Beiyang government and the Republican government. After its annexation of the Arnhold Brothers & Co. Ltd. in 1926, E. D. Sassoon & Co., Ltd sold steel and arms from WWI to warlords and the Republican government. With the establishment of the Republican Nanjing government in 1927, the Sassoon group demonstrated its support by buying government issued bonds and issuing loans to some major Chinese industries. Victor Sassoon’s intervention in Chinese economic policy-making was best exemplified in his “relief plan” proposed in 1935, as has been discussed in the previous chapter. Obviously, Victor Sassoon maintained close personal relationships with some Republican government officials such as the Minister of Finance C.T. Song and the wealthy banker and politician H.H. Kung. Besides, the Sassoon family also actively involved in the philanthropy and relief projects in Shanghai. In 1935, Victor Sassoon was awarded by the Chinese Red Cross for his philanthropic work to Chinese hospitals.\textsuperscript{233}

Other than the Sassoons and Hardoon, there were other Sephardic Jewish elites who established close contacts with the Chinese Republican government and exerted their influence on its policy making as well. Anderson Meyer, for example, the owner of Anderson Meyers & Co., Ltd., attended the business trip to the U.S. led by the Department of Agriculture and

\textsuperscript{232} Ibid.,162.

\textsuperscript{233} The Israel’s Messenger, June 1, 1935.
Commerce of the Beiyang Government in June, 1916. Meyer’s relationship with the Nanjing government, especially H.H. Kung, was well known in Shanghai. In 1931 when Anderson Meyers & Co., Ltd. was celebrating its 25 years of anniversary in China, H.H. Kung complimented on its contributions to the industrialization process in Shanghai and emphasized that the government would continue with its cooperation with the firm.  

Other examples included the Arnhold brothers who raised fund for the Qing government to pay indemnity for the First Sino-Japanese War; the Sophers brothers who used to throw parties at Mrs. Edward Ezra’s house on Huai Hai Road and invited local business and political elites such as the banker Chen Guangpu, and minister of industry Zhao Jinqing. In 1935, the Chinese Republican government also awarded Elly Kadoorie for his contributions to Chinese medical and educational development. The ceremony was held at Kadoorie’s mansion and attended by representatives of the government. All these episodes and stories demonstrated the efforts that Jewish business elites in Shanghai made to reach out to the Chinese society and built up social networks with the Chinese elites.

With the outbreak of the Mukden Incident in 1931, Japan’s invasion of Manchuria intensified the conflicts between China and Japan. Jewish elites in the beginning kept a “wait and see”


235 Zhang Yan, *Qingdai Jingji Jianshi* 清代经济简史 (A Brief History of Qing Dynasty Economy), Zhongzhou Guji Chubanshe (1998): 530

236 *The Israel’s Messenger*, January 8, 1926.

237 *The Israel’s Messenger*, June 1, 1935.
attitude toward Sino-Japanese War and advocated peace and justice in the Far East. They emphasized that the Sephardic Jewish community would keep away from the politics within Chinese society and hoped China and Japan would resolve their conflicts peacefully. In 1932, the Shanghai Oriental Library was bombed by the Japanese, the *Israel’s Messenger* published an article entitled “China’s Loss” lamenting the big loss for world civilization and urged Japan to solve the conflicts peacefully with China. Jewish elites’ attitudes towards Japan had to do with the Japanese moderate policy to Jews in East Asia. However, with the increasing anti-Semitism in the Northeast of China, especially after the tragedy of Simon Kaspe’s kidnapping case, Shanghai Jewry started to change their attitudes toward Japan. After the July 7th Incident in 1937, Sephardic Jewry publicly announced their empathy and support to China by arguing that China was fighting for justice and the victory would go to China eventually. In general, Sephardic Jewish elites stood on the Chinese side in the Sino-Japanese War time, which may simply because of the “pro-British” attitudes that many of them had.

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238 *The Israel’s Messenger*, October 1, 1931; April 1, 1932.

239 *The Israel’s Messenger*, March 1, 1932.

240 Simon Kaspe was a Jewish resident in Harbin, Manchuria. In 1933 he was kidnapped by a gang of fascist Russian criminals and then killed. The kidnapper s were arrested and then released due to the Japanese authorities’ attempt to use the white Russian community as the local enforcers and their anti-communist sentiment. In *The Israel’s Messenger*, January 4, 1935, an article pointed out how Japanese judicial officials abused their power in the kidnapping incident. The majority of the Jews fled out of Harbin after this incident.

241 *The Israel’s Messenger*, October 25, 1937.

242 Eric Niderost wrote about an anecdote in which Victor Sassoon responded to the inquiry of a Japanese officer, “Tell me, Sir Victor, why are you anti-Japanese?” Sassoon deliberately took his time, clipping a fresh cigar with
Conclusion

To sustain their economic interest and general well-being, Baghdadi Sephardic Jewish elites established a wide network of relationships within both foreign and Chinese societies in treaty-port Shanghai. They were actors of local and international politics. They seek to influence the policies of the governments in which they resided in order to guarantee their economic interest. At the same time, to survive as a community, they also established various communal institutions that functioned administratively and politically. The establishment of the Shanghai Zionist Association and the support to the world wide Zionist movement indicate their involvement in Jewish politics and conflicts beyond the territories in which they resided. These transnational politics reinforced their Jewish identity and maintained their connections with the world Jewry.

Within the context of treaty-port Shanghai’s political complexity, Sephardic Jewish elites not only maintained their “Jewish connections,” but also established extensive social networks with both foreign and Chinese elites. They successfully penetrated into the local politics and shed their influence.

Figure 4.


Statement of Use: These materials are included under the fair use exemption and are restricted from further use.
Table 2. Jewish elites who served in the Shanghai Municipal Council of the International Settlement (Calculation according to the *Israel’s Messenger’s* annual report)

<table>
<thead>
<tr>
<th>Date</th>
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<tbody>
<tr>
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<tr>
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<td>M.S. Gubbay</td>
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<tr>
<td>05/1872</td>
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<tr>
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<tr>
<td>03/1879</td>
<td>E.A. Sassoon</td>
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<tr>
<td>02/1881</td>
<td>E. Moses</td>
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<tr>
<td>02/1882</td>
<td>R.A. Gubbay</td>
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<tr>
<td>03/1883</td>
<td>J.S. Ezekiel</td>
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<tr>
<td>03/1884</td>
<td>P. Arnhold; F.E. Haskell; S.A Nathan</td>
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<td>M. M. Moses; F.E. Haskell; S.A. Nathan</td>
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<td>D. M. Moses; H.H. Joseph</td>
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<td>03/1892</td>
<td>D. M. Moses</td>
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Table 3. Jewish elites who served in the Municipal Administrative Council of the French Concession

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<td>S.A. Hardoon</td>
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<td>01/1894</td>
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<td>H. Meyer</td>
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<tr>
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<td>M. Speelman</td>
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<td>L. Blum</td>
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<td>1930 temporary committee</td>
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<td>M Speelman</td>
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<tr>
<td>1938 temporary committee</td>
<td>M. Speelman</td>
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Chapter 3: Hardoon Will/Inheritance Case—Legal Status of Extraterritorial Jews in Semi-Colonial Shanghai

On June 17, 1931, the famous Shanghai Tai-Pan, real estate tycoon, and one of the richest men in the Far East, Silas A. Hardoon (1851-1931), passed away. On June 21, Hardoon was buried in his own residential garden, Aili Garden at 1273 Bubbling Well Road of the French Concession, instead of any of Shanghai’s Jewish cemeteries. Aili Garden, also called Hardoon Garden, was built in 1909 as a Chinese style residential garden. It covered over 170 mu (which is around 113,333 square meters) in size and was considered the largest private mansion in Shanghai at the time. Aili Garden was allegedly modeled after the Da Guan Yuan in the late Qing novel Dream of the Red Mansion and therefore also called Da Guan Yuan on the Sea. Like other classical Chinese garden designs, Aili Garden created many natural landscapes in miniature. It was in the garden, Hardoon once told an associate, that he spent some of the happiest hours in a very busy life in Shanghai among the flowers and shrubs which he tended with an expert’s care. It was also the place where the Hardoon couple received the political and social elites of Shanghai such as Sun Yet-sen and Zhang Taiyan. In 1915, Mrs Hardoon created Sheng Cang Ming Zhi School (圣仓明智大学) in the Garden. People like Kang Youwei, Chen Sanli and Xu Beihong used to teach here. Li Enji in his memoir Ai Li Yuan Meng Ying Lu (爱俪园梦影录 Dream of the Aili Garden) has a very vivid description of the Garden. Aili Garden suffered from a huge fire in the 1940s and then severely damaged during the Sino-Japanese War. It was finally demolished in 1954 and replaced by a Russian style building. Today the Shanghai International Exhibition Center had been erected on the site of the Garden. (Figure 2)
solemn mourning service was held in the Aili Garden, which was decorated with white paint and traditional Chinese silk draping. Employees of the Hardoon Company, charitable organizations, native-place associations, politicians and the business elites, Chinese and foreigners, all gathered together in the Aili Garden to memorialize this man of power and significant influence in semi-colonial Shanghai’s political, economic, cultural, and charitable businesses. In the condolences to Hardoon, he was portrayed as a Chinese politician and businessman with Confucian/Daoist ideals, because of him and his wife’s endorsement of Buddhism and Confucian teachings. Aili Garden, was actually built as a center of neo-confucian studies.

The service, attended by more than 5,000 mourners, combined Chinese and Jewish traditions: Buddhist and Daoist monks chanted prayers; paper money and paper gifts were burned for Hardoon’s use in the other world; people lit incense and bowed down in front of Hardoon’s ancestral tablets; Hardoon’s adopted sons said Jewish prayers for the soul of the departed; and the last rites at the graveside were conducted according to the Orthodox Jewish ritual. All these created a highly dramatic scene that caught the attention of the local and international press, which all emphasized the mixed traditions of the

245 All condolences to Hardoon were compiled into a collection of 12 volumes published in 1931 by the funeral committee of Aili Garden. The title of this collection is called Ousi’ai Hatong Xiansheng Rong’ai Lu (Memorials with Sorrow of the Glories of Mr. Silas A Hardoon). Most contemporary Shanghai political and business elites such as the president of Control Yuan, Yu Youren, and late Qing dynasty Hanlin, Xia Qiyu contributed to this collection. Literatures written in traditional Chinese format eulogized Hardoon’s rags to rich success story in Shanghai. Photos in the collection also demonstrated that mourning services were conducted in the traditional Chinese fashion.
funeral. Following Haroon’s funeral and memorial service, a grand mausoleum was erected in the Aili Garden.

The drama at Silas A. Haroon’s funeral and memorial service did not end but was followed by protracted legal debates surrounding the inheritance and administration of the large and expensive estate left by Haroon. These legal debates focused on two issues. The first was the question of Haroon’s legal status and nationality, a question that decided the core issue concerned in this lawsuit—whether his estate was subject to Chinese, British, Jewish, or Iraqi laws. I will document and explain below how, at the colonial intersection of Shanghai, Baghdadi Jews negotiated with their legal identity (the Ottoman, Iraqi, Jewish, British and Chinese) and gained leverage as a merchant community living in the International Settlement of Shanghai under the British protection.

Second, the death of Haroon’s widow, Lisa, in 1941, brought numerous members of their large family to court again to probe the legality of the will she had left. Interrupted by the Japanese occupation of Shanghai’s International Settlement, civil war and the Communist conquest of Shanghai, the Lisa Haroon’s Will Case went through different jurisdictions reflecting the contingencies of Chinese and global politics. It showcases the impact of the political, social and legal transformations upon the Jews in the city of Shanghai.

246 For example, “Buddhist Memorial Service for the Late Mr. S.A. Hardoon,” Israel’s Messenger, Aug 1, 1931, 8-9; “Death Hardoon,” North-China Daily News, June 20, 1931; “Was the Late Mr. Hardon a Buddhist?” China Press, July 23, 1931; “Mixed Rituals Mark Funeral,” Los Angeles Times, July 19, 1931; and “Effigy of Dead Man was Host at Three-Day Funeral Banquet,” New York Times, Aug 23, 1931.
The chapter is divided into three sections. The first discusses the Haroon Will Case from 1931, upon the death of Silas A. Haroon, through 1937 focusing mainly on three questions: Haroon’s legal status, the legitimacy of Haroon’s marriage with a Chinese woman, and to which laws Haroon’s estate should be subject. The second section contextualizes the case through a discussion of treaty-port Shanghai’s plural jurisdictions, British extraterritoriality, and the Baghdadi Jews’ legal status in Shanghai. The third section reviews the Haroon Will/Inheritance case from Lisa Haroon’s death in 1941 until its final settlement in 1948, focusing on questions of changing political and jurisdictional control in Shanghai. To sum up, the protracted legal debates surrounding the Haroon Will/Inheritance case illustrate at least two trends—first, Baghdadi Jews, especially those of wealth, enjoyed the legal identity of “British protected person” or “British subject” in their colonial encounter with the Chinese; and second, it was the local and global politics that determined the jurisdiction and the final settlement of the case. This chapter also reinforces my central argument of this work, that is, the legal environment in Shanghai provided Sephardic Jews more flexibility and opportunities to participate in/benefit from the British colonial order in Shanghai.

**Hardoon Will Case: Phase I**

In July 1931, with the death of Silas A Haroon, the widow Lisa Haroon publicized the last will that Silas A. Haroon wrote in February of that year, in which, Lisa Haroon became the sole inheritor of Silas A. Haroon’s estate that was estimated in the amount
Soon afterwards in December of 1931 in the British His Britannic Majesty’s Supreme Court for China (H.B.M. Supreme Court), Haroon’s Iraqi cousin Ezra Abdullah Haroon sued Lisa Haroon. On December 9, the case of Ezra Abdullah Haroon v. Lisa Haroon came up before Judge Sir Peter Grain for an order to remove Lisa Haroon’s administration of the Haroon estate. Ezra Abdulah Haroon’s legal representative M. Reader Harris claimed that the probate of Hardoon’s will should be revoked on the ground that Hardoon was a Jew and an Iraqi citizen and therefore his estate should be administered according to Iraqi law. The laws of Iraq would have entitled Hardoon’s widow, Lisa Haroon, to only one third of the total inheritance, the rest being distributed equally among his next of kin. Plus, a will in favor of one heir was not valid without the consent of the remaining co-heirs. Harris argued that having been born in Baghdad, and had been granted British consular and diplomatic protection

247 Here is the direct quote from the Will. “If my wife Lisa Haroon whose maiden name was Lisa Roos shall be proved to have survived me for the space of two weeks, then but not otherwise I give devise and bequeath all the real and personal property whatsoever and wheresoever of or to which I shall then have a general power of appointment or disposition by Will to her absolutely and I appoint her sole executrix of this my will.” Shanghai Municipal Archives 646-644-5180.

248 The accurate amount of Haroon’s properties left after his death was unclear. The article “Death of Mr. S.A.Haroon” published on the North China Herald on June 23, 1931states out that it has been popularly estimated that his assets in such local land should add up to a sum of 150, 000, 000 dollars. In the “Shanghai Law Reports of the Haroon Will Case” on July 20, 1932 of the North China Herald, the amount of 4, 000, 000 pounds is also used to refer to the large fortune left by Haroon. Based on the annual inflation of 3.21%, this would be more than 2 billion dollars in 2016.
pursuant to the Treaty of Alliance between Great Britain and Iraq of 1924, Silas A. Haroon was not a British subject.\textsuperscript{249}

In January 12, 1932 a further application by Ezra Abdullah Haroon, joined by another cousin of Silas A. Haroon, Isaac Silas Jacob Haroon, was made to Judge Sir Peter Grain in the H.B.M. Supreme Court for the appointment of impartial administrators of the estate. Ezra Abdullah Haroon’s representative M.E. Solomon argued that they had documentary evidence to show that the estate of the late Silas Aaron Haroon was in jeopardy. They questioned that Lisa Haroon had illegitimately taken all the Haroon estate’s rental income since his death.\textsuperscript{250} Lisa Haroon’s representative, on the other hand, filed their statement in March of 1932 arguing that Silas A. Haroon was a British subject with the meaning of Article 3 of the China Order-in-Council (1925) and that he had abandoned his domicile of origin and acquired a domicile in China.\textsuperscript{251} It was admitted that Silas A. Haroon was a Jew and born at Baghdad, but denied that British protection was granted under the Iraqi law. It was also denied that the estate ought to be administered by Iraqi law.

\textsuperscript{249} “Hardoon Will Case,” H.M. Supreme Court Shanghai Law Reports, \textit{The North-China Herald}, Dec. 15, 1931.

\textsuperscript{250} “Mr. S.A. Haroon’s Estate”, H.M. Supreme Court Shanghai Law Reports, \textit{The North-China Herald}, Jan 19, 1932.

\textsuperscript{251} According to Article 3, the expression “British Subject” shall include a British protected person in so far as Treaty, capitulation, grant, usage, sufferance or other lawful means. Her Majesty has jurisdiction in relation to such persons in China, Japan and Korea respectively.
On July 11, 1932, the Hardoon Will/Inheritance Case came to a conclusion. Judge Sir Peter Grain delivered his judgment in H.B.M. Supreme Court giving judgments for Lisa Hardoon in full. In the court decision, Judge Grain first dealt with the question of Silas A. Hardoon’s nationality. Silas A. Hardoon was born in Baghdad in 1851. He went with his father to Bombay in 1865, where his father became a naturalized British subject. He then went to Hong Kong and in 1874 came to Shanghai, where he remained until his death in 1931. When he came to Shanghai, like many other Baghdadi Jewish entrepreneurs of his generation, he came as a member of the firm of David Sassoon & Co. It appeared from the evidence of the British Consul at Shanghai that it was the custom to confer British protection on all Jews employed in the firm of David Sassoon & Co. from the year of 1874.

In a letter from the British Consul-General at Shanghai, dated October 27, 1931, Silas A. Hardoon was registered as a British subject under the authority of His Majesty’s Principal Secretary of State for Foreign Affairs. In another letter from the Consul-General, according to Judge Grain, it was stated that there was reason to believe from correspondence in the office that he had received British protection since 1874 and registered as a British subject from 1896 to the time of his death. He was registered on all occasions as a British subject since then. The matter of his registration came up for discussion in 1907 and the then Consul-General, Sir Pelham Warren, referred the matter to the Secretary of State for Foreign Affairs and received instructions to continue to register Silas A. Hardoon as a British subject. These actions demonstrated that Hardoon had a significant influence in the local British community and was popularly accepted as its member.
The local Shanghai Sephardic Jewish community’s newspaper *Israel’s Messenger* stated that in 1925 Hardoon was accepted as a British subject as a “special act of grace and favor in the circumstance” granted by the Foreign Office.\(^{252}\) There was also evidence that Hardoon had been both an appellant and defendant in H.B.M. court, sat as a British member of the Shanghai Municipal Council for the International Settlement and was on the jury list of the Supreme Court until he reached the age of exemption and his will was composed in the accepted British form. Judge Grain emphasized that by Article 3 of the China Order-in-Council, British subject included British protected person. They were one and the same for the purpose of applying the British law of this Court.

Then as to the question of the domicile of Silas A. Hardoon, Judge Grain argued that a Chinese domicile could be acquired and established in this Settlement as seen from precedent cases in Shanghai. There was no doubt that Silas A. Hardoon had made and intended to make Shanghai his permanent home and that was the essence of the acquisition of a domicile. He had no intention to return to Baghdad and never went back even for a visit after he left it as a boy. In fact, according to the will drawn up and signed by Silas A. Hardoon in 1925, Hardoon himself stated that his domicile was China.

After establishing the fact that the deceased was subject to jurisdiction of the British Courts as a British protected person and that he had acquired a domicile in China, Judge Grain then came to the question of what law or laws govern the testamentary capacity of the deceased. Judge Grain concluded that the law to be applied to the administration of

\(^{252}\) *Israel’s Messenger*, July 3, 1931.
the estate of the deceased was the law of his domicile. The law of his domicile was the law which the sovereignty of China by Treaty allowed the British Courts to administer. And the law which had to be administered in these courts was the English law which governed all cases of testacy and the rights of persons to succession in these courts. By Article 104 of the China Order-in-Council, 1925, the civil jurisdiction of every court acting under this Order shall, as far as circumstances admit, be exercised on the principles of, and in conformity with, English law for the time being in force. In 1932, Judge Grain concluded that the will left by Silas A. Hardoon was good and valid and Lisa Hardoon should be the only inheritor of the Hardoon estate.\

But this was not the end of the Hardoon Will Case. Ezra Abdullah Hardoon filed a notice of appeal after the Court decision was delivered. Although he later dropped the case because of his inability to pay for the security deposit in the amount of $6,000 ordered by the Court, he was joined by a third Iraqi cousin of the Hardoon family, Khan Bahadur Ezra Saleh Hardoon, to sue Lisa Hardoon third time for claims on the Hardoon will. In 1937, Judge Penrhyn Grant Jones delivered one of the most important and also the longest judgments given in the H.B.M. Court for China. Other than the part that he concurred with Judge Grain, he referred to Article 8 of the Iraqi Nationality Law of 1924 to settle the issue of Hardoon’s nationality. According to this Article, Ottoman subjects born in Iraq, but not in residence there between August 23, 1921 and August 6, 1924,


could not claim Iraqi nationality without specifically opting for it. These non-residents had been repeatedly informed by the Iraqi Passport Department that they were not Iraqi citizens. Hardoon came to Shanghai in 1873 and since then he had never gone back to Iraq. He had also long abandoned the idea of residing permanently in any other place than Shanghai. He never exercised the option for Iraqi nationality. Therefore, Judge Grant Jones held that there was ample justification that at the date of his death, Silas A. Hardoon was not a subject of His Majesty the King of Iraq.255

Judge Jones then dealt with the question of Hardoon’s marriage with a Chinese woman. In August 1928, Silas A. Hardoon had the civil marriage with Lisa Hardoon at the local British consulate, under the provisions of the British Foreign Marriage Act of 1892. Hardoon signed a declaration that he and Lisa Hardoon had been wedded in Jewish rites back in 1886 and one of the witnesses was Reuben Abraham. However, according to the record of Israel’s Messenger as I discover, there was no Jewish marriage contract or record of their marriage existed in the Jewish community archives. And Lisa Hardoon had never converted to Judaism. In an article entitled “Mrs. Lisa Hardoon, A Devout Buddhist” in The Israel’s Messenger, it stated, “Mrs. Hardoon was at no time known to be a member of the Jewish faith, or embraced Judaism.”256 Therefore, whether Hardoon’s marriage with a Chinese woman was legitimate or not was still a question.257


256 Israel’s Messenger, Sept 4, 1931; Jan 11, 1932.

257 Hardoon’s marriage was not conducted in a religious ceremony and therefore not recognized by the community.
However, despite all these controversies, Judge Grant Jones considered the fact that the Hardoon couple had lived together for forty-five years and Lisa Hardoon had always been referred to as Silas A. Haroon’s wife in various public occasions and events. For example, in the inscription to the Beth Aharon Synagogue, it says that “Synagogue Beth Aharon Presented by Silas Aaron Hardoon and his wife Lisa. Rosh Hodesh Siwan, 5687, 1 June, 1927.” The Israel’s Messenger also referred to the Hardoon couple as Silas A. Hardoon and Lisa Hardoon when announcing the donations from them to the Jewish community in Shanghai. Judge Grant Jones’ in favor of “marriage by reputation” worked in Lisa Hardoon’s favor.

Judge Jones made a long account of the history of British extraterritoriality in China and then explained the two concepts of “British subject” and “British protected person”. He emphasized that in article 3 of the China Orders-in-Council of 1904 and 1925, the concept of “British subject” was defined to include a “British protected person” in so far as by treaty, capitulation, grant, usage, sufferance or other lawful means. And finally, as to the law application to the disposition of the Hardoon estate, Judge Jones concluded that it was beyond controversy that the law provided in Article 104 of the Order-in-Council for the guidance of this court was English law in the wider sense. The law of the country of the domicile was, in the case of a British subject or fully protected person domiciled in China, the law which the Crown had by Order-in-Council prescribed for H.B.M. Court in China, that is to say, the local or territorial law of England. Therefore, Judge Jones concluded that the will of the late Silas Aaron Hardoon was valid not only in

258 Ibid., July 8, 1927.
form but also in substance and the judgment was accordingly entered for the defendant Lisa Hardoon.  

**Divided Jurisdictions, British Extraterritoriality, and Baghdadi Sephardic Jews’ Legal Status**

The Hardoon Will/Inheritance case was settled in the British court in Lisa Hardoon’s favor in 1937. In Shanghai during the 1920s, Silas A. Hardoon was a major landowner and the most famous foreigner in the city. His legendary life story and adventures in Shanghai had fascinated the Chinese and foreign public. The Hardoon Will/Inheritance Case became one of the most dramatic and sensational legal battles in Republican Shanghai, not only because it involved huge estates and crossed over both foreign and Chinese communities but also because of the intriguing questions that it raised concerning the divided jurisdictions of the City, Baghdadi Sephardic Jews’ extraterritorial status in the International Settlement and the various interactions and asymmetrical power relationships among individuals and communities in the contact zone of semi-colonial Shanghai.

The Treaty of Nanjing signed in 1842 as a result of the Anglo-Chinese War (also known as the Opium War) created five treaty ports including Shanghai. Since the

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260 See Marie-Claire Bergere’s *Shanghai: China’s Gateway to Modernity* for more details about changing from “tribute system” to “treaty system.” 15.
opening of Shanghai as a treaty port to foreign trade and settlement in 1843, it had been going through dramatic changes politically, legally, economically and socially. “Shanghai rapidly grew from a prosperous domestic port into one of the truly great cities of the world.”

The International Settlement established in 1854 which had originally been British was later open to all foreigners. In 1863 it was formally joined by the American Concession and became a large enclave of foreigners of many nationalities established for purposes of trade. It was a self-contained community politically independent of China and Chinese control. The Shanghai Municipal Council (SMC) created in 1854 was the chief organ of the foreign government at Shanghai. It was elected by the assembly of land renters from which all Chinese were excluded. The SMC had the responsibility such as maintaining social order, policing and maintaining public works within the International Settlement. It was free to tax both foreign and Chinese residents of the Settlement. A Shanghai Volunteer Corps in defending the Settlement was also established in 1853. The Settlement maintained its own army and navy in the Shanghai Volunteer Corps.

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The International Settlement did not have a unified legal system. The SMC issued Land Regulations that were binding on all people in the settlement. Other than this, citizens and subjects of powers that had treaties with China that provided for extraterritorial rights were subject to the laws of their own countries. Civil and criminal complaints against them were required to be brought to their consular courts under the laws of their own countries. Extraterritoriality was one of the most important rights of the treaty powers. Extraterritorial courts had jurisdiction over cases involving the citizens of the treaty powers. It is the extension of jurisdiction beyond the borders of the state.

Modern extraterritoriality was formally introduced into China after the signing of the Treaty of Nanjing in 1842. The increasing conflicts of jurisdiction between foreign merchants and the Chinese were reflected in many of the cases between these two parties before the treaty time. The period of 1804-1834 was characterized by increasing resistance to Chinese jurisdiction on the part of all the European powers trading to

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263 See Chapter 1 descriptions of Land Regulations in 1845, 1854, 1869 and 1899. To read more, please refer to Harley Farnsworth MacNair’s book *China’s International Relations and Other Essays*, in which there is once chapter called “The Land Regulations of the International Settlement.”

264 Par Kristoffer Cassel in his book *Grounds of Judgment—Extraterritoriality and Imperial Power in Nineteenth-Century China and Japan* argues that prior to the Western intrusion, Qing China possessed rich legal traditions that could be described as plural orders. China had centuries of experience in handling conflicts between ethnic, professional, and social groups that belonged to different jurisdictions, experiences that had profound consequences for how the 19th century’s commercial treaties were received by the local legal system.
Canton, particularly the agents of the British East India Company in China.\textsuperscript{265} Since Britain had already successfully established the extraterritorial jurisdiction in India, Siam and Japan, in 1833, in pursuance of the “Act to regulate the trade to China and India”, three orders in Council were drafted. The Treaty of Nanjing did not make specific mention of extraterritoriality, though it did provide for British consular representation in China. But a supplementary treaty—The Treaty of Bogue, for the Treaty of Nanjing in 1843 between Britain and China finally granted extraterritoriality and most favored nation status to Britain.

With the joining of the United States and France, all the foreigners in Shanghai therefore enjoyed the benefits of extraterritoriality—they were exempt from the application of Chinese law and were not subject to any Chinese authority.\textsuperscript{266} Within the settlement boundaries the foreigners were supreme, taxing, policing, and governing


\textsuperscript{266} The American treaty of 1844, the Treaty of Wangxia, in addition to granting American citizens the same rights which the British had secured for themselves, included a “most favored nation clause,” which guaranteed that Americans would automatically become recipients of any corresponding rights of privileges granted other foreigners by the Chinese. Most importantly, it provided specific language for extraterritorial jurisdiction in civil as well as criminal cases. The terminology of the treaty became a model for future agreements. A few months later, the Treaty of Whampoa negotiated between China and France made French citizens enjoy the same rights as the British and the Americans. Over the years, the scope of extraterritoriality grew and came to include freedom from most Chinese taxation.
themselves and the numerous Chinese living there. Extraterritoriality gave foreigners in the International Settlement advantages in business and in security of person and property.

A British Supreme Court for China was established in 1905. An American court for China was set up in 1906. Japan was the fourth major power to operate a well-organized system of extraterritorial courts in China. Among these, the British extraterritorial empire in the Far East was considered the most organized, extensive and durable. The consular ordinance of 1844 and 1853 were consolidated into the Foreign Jurisdiction Act of 1890, which systematized the judicial structure and provided the Privy Council with authority to issue orders in council regulating the operation of British jurisdiction in China. The orders sanctioned by this act of 1890 established the necessary courts, classified the persons and things to be governed under the system, listed categories of jurisdiction, and determined the law to be applied. The act was later amended in minor respects by subsequent Foreign Jurisdiction Acts (1913), and the system reached its most complete state with the enactment of the China Order-in-Council of 1925, consolidating and amending fifteen earlier orders. Under the Order-in-Council of 1925, which applied to the whole of China, a series of provincial courts, a Supreme Court and a Full Court were all established in China.


268 Ibid.

Under the British system, there was a provincial court for each consular district and the consular office in charge of the district served as the presiding officer of the court. Appeals from the provincial courts were brought to the Supreme Court for China, which sat in Shanghai. British Supreme Court at Shanghai was the highest British court in China. The court had full civil and criminal jurisdiction. Persons convicted in the British Supreme Court for China then had the right of appeal to the Supreme Court of Hong Kong or directly to the Privy Council in London.

The Hardoon Will Case was tried in the British Supreme Court in Shanghai. Obviously, after years of living in Shanghai, Hardoon had established an intimate relationship with the British community as stated in the court decision and had achieved the status of not only a “British protected person”, but also a “British subject” living in the foreign settlement of Shanghai. Hardoon’s experience of coming to Shanghai through a trade network was shared by many of his Baghdadi coreligionists. The history of middle Eastern Jews’ extensive participation in international trade could be traced back to the medieval period. But by the beginning of the 16th century, once the Portuguese had charted a sea route from Europe to India, they aggressively fought off competitors in the region and dominated the scene for close to two centuries.270 By the mid-1700s, after Britain and Holland supplanted the Portuguese and assumed control of much of the trade in the East, Iraqi Jewish merchants were able to venture out into that field, reestablishing a vast trade network reaching right across Asia, with smaller outposts

in Europe. International trade between Iraq and the rest of the world came to be dominated by Iraqi Jews, who also played an expanding role in the trade between India and China, with Europe and the Middle East. In the process, substantial Baghdadi Jewish communities were established in many of the British colonies in Asia and Dutch East Indies. By the mid-19th century, Iraqi Jews were living in Bombay, Calcutta, Rangoon, Mandalay, Penang, Singapore, Surabaya, Borneo, Hong Kong and Shanghai, making significant contributions to the development of each colony.

The reasons why Baghdadi Jews took adventures in international trade on the one hand had to do with the prospects of great profits; on the other hand, it also had to do with the deteriorating living conditions at home. The advent of the plague in 1831 caused many to abandon Baghdad for elsewhere in the Mesopotamia or to leave the country altogether. Additionally, political conditions in the late Ottoman Empire were often unsettled. Daud Pasha who governed Baghdad from 1816 to 1831, was the most oppressive king, seizing wealthy Jews and holding them for ransom or assassinating them. David Sassoon (1792-1864), the former head of the community of the Jews in Iraq, was arrested in 1828. He fled to Persia after he was ransomed, and then onto Bombay no later than 1832. British-ruled India was an attractive destination because of its open economic and religious climate and its heterogeneous society. In Bombay, David Sassoon developed his textile operations into a profitable triangular trade: Indian yarn and opium were carried to China, where he bought goods which were sold in Britain, from where he obtained Lancashire cotton products. The success of the Sassoon firms in India attracted many Iraqi Jews and coreligionists from Persia. Iraqi Jewish
families thus rose to prominence in the various Asian colonies through trade, realty investment, and manufacturing.

Baghdadi Sephardic Jews in Shanghai, under the British protection, were subject to the British laws. The extraterritorial status of the Baghdadi Jews gave them great leverage in the colonial order of Shanghai. Attracted to Shanghai by its trade opportunities, they became the accidental colonial actors. Their existence added to the complexities of ethnicity, class, and nationality within the foreign populations in Shanghai, that Jews not only represented a foreign national group, but also a different ethnic, and religious group within the foreign communities in Shanghai. Jewish elites were easily able to receive British protection or British naturalization. Their extraterritorial legal status reflected the intriguing economic role that Jews played in the British colonization of Shanghai.

Originally as Ottoman subjects, Baghdadi Jews did not have extraterritoriality in Shanghai. But based on a trade agreement called the Capitulations signed in 1536 between Ottoman Empire and France, Ottomans entered a formal alliance with France. It allowed civil cases involving Ottoman subjects in French dominions to be tried in French consular courts. So Baghdadi Jews in treaty-port Shanghai should fall under the French protection. During the 19th century in the International Settlement of Shanghai, British Empire acted as an agency for imposing free markets and the rule of law. Therefore, France consented to Britain assuming protection of the Baghdadi Jews working in the Sassoon Company. As it stated in the Hardoon Will Case, British

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protection was conferred to all Sassoon employees in Shanghai since the year of 1874. British protection was later extended to Baghdadi Jewish employees of other British firms operating in Shanghai as well.

During WWI, Britain occupied three provinces of the Ottoman Empire: Basra, Baghdad and Mosul and subsequently consolidated them into the new State of Iraq under a League of Nations Mandate administered by Great Britain. With the collapse of Ottoman Empire in 1922 and the establishment of a new kingdom in Iraq, Jews in Iraq became citizens of the new nation according to the new Iraqi nationality law. The stateless Baghdadi Jews in Shanghai were thus under the British protection based on the British Mandate. At the same time, based on British Nationality and Status of Aliens Act 1914, a new registration law for granting British naturalization was in effective since 1922. It is stricter in review and during this time, according to Sarah Abrevaya Stein, a scholar on Middle Eastern and Ottoman Empire Jewish history, many Jews sought but were denied British naturalization.

272 The British Mandate for Palestine was a legal commission for the administration of the territory formerly constituted the Ottoman Empire sanjaks of Nablus, Acre, the Southern portion of the Beirut Vilayet, and the Mutasarrifate of Jerusalem, prior to the Armistice of Mudros. The mandate came into effect in September of 1923 and formalised British rule in the southern part of Ottoman Syria from 1923–1948.

273 Sarah Abrevaya Stein, “Protected Persons? The Baghdadi Jewish Diaspora, the British State, and the Persistence of Empire,” 86.
Silas A Hardoon was granted as a British subject in 1925, according to the *Israel’s Messenger*, as “an act of grace and favor”. It was shown in the British foreign office records that many of the affluent Jews were granted British subjects by willing to render service or bringing economic benefits to Britain. For example, Hardoon had promised to deliver high amounts of estate tax to the British state and this probably explained why he was favored and able to be granted with the British naturalization. In E.S. Kadoorie’s application for registration as a British subject in 1924, he bore testimony that he would continue to devote in British philanthropy. In fact, in 1927 he offered his palatial home for use as a canteen and recreation center to one of the first British regiments to arrive in Shanghai; David and Maurice Benjamin willingly acceded to the Foreign Office’s request to lease their newly constructed property in Shanghai for use as a hospital for British troops in 1927; Edward Ezra was granted British nationality because of his public services and large contributions to British War loans and charities. After his death in 1921, H.B.M. Supreme Court in Shanghai held jurisdiction over his vast estate and received a large sum of 400,000 pounds in death duties.  

Maisie Meyer points out in her study that obviously there were many benefits brought by changing the status to become British subjects in Shanghai. It ensured the security of their family and business. British passports made it easy to travel anywhere in the world and they could live in any British colony. British law gave them extraterritorial protection.

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274 There are many such examples of Sephardic Jews’ applications for British naturalization in the foreign office records, according to the research of Maisie Meyer. (Maisie Meyer, 162-3, FO 671/462/7029/33/679, FO 917/569/XC185289).
especially during the time of evacuation, while on the other hand, Turkish or Iraqi Subjects would have their law suits heard in the Mixed Court subject to Chinese law.\textsuperscript{275} Statistics show that during the 1920s and 30s around 1/3 of the Baghdadi Sephardic Jews registered at H.B.M. consulate were recognized as British subjects.\textsuperscript{276} As a matter of fact, the rich Baghdadi Jews identified with the British ruling power so much that generally there was a trend of Anglicization among them. The Sassoon family, for example, all became loyal British subjects. Ultimately all but one of David Sassoon’s sons moved to England. In Britain, the Sassoon family achieved outstanding social, political as well as economic success. They socialized with the British royalty and political leaders and intermarried with the British Rothchild family. In a way, it was their success in Shanghai that made the Sassoon family more easily enter the British upper class.

The foreign settlements in Shanghai provided Baghdadi Sephardic Jews a haven for trade and religious freedom. They also negotiated in the colonial order for maximum rights and benefits. Lois Dubin and David Sorkin in their study of port Jew as a “social type” argued that it was the principle of commercial utility that gave the port Jews civic inclusion.\textsuperscript{277} In the dynamic trading center of Shanghai, Baghdadi Jews played important

\textsuperscript{275} Maisie Meyer, 159-60.

\textsuperscript{276} Ibid.

\textsuperscript{277} See Jews and Port Cities 1590-1990—Commerce, Community and Cosmopolitanism, ed by David Cesarani and Gemma Romain (Vallentine Mitchell, 2006). Although David Sorkin and Lois Dubin studied Sephardic Jewish communities in early modern European port cities, their concept of “port Jew” is now expanded to the study of Jewish merchants in other times and places.
economic roles. They enjoyed social tolerance and superior legal status under the British colonial protection. In many ways, Baghdadi Sephardic Jews in Shanghai fit into the social type of “port Jew.” Their commercial utility made them welcomed by the British.

**Hardoon Will/Inheritance Case: Part II**

The Hardoon Will Case ended in Lisa Hardoon’s favor and the award to her of Silas A. Hardoon’s entire estate was therefore considered legitimate. According to the British Inheritance tax laws at the time, Lisa Hardoon had to pay a huge amount of death duties (1/10 of the inheritance amount) to the British foreign office in Shanghai. Lisa Hardoon put a mortgage on the 16 buildings of the Hardoon’s estates in downtown Shanghai near the Bund and paid for the inheritance tax. But this was not the end of the disputes surrounding the Hardoon Will Case. The adopted children by the Hardoon couple were obviously eager to share the money and estates left by Silas A. Hardoon too. Some even started spreading rumors claiming that the will published by Lisa Hardoon in 1931 was fake and she signed it when Silas A. Hardoon was sick and unconscious. Ten years later, upon the death of Lisa Hardoon, another round of legal battles among the Hardoon descendants and family members started.

The Hardoon couple did not have natural offsprings. They adopted more than 20 Chinese and foreign orphans throughout time. Lisa Hardoon, whose Chinese name was Luo Jialing (罗嘉陵), adopted Chinese children (first as nephews) to whom she gave her

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own Chinese family name. She adopted six male children: Luo Youliang (罗友良) around 1900, Luo Youlan (罗友兰) in 1908, Luo Yousan (罗友三) in 1910, Luo Youxiang (罗友翔) in 1913, Luo Youqi (罗友启) in 1916 and Luo Youren (罗友仁) in 1920; and five daughters: the Eurasian Luo Fuzhen (罗馥贞 also known as Flora) in 1897, followed by Luo Buqian (罗补乾), Luo Zhuankun (罗转坤), Luo Xiumei (罗岫梅) and Luo Huixiu (罗慧秀). The male children were able to continue living in the Aili Garden after their marriage. Hence the Luo family resembled the ideal Chinese concept of various generations of the same family living together. The main goal of Lisa Hardoon’s adoption, according to the memoir of Ji Juemi, was to have a male descendant so that she wouldn’t become a hungry and wandering ghost after she passed away.

It was not until when Silas A. Hardoon was around seventy years old that he and his wife decided to adopt foreign children as well. Foreign children in the Hardoon family enjoyed a higher status in the family hierarchy and the two eldest sons were the official inheritors of Hardoon’s real estate empire. They first adopted Nora in 1919, then next

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279 Ji Juemi (姬觉弥 also spelled as Chi Cho-Mee) (1885-1964) was the manager of the Aili Garden for a long time. He founded the Sheng Cang Ming Zhi School 圣仓明智大学 to promote Chinese art and culture. He formed a close relationship with Lisa Hardoon. After Lisa Hardoon died and left Chi 4 million dollars as a gift, Chi also joined in the Hardoon lawsuit negotiations. In 1949, he left Shanghai for Hong Kong and died there in 1964.

year David George, followed by Reuben Victor, Madeline, Louis, and Maple. Then there were also Duphney, Eva, the twins of Emily and Leo, and Philip. Among them, Duphney and Philip were children of Jewish origin. All the foreign children adopted by Silas A Hardoon were supposed to be brought up as Jews and receive Jewish education. Haroon in his last will also made it clear that, “I hereby declare that I desire that my adopted children…shall be brought up in the Jewish faith.”

Hardoon’s pride to his Jewish origin as well as adaptability to Chinese traditional culture is somehow perplexing. He apparently compartmentalized his personal life with his professional career. On the one hand, he donated the Beth Aaron Synagogue to the Shanghai Jewish Community in 1927 and became the honorary president of the synagogue. He attended services at the Synagogue with his children on Jewish holidays and even hired a teacher to teach his children Hebrew and Judaism according to an interview conducted by Steve Hochstadt with Sassoon Jacoby on April 24, 1989. On the other hand, he established extensive social networks with Chinese political leaders and revolutionaries, as I discussed in Chapter 2. Under his wife’s influence, he also supported traditional Chinese teachings and made Aili Garden a center of neo-Confucian studies by founding the Confucian school in Aili Garden and inviting Confucian scholars.

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281 Shanghai Municipal Archives, 646-644-5180. Hardoon’s Will.

In Silas A. Haroon’s will of 1931, Haroon considered his adopted children of David George, Reuben Victor, Philip, Louis, Nora, Madeline, Maple and Duphney as inheritors of his legacies. He appointed legal practitioner David Ezekiel Joshua Abraham and Chi Cho-Mee as the executors and trustees of his will and guardians of his adopted children. Among these children, David George and Reuben Victor obviously were Silas A. Haroon’s favorite sons. While giving each inheritor a sum of 100,000 taels of Shanghai Sycee, Silas A Haroon left David George Hardoon 70 percent and Reuben Victor Hardoon 30 percent of his entire properties and trust funds. Obviously David George and Reuben Victor became the main inheritors of Silas A Haroon in the 1931 Will.

Soon after Silas A Haroon’s death, Mukden Incident took place. Japan occupied Manchuria. In 1932, Japan attacked Shanghai and had a battle with the Republic of China’s army. This became the prelude of Japan’s occupation of Shanghai. In 1937 following the Marco Polo Bridge Incident, the Battle of Shanghai broke out. During the fierce three-month battle, Chinese and Japanese troops fought in downtown Shanghai, in the outlying towns, and on the beaches of the Jiangsu coast, where the Japanese had made amphibious landings. Japanese landings at Jinshanwei meant that the Chinese army had to retire from the Shanghai front and attempt a breakout. The Battle of Shanghai in 1937 resulted in the Japanese occupation of the Chinese administered parts of Shanghai outside of the International Settlement and the French Concession. Shanghai International Settlement thus became the “gudao (孤島)”, the lonely island, within the Japanese
occupation. The International Settlement and the French Concession declared their neutrality and were seen by all as “a haven in a land of conflagration.”  

In 1937, living in the Aili Garden by herself alone, Lisa Hardoon’s health deteriorated much and she was also losing her eyesight because of cataract. By the summer of 1941, Lisa Hardoon had been seriously sick and finally passed away on October 3 of that year. Immediately after her death, the British Consulate sent out attorneys to seal all properties in the Hardoon Garden and took away important legal documents of the Hardoon couple. The Shanghai Municipal Council also sent out police to oversee the Aili Garden. With the death of Lisa Hardoon, the battle among Hardoon’s descendants for the Hardoon estate was becoming even more ferocious.

Back on September 30, 1937, Lisa Hardoon had revoked her old will and wrote a new will, in which she gave each of the trustees including David George Hardoon an amount of $140,000 (Chinese national currency) worth of estate. Specifically Lisa Hardoon expressed her concern about David George’s behavior and stated that David George could only inherit the amount under the condition of “good behavior.” The reason for this concern was because during Lisa Hardoon’s lifetime, David George had caused her many troubles as recorded in the Will and had actually threatened her with a revolver in order to get money from her, according to Lisa Hardoon. David George had also attempted to defraud the public by using the name of Hardoon Company thereby bringing

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284 Li Rong, 121.
discredit on the family name. Lisa Hardoon declared in the end of her new will that she no longer acknowledged him as her adopted son. For Lisa Hardoon, it’s the “behavior” instead of the “Jewish identity” that decided the inheritance of the Hardoon properties.

In her last will, Lisa Hardoon states that she would give Chi Cho-Mee four million dollars (Chinese National Currency) worth of property at the expiration of six calendar months from her death. She also established a foundation and made Chi Cho-Mee and her adopted Chinese children Luo Youlan, Luo Yousan, Luo Youqi, Luo Youren, Luo Youxiang and two others to be elected by the majority vote of the aforesaid to be the directors of this foundation. She obviously invested a huge amount of money into this foundation by establishing organizations and institutions including a public school for the poor children in the International Settlement (a five hundred thousand dollars Chinese National Currency worth for a fund to start), a rayon silk and leather manufacturing factory (three million dollars Chinese National Currency worth as capital), and a Buddhist religious institution (five thousand dollars Chinese National Currency worth as the fund), a Hardoon Memorial Hall, a nunnery and a house for the aged people (one million dollars Chinese National Currency worth). The foundation would also give the Chinese government a one million dollars Chinese National Currency for the purpose of improving the public welfare; a one million dollars Chinese National Currency to the Shanghai Municipal Council for the purpose of improving public school conditions and general education training.

285 Shanghai Municipal Archives, 644-646-5181.
Lisa Hardoon left her old employees of the Aili Garden and her office staff each certain amount of money as presents. In the end, Reuben Victor Hardoon and Chinese descendants Luo Youlan, Luo Yousan, Luo Youqi, Luo Youren, and Luo Youxian became the main inheritors of the Hardoon estate. The Lisa Hardoon Foundation also maintained the rights to make decisions related to any disputes concerning this will. Overall, Lisa Hardoon’s new will revoked David George’s principal beneficiary under the first will and put her adopted Chinese children in greater advantage in the inheritance. Reuben Victor Hardoon and the eight adopted Chinese children of Lisa Hardoon would inherit 90 percent of the entire estate, valued at over seven hundred million dollars in Chinese National Currency.

With the death of Lisa Hardoon in 1941, this new revised will was put into probate in British H.B.M Supreme Court. Chi Cho-Mee filed a petition for the probate of this “last will” while on the other hand, David George Hardoon petitioned for the probate of the “earlier and revoked will of 1931.” Thus a new Hardoon Will Case started. On November 3, 1941, both Chi Cho-Mee and David George Hardoon signed the probate jurisdiction in the British Supreme Court for China. Chi Cho-Mee pointed out that the management of the land and property of the Hardoon estate should be under his supervision according to the last will of Lisa Hardoon. Therefore before the court made any decision, there should not be any person having the power to manage or otherwise deal with the said estate or any part of it. Frederick Newman Matthews, Ernest Frost Hardman and Harry Clelland, all chartered accountants and partners of Lowe, Bingham

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286 Shanghai Municipal Archives, Probate jurisdiction, B128-2-1212-236.
and Matthews at 2 Peking Road in Shanghai had agreed to jointly act as administrators of the said estate if appointed as such by the court.

On the other hand, David George Hardoon stated that he was “desirous of a Writ of Summons” being issued against the said Geoffrey Herbert Wright and David Ezekiel Joshua Abraham in order to establish the said alleged will dated February 10 of 1931. David George Hardoon also pointed out that Chi Cho-Mee’s interest as a legatee under the 1937 Will was “substantially greater” than his interest as a legatee under the 1931 Will. This explained why Chi Cho-Mee supported the revised will of 1937. Because Chi Cho-Mee was a Chinese citizen, George David Hardoon argued that Chi Cho-Mee was “not subject to the jurisdiction of this court.” Therefore, David George Hardoon argued that the British court should issue a “citation against the said Chi Cho-Mee as one of the executors and legatees” under the 1937 Will to appear either personally or by his legal practitioner.²⁸⁷

Local and international press reported this increasingly heated legal battle among the Hardoon descendants. China Press on Oct 25, 1941 had a discussion of this issue pointing out that the new will was a legal proof against all impeachment. It would wipe out the previous will, which stipulated that 75 percent of the estate would go to David George Hardoon after Lisa Hardoon’s death. Under the new will, the executorship would also be granted to Chi Cho-Mee. The paper interviewed David George who stood on the chance of losing several hundred million dollars. David George indicated that a statement from him or his legal representatives would be forthcoming in the immediate future.

²⁸⁷ Ibid.
While on the other hand, Chi Cho-Mee, Luo Youlan, Luo Yousan, Luo Youqi, Luo Youren, and Luo Youxiang, Luo Fuzhen, and Luo Huixiu constituted the principal eight beneficiaries under the new Will. Five British barristers represented various interested parties. H.D. Rodger, an American attorney, and Ronald McDonald appeared in the court as a representative for Mr. Chi Cho-Mee. John McNeill and John Gadsby represented David George Hardoon, who was named as the plaintiff in the probate proceedings.

_North China Daily News (NCDN)_ on Oct. 24 of 1941 considered the Hardoon Will probate as the most important will dispute that had ever been heard before the British court. Other than the competitions among the Hardoon children, the Iraqi relative of Silas A Hardoon, Mr. Ezra Saleh Hardoon also referenced to the judgment of the Court of the Jewish Personal Status Case at Baghdad of May 2, 1932. He still insisted that the true heirs of the Silas A. Hardoon were his Iraqi relatives. Silas A. Hardoon’s estate should be divided into equal shares to his Iraqi heirs. Ezra Saleh Hardoon claimed that any will made by the said Lisa Hardoon was null and void and they would be entitled to share in the estate in case of intestacy. He argued that Lisa Hardoon, under the Talmud, was not entitled to inherit the fortune of a Jew which right was only arrogated to Jews. Ezra Saleh Hardoon submitted to the court’s jurisdiction and was given the right to be an intervener on behalf of himself and his group. On Oct. 28, 1941, _NCDN_ notified the recent filing of a caveat by J. R. Jones, barrister-at-law, representing the family members of the late Silas A. Hardoon. The caveat was in the form of a notice to the British H.B.M Supreme Court that nothing should be done regarding the vast Hardoon estate without prior notice.
In November of 1941, the Hardoon will dispute continued to attract public attentions. The China Weekly Review published a large portion of the new Will left by Lisa Hardoon and explained about the probate proceedings at this point. The article was titled “New Will and More Heirs Complicate Hardoon Estate.” Chi Cho-Mee was described as a Chinese comprador of the Hardoon estate, and would receive some $4,000,000 (CNC) worth of property belonging to the state. NCDN in November also used a striking title for an article on the Hardoon Will dispute—“Chinese Get Money.” The article emphasized that according to the new will, Mrs. Hardoon’s money had been left to her Chinese nephews and nieces instead of Hardoon’s Jewish children.

The Shanghai Times, on the other hand, reported about the new progress of this case. Messrs. F. N. Matthews and E.F. Hardman, both chartered accountants of Lowe, Bingham and Matthews, had been ordered to administrate the property pendent lite by Judge Sir Allan Mossop in H.B. M Supreme Court. There was obviously an urgent need for this order of administration. Assets in the Foreign Settlement since Lisa Hardoon’s death were estimated to yield roughly about $300,000 (CNC) in rentals every month. A certain mortgage was said to be due and amounted to about $290,000 to (CNC) be paid before Nov. 11 and that $200, 000 (CNC) land tax was due the Shanghai Municipal Council. Other interests were also mentioned and among them an $80, 000 (CNC) debt to the Shanghai Waterworks Company. The Hardoon estate had an immediate need for administrators. On Nov. 7, 1941 issue of Shanghai Evening Post & Mercury, the order of administration of the Hardoon property was considered as a preliminary action pending the legal tussle between the various claimants to the Hardoon multimillions. As a matter of fact, it was discovered at this time that around 1,600 Chinese tenants of the Hardoon
estate had not paid their rent for October and November as there was no one with the authority to give them receipts. The 135 employees of the Haroon office on Nanjing Road were asking for a 50 percent raise in wages; there were various debts to be paid, cut and jewels and other property need to be protected. Temporary administrators were required to take care of all these matters and therefore must be appointed right away. Mr. John McNeil, acting for David George Haroon, told judge Mossop that chaos ruling in the administration of the famed Haroon estate was in a critical stage.

While the probate was still in session in the British H.B.M Supreme Court, a more intense issue in regarding to jurisdictional control also emerged from the case. Wang Jingwei’s Nanjing government contested the jurisdiction of H.B.M Court over late Lisa Haroon. The Executive Yuan of the Nanjing Government issued an order to the Secretary–General of the Shanghai City Government. According to the North-China Herald, the order pointed out that, “It has been ascertained that Mrs. Haroon had NOT lost her citizenship of the Republic of China, although the late Mr. Haroon was a native of Iraq. Moreover, her adopted sons and daughters are citizens of China. In consequence of the above, the British Consular Court had no jurisdiction over Mrs. Haroon’s property. The city government is hereby ordered to lodge an immediate protest with the British Consulate. He should also send a communication to this effect to the Consular Body.”

The response of the British Supreme Court to this order was that the executors of Lisa Haroon’s will had filed petitions through the H.B.M. Supreme Court and therefore it had

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288 The North China Herald, Oct. 18, 1941.
the sole jurisdictional control on this case. The Executive Yuan immediately made an announcement that all adjudications in regarding to this case in the British Supreme court in Shanghai were invalid; and according to Chinese law, inheritance tax needs to be collected first. The Executive Yuan was also demanding Chi Cho-Mee and other Chinese inheritors to come to the Shanghai Municipal Court to pursue further solutions to this inheritance case.289 Despite all these efforts made by the Nanjing government, the Pacific War broke out. On Dec. 8, 1941, Japanese troops marched across Suzhou Creek and posted sentries at all major intersections in the International Settlement. Subsequent Japanese measures in Shanghai were most notable for attempts in two areas: “control over the city’s population and over the allocation of resources.”290 The International Settlement in Shanghai was no longer a lonely island, in any sense. The entire Shanghai was under the Japanese control.

After Japanese troops occupied Shanghai International Settlement, the Aili Garden, including all its properties were under the Japanese military control. There are no clear statistics about how many movable properties that the Japanese took away from the Aili Garden. According to various secondary resources, the value was no less than

289 “Jiangsu Shanghai No. 2 District Court Official Letter No. 102.” Shanghai Municipal Archives, R42-1-70, R42-1-71.

Hardoon Company was also put under the control of Xin Ya Yuan (兴亚院), which was the organization set up in Shanghai in December, 1938 by the Japanese parliament and was in charge of issues related to China. The Hardoon Inheritance litigation thus became an outstanding issue. In the winter of 1941, Aili Garden suffered from a huge fire and more than half of the Garden was burnt down to ashes. Aili Garden completely lost its glamour of the old days. The vestige seemed to reflect the decline of the once prominent Hardoon kingdom. (See Figure 5)

In the meantime, David George Hardoon was trying to make agreements with the Chinese inheritors to settle the case among themselves. According to the statement of charges against David George Hardoon by Chi Cho-Mee written in 1946, David George Hardoon collaborated with the Japanese and sold several valuable properties in the Aili Garden, including antiques, paintings and other art collections. In 1944, he also threatened and forced the Chinese Luo brothers to give up their inheritance rights. With the ending of the Second World War and the surrender of Japan in 1945, the Luo brothers announced in the local newspaper that the agreement in which they gave up their inheritance rights was invalid. They were forced to sign the agreement under David George Hardoon’s threat and pressure. At the same time, the Bureau of Social Affairs in Shanghai urged the Hardoon heirs to bring the inheritance case to the Shanghai District Court. It argued that extraterritoriality was no longer applicable in Shanghai. The

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291 See Shanghai Municipal Archives Q215-1-4059 “The estimated value of Hardoon Garden” (“哈同花园房屋估值表,” July 28, 1947). The total value at the time was 1,444,626,200 yuan.

292 Shanghai Municipal Court, Civil Chamber, 01/07/1946, Shanghai Municipal Archives, Q185-3-4663.
settlement of this case needs to be considered under the current political conditions in Shanghai. On August 31, 1945, the Chinese Luo brothers sent out a letter to the Hardoon estate heirs as a notice to elect four administrators to manage and control the Hardoon estate according to Chinese law. This letter pointed out that during the Japanese occupation, Chi Cho-Mee, Luo Youlan, Luo Yousan, and David George Hardoon were selected to manage the Hardoon estate. However, David George Hardoon had “unlawfully and wrongfully, committed a series of illegal acts.” According to this letter, David George Hardoon obviously had seized full control and practical ownership of the entire Hardoon estates with the Japanese assistance. It also pointed out that by various “threats, frauds, and by duress”, he forced certain of the heirs to sign documents waiving or relinquishing their fair share of the Hardoon estate, for “a very small percentage of their rightful inheritance under the last will, or for a trifling and unfair and grossly inadequate sum of money.” The letter ended with a call for the Chinese heirs to take actions. On September 14, 1945, a meeting was officially held to elect five administrators for the Hardoon estate. Other than the Luo siblings, some witnesses including the lawyer E. D. Rodger also participated in the meeting. David George Hardoon’s position as an administrator of the Hardoon estate was abolished.

293 Shanghai Municipal Archives, Q6-15-830

294 “Notice of a meeting of all the Hardoon Estate Heirs, the purpose of said meeting being the election of four administrators to manage and control said Hardoon Estate pending the probate of the late Mrs. Lisa Hardoon’s last will, and the distribution and winding up of the Estate according to Chinese law.” Shanghai Municipal Archives, Q6-15-830
On October 12, 1945, Luo Yousan, You Youqi, Luo Youxiang and Luo Youren sued against David George Hardoon through the local Shanghai district court for forcing them to give up the inheritance rights during the Japanese occupation period. In the statement of charges, the Luo brothers made it clear that during the Japanese occupation, they suffered economically and lived in hunger while David George Hardoon collaborated with the Japanese and controlled the Aili Garden properties. By threatening and alluring, David George Hardoon illegally deprived the Luo brothers’ rights to inherit the Hardoon estate. Therefore, the Luo brothers argued for the revocation of David George’s inheritance rights according to the second Will of Lisa Hardoon. On November 14, this application for the litigation was rejected by the adjudication of the Shanghai District Court mainly for the reason that the prosecutors could not afford to pay the trial fee.\footnote{Shanghai Municipal Archives, Shanghai District Court Files Q185-3-2}

In January, 1946, Chi Cho-Mee sued David George Hardoon again for selling several of Hardoon estates before the final adjudication of the Hardoon inheritance case.\footnote{Shanghai Municipal Archives, B128-2-1212-236} In April of 1946, aided by the two administrators of the Hardoon estate, Frederick Newman Matthews and Ernest Frost Hardman, David George Hardoon invited Du Yuesheng (杜月笙), the head of Shanghai Green Gang, the mayor Wu Guozhen (吴国桢) and Pan Gongzhan (潘公展) from the Republic Nanjing government, to reach a final reconciliation with the Luo brothers and Chi Cho-Mee. \textit{Chinese Daily Tribune} reported the final settlement of the Hardoon inheritance case, with an editorial titled “Hardoon’s Millions to be Apportioned Today without Court Fight.” The newspaper pointed out
that the agreement now reached between David George and Chi Cho-Mee is understood to “provide for a fair and equitable distribution of the Estate.” It will ignore the demands made on the estate by half a dozen Baghdad relatives of the late Silas A Hardoon, who claim that Iraqi law concedes to the nearest relatives of the husband 69 percent of any property which his wife should happen to leave behind. The 19 brothers and sisters of David George will be given a share of the estate on the basis of seniority in age. The article emphasized that computed in Chinese national currency, the Hardoon estate is estimated to be worth a minimum of 40,000,000,000 dollars of CNC.\textsuperscript{297} In May, 1947, the Hardoon inheritance dispute case was finally settled in Shanghai District Court. David George Hardoon and Reuben Victor Hardoon acquired 88 percent of the movable properties; and the Luo brothers and sisters were given 12 percent. David George Hardoon inherited 58.3 percent of the real estate, which was more than 260 mu; 150,000 square meters of housing. Reuben Victor Hardoon inherited 60 mu of land and 50,000 square meters of housing. The Luo siblings inherited 70 mu of land and 60,000 square meters of housing. Chi Cho-Mee acquired 50 mu of land and 47,000 square meters of housing.\textsuperscript{298}

With the settlement of the Hardoon inheritance disputes, in 1946 the Shanghai city council meeting discussed renovating and renting the Aili Garden to become a public

\textsuperscript{297} Chinese Daily Tribune, April 25, 1946.

\textsuperscript{298} “Dipi Dawang Hatong Yichan Jiufen” 地皮大王哈同遗产纠纷 (Real Estate Tycoon Hardoon’s Will Dispute), Shanghai Difangzhi 上海地方志 (Shanghai Gazetteer), (1998): Vol 6.
park for the city. David George Hardoon pursued various means including bribery to have the city council eventually drop this plan. In 1948, David George made the suggestion of donating 15 mu of land to build a public library and two galleries. This plan was dropped eventually as well. In the same year, because David George increased his rent ten times higher, serious disputes arose between the Hardoon Company and Hardoon tenants, which again caught public attention. Upon the liberation of Shanghai by the Communist Party in 1949, David George Hardoon left for Hong Kong. In 1953, the government confiscated the Aili Garden and in 1954 a new Russian-style building was established on the ruins of the Aili Garden, which was later turned into the largest exhibition center in Shanghai today.

Conclusion

More than a decade after the death of Silas A. Hardoon, with the advent of the Communist conquest of Shanghai, the Hardoon Will/Inheritance Case was finally settled. Shanghai’s political landscape had changed from the tripartite division of the city, Japanese occupation to the full Chinese sovereignty by the Republican Chongqing government. In 1943, Sino-British and Sino-American treaties ended extraterritoriality and the treaty ports. The years between 1937 and 1945 were considered the last phase of

299 A careful research was done in 1947 in order to turn the Aili Garden into a city park. Details see Shanghaishi Zhengfu Zhengshou Huayuan Tudi Jihuashu (“上海市政府征收哈同花园土地计划书” The Plan on the Confiscation of Aili Garden by Shanghai Municipal Government ) Shanghai Municipal Archives Q215-1-4059.

300 Shanghai Municipal Archives, Y15-1-141-9.
the decolonization of the British presence in China. The jurisdiction of the Hardoon family case went from the British to the Chinese, while the Wang Jingwei government in Nanjing tried to intervene. The legal debates had also shifted their focus from Silas A. Haroon’s malleable legal status to the legality of the Lisa Haroon’s will and the dramatic contentions among Haroon’s descendants. The Haroon Will/Inheritance case not only points to an intersection of colonial encounter: Ottoman, Iraqi, Jewish, British and Chinese, but also illustrates the changing political and jurisdictional control in the city of Shanghai.

Since Shanghai became a treaty port, multiple jurisdictions were established in the city. Citizens and subjects of powers that had treaties with China that provided for extraterritorial rights were subject to the laws of their own countries. Baghdadi Jews in Shanghai, under the British protection, were subject to the British laws. Semi-colonial Shanghai, peopled by diplomatic, commercial, missionary, settler, and refugee communities, was a messy and ambiguous space where boundaries of identity were negotiable. In this setting, Silas A. Haroon had a superior but malleable legal status by virtue of being one of the many Baghdadi Jews who came to settle in the foreign settlement of Shanghai as a “British protected person” (through a trade network that extended from British India to Hong Kong and Shanghai). Haroon’s case could be viewed first as a test case for the legal status of extraterritorial Jews in semi-colonial

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Shanghai especially during the time when empire gave away to nation-state. Then, with the changing political dynamics in Shanghai, the prolonged family disputes surrounding the Hardoon estate reflected the changing power relations of various actors and social institutions in Shanghai. The Hardoon Will/Inheritance Case thus provides a lens for us to use in examining the various interactions and “rampant boundary crossing” of different legal ideas and practices that the Baghdadi Sephardic Jews had to face during their years in Shanghai.302

Figure 5.

Citation: Yicui Pavilion in Aili Garden. Qingnian Bao. April 26, 2013.

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Chapter 4: Heritage, Memory and Politics—In Search of Jewish Past in Shanghai

Same as history, tradition, myth, and memoir, heritage forms the link to the past. But different from history, which explores and explains pasts, “heritage clarifies pasts so as to infuse them with present purposes.” In this chapter, I will examine the discovery and preservation of Jewish heritage in Shanghai. This process includes not only the preservation of Jewish sites and buildings, the establishment of museums, but also memories and literary representations of Jews. Heritage not only acts as the testimony of the past achievement but also reflects politics of the time. This is reflected in the Chinese literary representations at different time period under different political circumstances on Jewish elites once living in Shanghai. Since the 1980s, with the implementation of open door policy and economic reforms in China by Deng Xiaoping, I argue that the preservation and celebration of Jewish heritage in the city of Shanghai is part of the local resuscitation of “haipai” culture, which is associated with plans for economic growth and profitability initiated by the Shanghai Municipality.

Heritage, History and Memory

The idea of heritage emerged during the modern time when religious or metaphysical beliefs ceased to exist as the main bases for collective values. Initially the emphasis is put on the non-material components such as language, popular poetry, and music, ranging from remote to recent times. But since the mid-19th century, the material bases of life such as tools, artifacts, monuments, and buildings began to be incorporated into the idea of heritage. Today, heritage is perceived in a broader and more slippery sense such as the

inclusion of natural and cultural landscapes as well as intimate, everyday objects. The UNESCO has identified a list of at least 20 categories of cultural heritage items in 2002 that include not only built environment, natural environment but also artifacts such as books, documents and objects. Heritage has become such an omnipresent cultural phenomenon that the examination of the concept of “heritage” is abundant from the perspective of different disciplines such as anthropology, geography, archeology, history or urban studies.

As a social, political and economic phenomenon within a particular historical context and deep historical roots, heritage is usually understood as a passive process of preserving the past and compared with history and memory. However, David Lowenthal in his famous piece of “Fabricating Heritage” argues that heritage is not history. History “seeks to convince by truth, and succumbs to falsehood,” but heritage “exaggerates and omits, candidly invents and frankly forgets, and thrives on ignorance and error.” Lowenthal further argues that heritage alters history in three modes of revision: updating the past by garbing its scenes and actors in present-day guise; highlighting and enhancing aspects of the past now felt admirable; and expunging what seems shameful or harmful by consigning it to ridicule or oblivion. In a word, heritage either celebrates or eradicates the past selectively with a present-minded view.

All awareness of the past is founded on memory, which is both individual and collective. In fact, individual and collective memories are considered as a kind of

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intangible cultural heritage. Or in another word, heritage itself reflects some form of collective memory, either lived or imagined. Memory as a discourse emerged in the 1960s in the West in response to the new social movements, decolonization and the testimonial remembering of the Holocaust since the 1980s. Maurice Halbwachs’ study of collective memory established the foundation of memory studies. He demonstrates that individual memory is shaped by their belonging to definite social groups which provide them with the means of understanding the past. In another word, individual memories are to a large extent socially determined weaving together personal remembrances.\footnote{Maurice Halbachs, \textit{On Collective Memory} (Chicago: University of Chicago Press, 1992).}

Although memory and history share similarities in terms of how they are organized and how they function—the narrative forms, Pierre Nora in his “memory and history” argues that memory and history appear to be in fundamental opposition. Memory is “affective, only accommodates facts that suit it; history, on the other hand, is “intellectual and secular”, and “calls for analysis and criticism.” At the heart of history is “a critical discourse that is antithetical to spontaneous memory.”\footnote{Pierre Nora “Between Memory and History” in \textit{Historians on History}, ed. John Tosh (Pearson Longman, 2009), 334.} Memories, similar as we talk about the concept of heritage, are flexible and malleable. Heightening certain events in recall, we then reinterpret them in the light of subsequent experience and present need.

Exploring heritage as a production of the past in the present also leads to a reassessment of who and what is involved in the process of ‘making’ heritage, and ‘where’ the production of heritage might be located within contemporary societies. This
leads to another issue related to heritage—the question of agency. According to French sociologist Michel Callon, there is an assemblage of agents in the making of heritage—bureaucrats, local stakeholders, NGOs, and tourists. These “multiple and diverse” agencies work together in different arrangements that things and people are involved in complex and interconnected webs of relationships across time and space. Therefore, according to Callon, in the process of understanding heritage, we need to consider not only institutions, individuals, corporations and the discourses they promulgate or resist; but also the specific arrangement of materials, equipment, texts and technologies that heritage is produced in conversation with them. 307

To summarize, heritage is not a passive process of simply preserving things from the past that remain, but an “active process of assembling a series of objects, places and practices that we choose to hold up as a mirror to the present, associated with a particular set of values that we wish to take with us into the future.” 308 Heritage could be understood as “a creative engagement with the past in the present” and “focusing our attention on our ability to take an active and informed role in the production of our own ‘tomorrow’.” 309 The notion of heritage is widely considered as modern, which, as Rodney Harrison points out, is “generally associated with a set of ideas and social and economic conditions that emerged in the course of the Enlightenment, and is linked historically

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309 Ibid.
with the rise of nation-states and political forms based on liberal government.”

Modernity emphasizes itself as experiences of new, dynamic, progress, and distinctive rupture from the past. The relationship between heritage and the past reflects the experience of “space and time, of the self and others, of life’s possibilities and perils,” as stated by Marshall Berman in his famous account of modernity, *All That Is Solid Melts Into Air.* Therefore, the concept of heritage emphasizes on the linear progress and the fundamental difference between the past and present, which reflects how a modern society conceptualizes itself.

**Emigration of Jews out of Shanghai**

The examination of the Jewish cultural heritage in Shanghai would have to start with the history of Jewish emigration out of the city of Shanghai. Shanghai fell after the 1937 battle and remained under Japanese occupation until the end of the War in 1945. Western powers lost their control of the foreign settlements and were coerced to collaborate with the Japanese. After the outbreak of the Pacific War in 1941, the Shanghai Municipal Council was abolished formally. In 1943 the Japanese military forces ended all foreign concessions in Shanghai except for the French and handed the International Settlement over to Wang Jingwei’s collaborative Chinese Municipal Government. Three hundred and forty British Sephardic Jews including the Kadoorie family, along with the British and the Americans in Shanghai, were labeled “first-class enemy nationals” and interned in eight “civilian assembly centers” between January and July 1943. In fact between

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310 Harrison, 23.

February and March of 1943, internment affected most of the Britons living in Shanghai.  

312 About 450 Iraqi or stateless Sephardic Jews were categorized as “second class enemy nationals” and suffered from various kinds of hardships as well. The Japanese explained that this policy was employed “to prevent fifth column activities and guarantee stabilized livelihood for the enemy nationals.”

313 Japan’s policy toward the Ashkenazic Jewish refugees is different from its policy toward the Sephardim, many of whom were pro-British. In general, the Japanese treated Jewish refugees less harshly than the Nazis wished. Instead of exterminating the Jews, the Japanese tried to take advantage of purported Jewish financial and political power to support Japan’s conquest of China and East Asia.  

314 In this respect, the Sephardic Jews


313 They were among the 7,600 British, American and other civilians who were interned in these camps. Japan claimed that the occupation of Shanghai was to liberate East Asia from British and American imperialism and they classified all Westerners except Germans, French and Italians as “enemy aliens.” See The Shanghai Times, April 22, 1943.

314 In her recent book Shanghai Sanctuary: Chinese and Japanese Policy toward European Jewish Refugees during WWII, historian Gao Bei elaborated the Japanese policy toward the central European Jewish refugees. Gao argues that Japan’s foreign policy was controlled by its military. In the late 1930s, “Jewish experts” Army colonel Yasue Norihiro and Navy captain Inuzuka Koreshige were the principal Japan’s Jewish policy makers. They treated Jews more leniently not only because of Japan’s expectation of assistance from Shanghai Jews but more importantly Japan’s use of Jewish refugees as a leverage to ease tensions with the United States. After Japan concluded the Tripartite Pact with Germany in September
as a financially and politically influential group was potentially of greater value to Japan. And the Japan wanted to seek their support.  

Since 1939 Shanghai had to cut off its trade connections with the outside world, the city was in an economic crisis. Although most Sephardic Jews were in difficult financial situations, Maisie Meyer also described the efforts that Sephardim made to support the Jewish refugees in Shanghai. Under these deteriorating political and economic circumstances, many Sephardic Jewish merchants such as the Sassoon Group began to sell out their stock shares and real estate properties, and withdraw completely their business out of Shanghai. Many more Sephardic Jews lost their jobs in British or American firms and their assets were confiscated and bank accounts frozen. It became impossible to conduct private business, find a job or even to survive in Shanghai any more. The Japanese military authorities also took over the premises of the Jewish schools and synagogues, which led to the stagnation of the Jewish community life.

1940, its policy toward Jewish refugees changed. Shanghai Jewish refugees had lost their value to Japan. Japan since then adopted a more anti-Jewish and proto-German policy toward the refugees and forced the refugees to into the Shanghai ghetto till the end of WWII.

David Kranzler mentioned an example in his book Japanese, Nazis and Jews that in 1939 a former secretary and chief accountant of Victor Sassoon’s company, Mr. Ezekiel, was appointed by colonel Yasue on the board of directors of the Japanese Pacific Trading Company, 240.

See Bernard Wasserstein’s Secret War in Shanghai in which he describes the deteriorating living conditions in Shanghai during the War time period.

Maisie Meyer, 208-214.
With the end of the War in 1945, Chiang Kai-shek took control of the city. The bureaucratic inefficiency of the government led to the further deterioration of the economy in Shanghai. The economic crisis intensified during the civil war period (1946-9) and the classification of Sephardic Jews as imperialist “foreign entrepreneurs” made the living situation in Shanghai even more unfavorable. With the loss of extraterritorial rights in China, Jews had lost their privileges in Shanghai. When Victor Sassoon was interviewed in Bombay in September of 1945, he admitted that the golden days for foreign business expansions in China were gone and the Chinese would be in charge of their own economy instead.\textsuperscript{318} Since 1948, the Sassoons had moved their business headquarters to Panama. The Kadoories also shifted their business center from Shanghai to Hong Kong. During the 1950s, many of the remaining Sephardic Jewish enterprises withdrew back to Hong Kong and had a great impact on the economic development in Hong Kong during the next few decades. By the year of 1948 and early 1949, large numbers of Shanghai Jews (the majority of whom were the Jewish refugees who settled in Shanghai during the War time period) emigrated to the newly founded State of Israel and other countries such as United States, Australia, Hong Kong, Canada and Britain. This was considered the first mass exodus of the Jews out of Shanghai.

With the communist liberation of the city in May 1949, the Communist government took over control of the city. The nationalization of major industries eliminated foreign and private enterprises in Shanghai. Foreign entrepreneurs and white collar workers lost their jobs and were obliged to apply for relief. In 1949, the Council of the Jewish

Community (CJC, “Youlian 犹联”) in Shanghai was founded and registered with the Foreign Affairs Department of the Shanghai Military Committee as a voluntary charitable organization to coordinate the activities of Jewish communities in Shanghai and organize the migration of Jews to Israel. By 1951, the American Joint Distribution Committee (JDC), which provided financial assistance to the CJC and assisted in the repatriation and resettlement of Jewish residents still remaining in China, had closed its office in Shanghai. According to the report of the CJC from 1953 to 1956, in 1952, 364 Jews emigrated out of China with 99 going to the State of Israel; in 1953, the number was 301 and 201 going to Israel; in 1955, 169 Jews emigrated out of China; and in the first half year of 1956, 114 Jews emigrated out of China.\(^{319}\)

In July 1955, the treasurer and one of the most active members of CJC emigrated to Britain. In 1956, the succeeding chairman of CJC, Reuben Abraham (1888-1968), and his family emigrated out of Shanghai as well. These departures marked further the dissolving of the Sephardic Jewish community in Shanghai. After 1958, there were only around 100 Sephardic Jewish families among them many who had not succeeded in obtaining visas to countries of their choice, remained in Shanghai.\(^{320}\) In 1967, CJC in Shanghai was closed and by that year, according to the CJC reports, there were only 10

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\(^{319}\) Council of the Jewish Community Shanghai (CJC), Report, (July 1953 to June 1954), 3; (July 1955-July 1956), 9-12. YIVO Library Main Stack Collection (000122154 ).

\(^{320}\) According to the annual report of the CJC in 1958, only 84 Jews stayed in Shanghai by that year. YIVO Library Main Stack Collection (000122154 )
Jewish residents left in Shanghai. They witnessed the various Chinese revolutions within the next two decades and eventually applied for foreign visas to leave Shanghai as refugees in the late 1970s and early 80s.

The Second Sino-Japanese War (1937-1945) thus became the turning point for the foreign communities in Shanghai. With the abolishment of foreign settlements and Western political and legal privileges, Sephardic Jews also lost their enclave for living and business-making in Shanghai. With the mass exodus of Jews out of the city in the late 1940s, Jewish enterprises closed and Jewish communities dissolved. The city’s economic prosperity, cosmopolitanism and entrepreneurial spirit was substituted by war, and mass movements. The once lively Jewish communities and Jewish enterprises in Shanghai disappeared after the political transformations of the city starting from the Wartime period. In the following two decades, China was engaged in various kinds of political movements and cultural revolutions. Jewish presence, along with the era of foreign Shanghai, seemed to have evaporated out of the city of Shanghai.

The Resuscitation of “Haipai” Culture in Shanghai

While during Mao’s era Jewish past of Shanghai was often associated with the Western imperialist invasion in China, along with the ending of cultural revolution and China’s implementation of economic reform policy in the 1980s, Jewish heritage is re-endorsed both by the government and the common Chinese people. The new economic policies entailed de-collectivization in agriculture and the relaxing of state controls in urban productive sectors. These changes gave rise to entrepreneurial experimentation, a renewed emphasis on profit and prosperity, and growing disparities of wealth. Many
small-scale private enterprises and large joint venture projects were founded in Shanghai. In 1984 Shanghai was one of the four coastal towns declared open to foreign trade and capital and this led to the appearance of three tiny “zones of economic and technological development” in the city. In the 1990s, the city of Shanghai was extended to the east bank of the Huangpu River and a new economic zone was created in Pu Dong. Ten “preferential policies” were adopted to speed up its economic development. Foreign banking agencies were authorized to be established and Shanghai became the central location for foreign funding. All these stimulated the economy of Shanghai greatly and the city once again became an economic and financial center of the world.

Along with its economic development, social values and relations changed too. Individualism is making progress alongside materialism. In order to imbibe what was perceived as the source of Westerners’ “freedom” and relative wealth, more and more Chinese studied and emulated all things Euro-American. An almost obsessive gaze was

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321 Ten preferential policies for the development of Pudong were announced when Pudong was declared a special development area in April 1990. The ten preferential policies are related to: income tax of foreign investors; custom duties and tax for equipment, vehicles and building materials related to foreign investment; foreign investment should be export oriented; foreign investors are allowed to invest in infrastructure projects; foreign investors are allowed to operate tertiary industries; foreign banks are allowed to open foreign branches in Shanghai, including Pudong New Area; there will be a free trade zone in Pudong New Area; preferential treatment interms of income tax reduction will be given to enterprises confirming with the industrial policies and beneficial to Pudong development; land leasing for 50-70 years will be used in Pudong. Foreign investors may contract large tracts of land for development; Pudong New Area can keep the revenue for further development. For more related details, see *Shanghai: Transformation and Modernization under China’s Open Policy* ed Y.M. Yeung et al.
turned to the Western culture in terms of contemporary lifestyles, cultures, and mores. Programs to study Western culture were instituted in schools; English language instructions proliferated; translation of Western works and Western media products were largely consumed. Business dealings with the West brought China into the world market. Cultural exchanges intensified and international tourism rapidly grew.

At this time, a new expression on the commercial and cosmopolitan culture in Shanghai defined as “haipai,” or literally the “Shanghai style/foreign style,” appeared in the cultural discourse. It is traced back to the 1920s and 30s when the city was receptive to the modernity of western culture and changes in urban development. In the early 20th century Shanghai, with the appearance of new modes of distributing merchandise, advertisement, and consumerism, there was a rise of commercial culture. This further led to the appearance of new leisure activities and life styles.

The urban population especially the social elites were adaptive to foreign influences and participated in the conveyance of the idea of modernity. And this is particularly demonstrated in the new literary school in Shanghai which bore the characteristics of the “haipai” culture: mercantilism, vulgarity and cosmopolitanism. Since Jews achieved great economic successes and were engaged in the transformation of urban infrastructure of Shanghai, they are now associated with the discourse of modernity.

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322 See David Wang’s The Monster that is History for more about the literary movements in Shanghai during this time. Lee, Leo Ou-fan and Zhang Zhen also elaborated the urban culture of Shanghai during this time through their studies of literature and cinema.
Since the 1990s, the economic reform took off anew in Shanghai. This brought in the economic boom and the restructuring of economic activities with service industries accounting for 48% of local gross domestic product in 1998.\textsuperscript{323} Economic growth brought new life styles and new social relations in Shanghai. Pleasure, money and freedom became new pursuits of people. The value of urban legacy from the “old Shanghai” has therefore become significant. It is conceived as symbolizing the spirit of *haipai modernity*. The government seeks to preserve it “not so much out of sentimental attachment to the past but in order to profit from it and to revitalize the seduction that attracted so many foreigners in the nineteenth century and, with them, their capital, to the banks of the Huangpu.”\textsuperscript{324} Marie-Claire Bergere in her discussion of the “*haipai*” culture in Shanghai talks about this preservationist policy and argues that it is associated with plans for economic growth and profitability and the goal is to “resuscitate the ‘*haipai*’ spirit and make it serve both business interests and the mass tourism boom that each year brings over 1 million visitors to the city.”\textsuperscript{325} \textsuperscript{326}


\textsuperscript{324} Marie-Claire Bergere, 429.

\textsuperscript{325} Ibid.

\textsuperscript{326} Yao Ling has an article on Shangai’s Municipal Archives website titled “hongyang haipai wenhua, tigao chengshi zonghe jingzhengli” (Promote Haipai Culture, Increase the City’s Comprehensive Competitive Power) reinforced this idea that now Shanghai is facing a second wave of westernization and the emphasis on “haipai” culture as soft power is crucial for the development of Shanghai as a metropolis center of the world.
One merit of this policy is that it has saved from destruction a number of old buildings and historical sites in Shanghai, which have become popular tourist sites these days. The renovation of Nanjing Road as a pedestrian district and the construction of a leisure center and shopping mall in the former French concession are just two examples. The People’s Square in particular became the cultural center of the city with a newly built museum, opera house and city hall. References to the Shanghai of the 1930s are often seen in public media and other cultural sectors. The old Shanghai is constantly evoked and mythologized so as to legitimate the role that the present Shanghai is supposed to play: the global economic and financial center.

Jewish heritage is considered an important part of the “haipai” culture in Shanghai. Since Shanghai was opened as a treaty-port in 1843, Baghdadi Sephardic Jews came as one of those earliest foreign settlers in Shanghai. Although small in number compared with other foreign communities living in treaty-port Shanghai, Jews were unique in their cultural identities and demonstrated their outstanding entrepreneurial skills in trade, real estate, finance and various kinds of public industries. They brought in western technology and new modes of management and had a tremendous impact on Shanghai’s economy.

During the late 19th and early 20th century, Russian Jews fled to Shanghai to avoid pogroms and revolutions in their home country. Russian Jews ran small businesses in Shanghai such as restaurants, groceries, bakeries, clothing stores and books stores. They formed an active community within the International settlement. Since 1930s, with the incoming of more than 20,000 central European Jewish refugees, who mostly settled in Hongkou district, a new business center called “little Vienna” was formed near today’s
Zhoushan Road, Huade Road, Huishan Road and Tangshan Road. By the 1940s, Shanghai had the largest Jewish community in the Far East with its own religious institutions, synagogues, hospitals, schools, clubs, cemeteries, business associations, publishing houses and various political institutions.

While during the previous decades there was a profound lack of Jewish presence in revolutionary China/Shanghai, In the 1980s, with the re-opening of China to the world, many Jewish visitors came to China again for work, business, and traveling. After the 911 terrorism, China, compared to many other places in the world, seems to be a safer place to live and work. The incoming of these Jewish visitors from all over the world including those “old Shanghai Jews” became one of the driving forces in the making of individual and collective representations of the Jewish past in the city. The discovery of Jewish heritage is not only through knowledge about the Jewish experiences such as memoirs, literature, and films and scholarly works (the intangible); but also physical artifacts and relics such as monuments, buildings, landscapes, or works of art (the tangible).

The Central European Jewish refugees, who survived the Holocaust by escaping to Shanghai, left collections of memoirs or interviews in commemorating their unusual experiences in the city.327 328 On the other hand, stories were also written by the Chinese

327 YIVO Archives Shanghai collection (1924-1950) RG 243; Series V: papers of individuals, personal narratives and memoirs; various published memoirs and oral histories also recorded the personal experiences of Jews escaping from the Holocaust to find shelter in Shanghai. Besides, there are numerous published memoirs or literary works on the Jewish experience as refugees in Shanghai.
people about the charismatic Jewish elites once living in Shanghai such as Hardoon and Sassoon, which reflected the Chinese imaginations/representations of the foreign Shanghai. Relics such as buildings and landscapes became historic sites of Jewish heritage in a physical form. Jewish artifacts were also collected to demonstrate Jewish lives in old Shanghai. After all, the search for the Jewish past and restoration of Jewish heritage reflects politics of the time. In the following of the chapter, I will use two examples to discuss the preservation of Jewish heritage/culture in Shanghai: the representation of Jews/Jewish elites in Chinese literature; and the restoration of Jewish physical relics. I intend to argue that in the present day Shanghai, Jewish heritage preservation coincides with the municipal government’s discourse in constructing Shanghai’s “haipai culture”—that it will promote Shanghai’s image of global financial, economic and cultural center. It reflects a changing power dynamic in the Chinese encounter with the Jews in Shanghai.

**Representations of Hardoon in Chinese Literature**

Poshek Fu in his book *Passivity, Resistance, and Collaboration: Intellectual Choices in Occupied Shanghai, 1937-1945* describes the old Shanghainese’s nostalgic feelings for

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328 Attachment to historical memory is an important part of Jewish identity. The impact of memory can also be depicted in the experiences of Jewish refugees in Shanghai. Vera Schwarz in her study of the language of Jewish memory in Shanghai argues that the strengthening of Jewish identity was found in these memories in order to forge “a way of living out of adverse circumstances.” See Vera Schwarz’s “Who Can See a Miracle? The Language of Jewish Memory in Shanghai,” *The Jews of China: Historical and Comparative Perspective*, ed Jonathan Goldstein (London: M.E. Sharpe, 1999), 278.
the glamorous past in which Haroon as he mentioned, similar to many other legendary figures in Shanghai, can easily trigger imaginations of the “half unreal and hallucinatory” old Shanghai.\textsuperscript{329} The great number of Chinese legends, anecdotes, and literary representations of Haroon, his wife Lisa Haroon and their residential house Aili Garden illustrate the general public’s obsession with the this person as well as his exotic Jewish background. Today, these literatures can be viewed as evidence of Jewish cultural heritage in Shanghai and they reflect different political/social agendas at different historical period of time.

The earliest literature on Haroon could be traced back to the 1920s during his lifetime. Various kinds of anecdotes and stories about this business tycoon and his family were already popular among readers in Shanghai. \textit{The Grand-View Garden of Shanghai} published in 1924 (and reprinted in 1991) is an example.\textsuperscript{330} The book enjoyed popularity for almost twenty years, and was advertised in 1941 as a "daring exposé" of the Aili Garden.\textsuperscript{331} The author, Buddhist Monk Huang Zong-Yang (黄宗仰), who was invited by Lisa Hardoon to design the Garden and promote Buddhism, compared the Aili Garden with the classic Chinese garden Da Guan Yuan in the master piece of Qing novel

\textsuperscript{329}“Zhou Xuan and Marlene Dietrich, Edgar Snow and Silas Haroon, Lu Xun and Du Yuesheng, the Uchiyama Bookstore and the Paramount Nightclub, the Jade Buddha Temple and the Cathedral of St. Ignatius, the Lone Battalion and Bloody Saturday-a half unreal, almost hallucinatory past they cannot hope to relive elsewhere (except, perhaps, in Hong Kong).” Poshek Fu, \textit{Passivity, Resistance, and Collaboration: Intellectual Choices in Occupied Shanghai, 1937-1945} (Stanford, 1993), 164-5.

\textsuperscript{330}Huang, Zong-yang, \textit{Haishang de Guangyuan} (Shanghai: 1924).

\textsuperscript{331}Xinwen Bao, October 7, 1941.
Dream of the Red Mansion. When the construction of Aili Garden was completed in 1910, it contained three main halls, two residential buildings, eighteen pavilions, and all together eighty-three attractions made up of pagodas, stone boats, viewing platforms, rocks, ponds and parterres. Huang Zong-Yang’s name is usually associated with the authorship of this book to increase its credibility and circulation, although various mistakes in the book have been discovered that put the authorship in suspicion. The book is centered around the character of Lisa Hardoon, who was compared to the Chinese empress Wu Zetian (624-705 CE). She is depicted as the powerful woman who exerted an auspicious influence on Hardoon’s business and commercial adventures. While on the other hand, Silas Hardoon became a minor character who mainly associated himself with the foreigners, whom the author is not quite familiar with. Most of the narratives are set in the Aili Garden, which seems to be a traditional world of its own detached from the foreign Shanghai.

The Grand-View Garden of Shanghai was not the only piece of literature on the subject of Hardoon around this time. In 1937, a poem named "Cong Hatong Huayuan Chulai" (Leaving the Hardoon Garden) was published on Shilin to depict the Aili Garden after Silas Hardoon’s death in 1931. Hardoon’s soul emerged from his mausoleum and watched over his servants preparing a banquet in his memory. Here in this poem, Hardoon’s success in accumulating wealth is understood as the flowing of lunchi (gearwheel) that symbolizes his good fortune in the Buddhist interpretation. The lunchi

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Huang, Haishang de Guangyuan, 53.
of fate will move forward after Haroon’s death as it is predicted by the end of the poem.\(^{333}\)

By the 1940s, another book about the Aili Garden was published called *Hatong Huayuan Mimi: Hai Shang de Migong* 哈同花园秘密：上海的迷宫 (*The Secrets of Hardoon Garden: The Labyrinth in Shanghai*) written by Li Enji (李恩绩) (under the pen name Fan Niao 凡鸟), the son of a painter employed in the Garden, who himself spent years living in the Garden. This work is a collection of episodes, and stories about people of the Aili Garden.\(^{334}\) The stories were serialized in the popular journal at the time *Wanxiang* 万象 edited by Ke Ling (柯灵) between 1943 and 1944 during the Japanese Occupation of Shanghai and were turned into a book in 1947. It catered to the popular interest of petty urbanites in Shanghai and maintained its frivolous tone for those readers who were curious about the secrets of the Hardoon family. However, Ke Ling emphasized that because of Li Enji’s personal experiences living in the Aili Garden, his account would be more credible compared to many others at the time. Stories in this collection covered a variety of subjects such as Silas Hardoon’s rags to rich story, his business acumen, Lisa Hardoon’s mysterious background, the couple’s different culinary tastes and religious interest, as well as other important residents of Aili Garden such as Huang Zong-Yang and Chi-Cho Mee.

In fact, in 1984, Ke Ling edited and published another series of manuscripts from Li Enji written during the 1950s in the name of *Aili Yuan Meng Ying Lu* 爱俪园梦影录 (*The


\(^{334}\) Fan Niao (Li Enji), *Hatong Huayuan Mimi: Haishang de Migong* (Shanghai: Zhongyang Shudian, 1947).
Records of Dreams of Aili Garden. Different from the previous version, which is written in a third person anecdotal tone, this one is narrated in the first person as Li’s personal memories of Aili Garden. In this memoir, Li recorded his own observations and interactions with Aili Garden and the people in it, beginning from 1921 when he first entered the Garden at the age of 14. In these accounts, Li gave a more detailed description of the sceneries in the Garden, library collections in the school, various interesting people living in the Garden and the declining of the Hardoon family after the death of Silas Hardoon in 1931. In a word, Li Enji’s two books on Aili Garden have become valuable and credible resources on the Hardoon family history.

During the 1940s, under the influence of Nazi propaganda, a booklet published in Nanjing in 1945 called Shanghai yu Shanghai Ren 上海与上海人 (Shanghai and the Shanghainese) depicted Jews such as Silas Hardoon and Victor Sassoon as the ultimate imperialists and embodiment of greed. It made anti-Semitic statements such as “Jews have no dignity and humanity” (Youtairen shi meiyou zunyan he renge. 犹太人没有尊严和人格). During the Japanese occupation, some pro-Japanese Chinese nationalists cooperated with the Japanese “Jewish experts” and published anti-Jewish literature in China. The goal was to justify Japan’s aggression over China and establish new order and the “Great East Asia Sphere”. For example, two unofficial newspapers, Shanghai People’s News and New China Evening Paper began to publish an extensive number of


articles against the Jewish refugees. The image of Jews as parasites was constructed and widely used in these papers. On March 15, 1943, in *Shanghai People’s News*, there is an article named “Wuguo zhi min de lianpu: youtairen zai Shanghai de jisheng quanmao” 无国殖民的脸谱：犹太人在上海的寄生生活 (*The Faces of the Stateless People: the Jews’ Parasitic Lives in Shanghai*)[^337].

However, generally speaking, Hardoon in the pre-1949 Chinese literature is often depicted as the typical Jew who was good at doing business and conducting financial transactions. Anti-Semitic literature had very limited impact in China in general. Writings on Hardoon, for example, are mainly catered to the popular interest and curiosities. The suffering but smart and educated Jew as victim of fascism had been used to reconstruct by the Chinese in contrast to the image of the “barbarian and uneducated Japanese.”[^338] However after 1949, with the abolishment of the concept of “Youtai Zhongzu” (“Jewish race”), the character of Hardoon somehow was remodeled to embody the figure of “foreign imperialist” under the Communist propaganda. The creation of

[^337]: For example, two unofficial newspapers, *Shanghai People’s News* and *New China Evening Paper* began to publish an extensive number of articles against the Jewish refugees. The image of Jews as parasites was constructed and widely used in these papers. On March 15, 1943, in *Shanghai People’s News*, there is an article named “Wuguo zhimin de lianpu: youtairen zai Shanghai de jisheng shenghuo” 犹太人在上海的寄生生活 (*The Faces of the Stateless People: the Jews’ Parasitic Lives in Shanghai*). For more about Japanese attitudes toward Jews in China, see , Marvin Tokayer’s book *The fugu plan: the untold story of the Japanese and the Jews during World War II* and David Goodman & Masanori Miyazawa’s book *Jews in the Japanese mind : the history and uses of a cultural stereotype*.

[^338]: Zhou Xun, 156.
New Revolutionary Shanghai formed a contrast with the Old Shanghai and Hardoon, as the symbol of foreign capitalism obviously was framed to belong to the old.

Lucien Taire, a scholar on Shanghai, in his book about Shanghai wrote about some small local newspapers that first waged campaigns against the “Jewish capitalists.” He said,

…these papers began to print stories about the greed and cruelty of Hardoon and his wife. It was claimed that they had mistreated and cheated tenants, that they had invented 'key money' (a fee required, in addition to rent, before a flat could be occupied) and that the imperialist British government had directed and supported the Hardoons' exploitation of the Chinese people. The charges continued for some months.\(^{339}\)

A noted local paper, *Yibao*, serialized the *Hatong Yu Aili Yuan* 哈同与爱俪园 (Hardoon and Aili Garden) between October 1951 and Mid-January of 1952, which interpreted Hardoon’s life within the framework of foreign imperialists treating Chinese with injustice. When talking about Hardoon’s investment in real estate in Shanghai, the story emphasized that it is a corrupted business of the foreign imperialists and the consequence of the exploitation of Chinese tenants. Although the narrative maintained the pre-1949 entertaining style, such as the scandalous connotations of Hardoon’s story, it was more intended to show the moral degeneration of the old Shanghai.\(^{340}\)

Before the 1960s, the awareness of Hardoon’s presence was usually confined to the old Shanghainese. But since the 1970s, Hardoon assumed a new statue in Chinese writing as his story became more popular and gained a nation-wide audience. In 1979, Li

\(^{339}\) Lucien Taire, *Shanghai Episode: The End of Western Commerce in China* (Hong Kong, 1957), 77.

\(^{340}\) *Yibao* (逸报), November 1951.
Changdao (李昌道) published a book named *Da Maoxianjia Hatong* [The Great Adventurer Hardoon 大冒险家哈同] in which Li once again elaborated Hardoon’s role as an imperialist capitalist exploiting the Chinese.\(^{341}\) Li skillfully used some anecdotes to illustrate the cruelty of Hardoon and his wife as capitalists, such as the anecdote of torturing a servant to death for suspecting her of stealing a pair of golden chopsticks.\(^{342}\) In another anecdote, Hardoon tortured his servants for losing a dog that belonged to the Garden, because according to the Hardoons, “poor people were slaves, inferior even to a dog.”\(^{343}\) Li ended his chapter with comments that “The above blood stained accounts, merely one aspect of the imperialist adventurer who exploited, oppressed and ill-treated the Garden workers, are just one single page of the book that denounces imperialist adventurers.”\(^{344}\) Hardoon in these stories thus epitomized the oppressions of foreign imperialists on the Chinese people.

Li’s book was published at a time when China went through great political and social changes. However, with the emergence of a new market economy, particularly in cities such as Shanghai, the symbolic link between the “Jews” and the money has again emerged. For millions of young Chinese who are desperately seeking success and money in a rapidly changing society, the “successful and rich Jews” have become their new inspiration. Hardoon’s image has also gradually transformed from an epitome of

\(^{341}\) Li Changdao, *Da Mao Xian Jia Ha Tong* (Qunzhong Publishing House, 1979).

\(^{342}\) Ibid., 42-3.

\(^{343}\) Ibid., 40.

\(^{344}\) Ibid., 43.
capitalism and imperialism to an adventurer within Shanghai’s entrepreneurial tradition reimagined in the 1980s and 1990s.\(^3\) Between 1989 and 1994, under the editorship of Gu Xiaomin (顾晓鸣), the director of Jewish studies at Shanghai Social Science Academy, a Jewish culture study series, all together 18 books, was launched as one of the major academic projects in Chinese academia.\(^4\) According to Gu, the Jewish culture is the only surviving culture which is “comparable to that of our own Chinese one in the world.”\(^5\) Within this series of books, Tang Peiji’s history book on Jews in Shanghai examined the Baghdadi Sephardic Jewish entrepreneurs such as Hardoon and Sassoon and emphasized that they came to Shanghai for business opportunities.\(^6\)

In 1995, a popular series entitled *Youtairen Chaofan Zhihui Jiemi* 犹太人超凡智慧揭秘 (Revelations on the Jews’ superior intelligence) was launched and claimed to be the first piece of popular literature on the subject of the Jews ever published in China. The editor of the series, He Xiongfei, was a successful entrepreneur under Deng Xiaoping’s economic reform. He was also considered as the most influential private publisher and

\(^3\) In the 1980s and 1990s, with the opening door policy, Shanghai again became the economic forefront of China. Both academics and public media emphasized that Shanghai has an entrepreneurial tradition since it was opened as a treaty port in the mid-19th century. The city always has lenient policy towards its investors. Shanghai people understand the significance of business making and have a tradition of welcoming business activities in the city. To learn more, please read Wang Runian’s article “Shanghai de Shangye Chuantong yu Zhongshang Guangnian”, *Journal of Lianyungang College* (Dec. 2006):4.


\(^5\) Ibid., 2-3.

public speaker. The subjects of the series ranged from romantic and legendary political and business maniacs, the extraordinary and unconventional artists and men of letters, the ingenious and creative scientific giants, to the business Bible of Jewish tycoons. He Xiongfei argued that this series of books will change the readers’ lives because “the Jews are the smartest, the most mysterious and the richest nation/race in the world. If one does not know anything about the Jews, then one will not understand the world.”

According to He, the Jews have two characteristics: the first is that they are good at managing money; and the second is that they are well educated. He applied many of the old stereotypes on Jews and listed names of famous Jewish politicians, scientists, artists and thinkers such as Einstein, Karl Marx and Charlie Chaplin. Jews in this series of popular literature are portrayed as representing money, power and success, which happen to be a popular pursuit in the post-Mao era. And this explains why his books became very popular and his efforts of spreading knowledge about the Jewish people being rich and successful received heated discussions from the Chinese readers. In fact, entering into the 2000s, more books in this genre on the similar subject have been published in

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350 This series of publications on “Jewish wisdom” was so successful that in 1999 He established his own Studio for Jewish Studies. In 2010, He was invited to visit the State of Israel as an expert on the study of Jewish history and culture and met up with the Minister of Education in Israel then. Reviews of this series of books on Douhan (豆瓣), a Chinese social networking service, revealed that readers are often time identified with and inspired by the stories of the Jewish people. They search for the key to success from these books.
China, just name a few— Youtairen Zhihui (Wisdoms of the Jews), Youtairen de Zhuanqian Zhihui (Wisdom of How Jews Make Money), Taimude de Mimi (Secrets of the Talmud—Keys to the Jewish Wealth), Yangshi Siwei—Youtairen Bainian Gushi Caozuo (The Wisdom and Strategy of Jews in Stock Market), and Youtairen de Jingshang Shengjing he Zuoren Zhihui (Bible of Jewish Business Making). The list can be incredibly long.

With the increasing curiosities on Jewish people and the promotion of knowledge on the “successful Jews,” presentations of Hardoon’s life became more relaxed instead of under a rigid ideological interpretation. For example, Li Enji’s Aili Yuan Meng Ying Lu was published in 1984 as mentioned previously and concentrates more on the educational and cultural activities held within the Aili Garden without obsessively denouncing Hardoon’s imperialist deeds. Xu Zhucheng’s Hatong Waizhuan (The Unofficial Biography of Hardoon 哈同外传) serialized in Xinmin Wanbao (New People’s Evening Paper) in 1982 put Hardoon as equivalent of Du Yuesheng (杜月笙 1888-1951), the famous gangster in old Shanghai and portrayed Hardoon humanly with a sense of “romanticism.” Xu emphasized that what he wrote was based on history but with romantic exaggeration. He made up dialogs among characters and tried to avoid the

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351 Xu Zhucheng, Hatong Wai Zhan (Shanghai: Sanlian Chuban She, 2009)

352 Ibid., 1-2
usage of overly political language in his narrative. Hardoon belonged to the Old Shanghai and the vicissitudes related to the Aili Garden were tied to dark history that is gone forever.

Since the late 1980s, the interpretation of Hardoon’s life in Shanghai had lost even more of its political connotations but emphasized on his adventurous nature in business expansion and adaptations to Chinese life. Chinese people continued to be obsessed with Hardoon’s mysterious life experiences including the notorious inheritance case after his death in 1931. In 1991, Zhang Qionglin (张琼林), the wife of Chi-Cho Mee’s oldest son, wrote a fragmentary collection of memories surrounding Hardoon’s life called Yangchang Migong—Shanghai Hatong Huayuan Jianwen Lu (洋场迷宫—上海哈同花园见闻录) in which she argued that although Hardoon lived in the feudal and colonial Shanghai, he was not a completely horrible person. As an adventurer who came to Shanghai with nothing, Zhang stated, “Hardoon was a diligent, and simple person. Although he became rich later, he didn't take concubines or visit brothels because of his respect to his wife. He supported Sun Yet-sen’s anti-Qing revolutions and funded Huang Zongyang, the democratic revolutionary. He established free schools for the Chinese, engaged in philanthropy and adopted orphans…” Zhang concluded that “at the time of opening up


354 Ibid, 4.
for economic development, it’s significant to honestly present the lives of Hardoon in order to understand the history of economic development in Shanghai.”

In 1993, Shen Ji’s book *Da Ban* （大班） presented a more comprehensive history about Hardoon’s rags-to-rich story in Shanghai. The book was framed episodically and re-wove secondary resources into fictional stories. Shen’s book was later adapted into a soap opera titled *Hatong Yu Aili Yuan* 哈同与爱俪园 (Hardoon and Aili Garden) in 1996. With literary exaggerations, Shen portrayed dramatic characters against the context of semi-colonial Shanghai. Hardoon’s character as a “money-seeking Jew” became a stereotype in Shen’s narrative. In several chapters, Shen described Hardoon’s business making strategies as an entrepreneur and how he gradually established his business empire in China. In 1997, a writer named Lu Chuan （陆川） published another biography on Hardoon in which Hardoon is considered as the richest man in the Far East and the author aims to illustrate his path to rich and success in Shanghai (“hatong de faji shi 哈同的发迹史”).

In fact, the obsession with Hardoon and his success story has never ceased in Chinese popular literature since the 1990s. From the absurd fictional story to unofficial biographies on Hardoon, there have been mainly two themes that are consistent in these representations: one is that Hardoon was a rich but mysterious Jewish entrepreneur that

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355 Ibid. 4.
356 Shen Ji, *Da Ban* (Shanghai: Shanghai Wenyi Chubanshe, 1993).
357 Lu Chuan, *Shanghai Da Ban—Hatong Zhuan* (Chengdu: Sichuan Renmin Chubanshe, 1997).
could inspire the Chinese people; and second is that Hardoon had established complicated relations with both foreign and Chinese communities/elites in Shanghai.  

In all these Chinese literary representations, Hardoon is portrayed as a foreigner who maintained wide contacts and close ties with the Chinese. Other than his stereotypical “Jewish nature” in making money, little is mentioned about his participation of Jewish community activities or his philanthropy to the Jewish causes in Shanghai. As a matter of fact, Hardoon was considered as an eccentric figure who gradually estranged himself from the Jewish community, although he financed the construction of The Beth Aharon synagogue on Museum Road near the Bund, which served as a dormitory for some 486

358 Shi Jinyuan wrote a book named Hatong Huayuan Youling (The Ghost in Hardoon Garden) published in 1990 in which he made up an almost absurd story taken place in Hardoon Garden. A heavily injured underground communist hid himself in the Garden and was eventually saved by a foreign girl living there. This accident thus revealed deep secrets about Hardoon and his wife. With vivid illustrations, it creates a classic thriller that caters to the popular interest. Other than those unofficial biographies mentioned above, the representations of Hardoon in semi-historical and literary writings have surprisingly been abundant. In 1997, a book called Hatong Quanzhuan (The Complete Biography of Hardoon 哈同全传) was published under the pen name Ah Wen. In 2008, Xia Boming published Shanghai Jiushi Zhi Hatong Fufu (Old Stories of Shanghai: The Hardoon Couple) in which the author claimed to have re-evaluated both the primary and secondary resources and presented a more “objective” analysis of Hardoon. Most recently in 2014, a new book has just been published called Hatong Xin Zhuan (A New Biography of Hardoon) written by a freelance writer Wang Xiaomeng. In terms of content of the book, there seems not much new; but on the cover of the book, a striking statement says, “Richest man in the Far East, Real Estate Tycoon; Career advisor for today’s young people; Inspirational textbook for hardworking individuals.”
Jewish refugees in 1939 and was made available as a reception center.\textsuperscript{359} The representations of Hardoon in these Chinese literatures more often catered to Chinese people’s memories and imaginations of the Jewish past in Shanghai, within the political and social contexts of different time period.

David Lowenthal states out that “not only is the past recalled in what we see; it is incarnate in what we create.”\textsuperscript{360} Visiting the past legitimates and fortifies the present order. Lowenthal lists examples such as the Renaissance humanists looking beyond the dark ages of evil and oblivion to the classical glories they aimed to reanimate; and during the 1930s Americans viewed the Founding Fathers with renewed respect by identifying with a successful past. The different representations of the Jewish past in Shanghai, especially by focusing on the Jewish elite Silas Hardoon, reflects exactly the changing social and political order in Shanghai. Today the Jewish heritage in Shanghai is still being preserved and reinvented through literature, and it is linked to the present economic innovations as well as the resuscitation of the commercial and cosmopolitan “haipai” culture in Shanghai.

As successful entrepreneurs who contributed greatly to the economic and social developments of semi-colonial Shanghai, Sephardic Jewish elites especially for someone as charismatic as Hardoon, became the epitome of the expression of the commercial and cosmopolitan culture. As I stated out earlier, the present Chinese government seeks to preserve this culture in order to profit from it and to revitalize the economic growth in

\textsuperscript{359} See the Israel’s Messenger Feb. 16, 1940, 2.

\textsuperscript{360} Lowenthal, Possessed by the Past: the Heritage, Crusade and the Spoils of History, 39.
Shanghai since the 1990s. Literature, which owes more to nostalgia than to historical accuracy, becomes a good venue for the promotion of this culture. It also contributes to the creation of a Jewish mercantile heritage in Shanghai.

**Jewish Relics in Shanghai: The Tangible Past**

Different from literary representations, tangible relics survive in the form of natural features and human artifacts such as monuments, buildings or sites. Physical objects illuminate the past with the infusion of the knowledge of their history and memory. Physical relics are often to be preserved, or found, resurrected and deciphered and they become a finite and non-renewable resource. Like memories, tangible relics could be forgotten or abandoned and are later resurrected as valued heritage. The tangible relics tend to be visible to the public and provide unmediated impressions of the past. Its existential concreteness has an evocative appeal to the audience and brings up the past as palpable and potent. In that sense, physical relics are not static but constantly changing with new historical connotations and new interactions with their hosts. As Lowenthal states, “the tangible past is in continual flux, altering, aging, renewing and always interacting with the present.”

Physical relics play an important role in our understanding of the past. By preserving or rehabilitating the relics, we seek to re-evoke the past and transform what we learn about it to suit our own needs. The interactions with a heritage could change its nature and context. One kind of change is more on its physical conditions and its relations to locale; but the other kind of transformation is indirect impinging on how it’s seen,

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explained, illustrated and appreciated. Through the process of identification, displaying, conservation, reconstitution, adaptation, or commemoration, our perception of the past can change.

The reason why we change and elaborate our heritage such as the relics and records is again to “make them more comprehensible, to justify present attitudes and actions, to underscore changes of faith.”\textsuperscript{362} Or in another word, we change the past in order to become part of it as well as to make it our own. In the alteration of the past, we tend to create a uniform historical structure to fit all so as to make the past all more homogeneous and create one uniform meaning for the past.\textsuperscript{363} For example, old landscapes, buildings, and artifacts are reconstituted to advertise certain homogenized meanings of history. History seeks to convince by truth, but heritage exaggerates and omits, invents and forgets, and even thrives on ignorance and error. The popularity of Jewish stereotypes in Chinese literature is such an example.

With the development of tourism, profit is also associated with the preservation and marking of heritage relics. The partnership between heritage and tourism has been well documented in literature. The relationship was often described in terms of interdependency, complexity, inherent tensions and inevitable conflicts. McKercher, Ho, and Du Cros provide an overview of the two opposing views on the relationship, or the “conflict/co-operation dichotomy”.\textsuperscript{364} On one hand, a number of sources indicate

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\textsuperscript{362} Ibid., 325.

\textsuperscript{363} Ibid., 354-55.

\textsuperscript{364} McKercher, B., & Du Cros, H, \textit{Cultural Tourism: The partnership between tourism and cultural}
incompatibility and inevitable conflict relationship. For example, some authors argue that cultural values are too often compromised for commercial gains. On the other hand, the “co-operation” side contends that resource sharing creates partnership opportunities between heritage and tourism, achieving mutually beneficial outcomes. Thus, heritage tourism is praised for “reintroducing people to their cultural roots, strengthening people’s interest in history or culture, and providing powerful arguments in favor of conserving a region’s cultural heritage as tourist attractions.”

Splendid buildings developed by Baghdadi Sephardic Jewish entrepreneurs in Shanghai included the Sassoon House (its north building is today’s Peace Hotel), Ohel Rachel Synagogue, Beth Aharon (synagogue established by Silas A. Hardoon), Kardoories’ residence (today’s Shanghai Children’s Palace), and the Aili Garden which was built by Silas A. Hardoon in 1909 and remained as the Haroons’ house for three decades until 1954 when it was demolished. They reflect the Jewish entrepreneurs’ business acumen and the blossoming of Jewish life in this city.

Today, most of the relics and buildings established and resided by former Jewish residents in Shanghai are well preserved. There have been 48 identified sites that spread over mostly in Hongkou (15), Xuhui (10), Huangpu (9), Jingan (8), Luwan (3) and

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365 *ibid.*, 539.

Changning districts (3). Among them, places such as the Sassoon House, Ohel Rachel Synagogue, and Ohel Moishe Synagogue are listed as the Best Historic Buildings in Shanghai. They were built in different architectural styles such as the renaissance, new classicism, British countryside and had functioned as residential buildings, schools, hospitals, cinemas, office buildings, clubs, synagogues so on and so forth. These buildings and relics are valuable not only in the field of architecture, but more importantly as cultural heritage commemorating the Jewish past in Shanghai.

The preservation and resurrection of the physical Jewish relics in Shanghai since the 1990s has been supported by the Shanghai municipal government as well as overseas developments. In the following of this chapter, I want to use two examples to highlight the significance of this process: the Ohel Rachel Synagogue, and the Tilanqiao project in Hongkou district. In both projects, the Municipal government played a significant role not only in rehabilitating the physical relics but also elaborating their historical and present connotations. Both projects illustrate the intersection between tourism and heritage: both have become popular tourist sites and were packaged into the

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368 In 2015, in celebrating of the 70th year of liberation of Shanghai, Shanghai municipal government (Hongkou district) not only applied for the world heritage fund but also held multiple events in commemorating the Jewish experience in Shanghai.
The examination of these two heritage sites reinforces the argument that the resuscitation of Jewish heritage in Shanghai reflects the current Shanghai Municipal government’s political agenda for economic growth and profitability. The Chinese encounter with Jews in Shanghai has changed its power dynamic from the direct economic, political and social interactions in semi-colonial era to the instrumentalization of the Jewish heritage in post-Mao era.

**The Ohel Rachel Synagogue – Symbol of Shanghai Modernity** (Figure 6.)

The Ohel Rachel Synagogue, which is located at today’s 500 Shanxi Bei Road, Jing An District, Shanghai, was once the largest synagogue in Asia with a capacity of 700 congregants. It was founded by Sir Jacob Sassoon (1848-?) in his wife’s memory, and consecrated on January 23, 1921 by Rabbi W Hirsch. Jacob Sassoon was a mill-owner, merchant, and banker in India, whose father, Elias David Sassoon (1820-1880), opened branches of the Firm D. Sassoon, Sons & Co. in Shanghai shortly after the Opium War (1840-2). Shanghai’s Ohel Rachel Synagogue is the most historically significant Jewish building in China and the last structurally intact synagogue in the country. It is also the only site that can genuinely commemorate centuries of Jewish history in China. Twice named to the World Monument Fund’s List of 100 Most Endangered Sites (2002, 2004)

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369 Shanghai Jewish Refugee Museum already applied for the “world heritage list” in 2015, at the time of 70th anniversary of victory over anti-fascist war. This project is considered by Shanghai Municipal Government as the window to reconnect with the world. Tilanqiao historical area was also designated by the Shanghai Tourist Department as AAA level tourist site in 2010 and a significant point for international communications.
and visited by dignitaries from around the globe, the Ohel Rachel Synagogue has achieved wide media coverage as a unique symbol of the Jewish presence in the world’s most populous business capital of Shanghai. It was constructed from 1917 to 1920 and served the Sephardic Jewish community in Shanghai since then until 1952 when Aba Toeg's family, who attended Ohel Rachel, sent the Torahs to Israel and handed over the Synagogue to the government. It is considered the culminating achievement of the Baghdadi Sephardic Jewish community. Most Jews, including the early Baghdadi Jewish settlers and the later Jewish refugees who came to Shanghai in the late 1930s or early 40s, chose to emigrate out of China since the 1950s. Therefore, from 1952 through the mid-1990s, the synagogue was primarily used as warehouse and office space because there was no active Jewish presence and Jewish past was not valued in Shanghai during this period of time.

The synagogue site also hosted the Shanghai Jewish School (the 1932 building still stands on the left of the courtyard), a playground, a library and a mikveh. Looking from the outside, the synagogue was obviously built in a Greek revival style. It has the typical columns, pilasters, heavily molded wooden entablatures (horizontal trim under roofs and over doors), and pediments of the classical details of Greek revival style. It is said that the Greek revival style was the idea of Jacob Sassoon to remember the history of Sephardic Jews. It is also indicated that the Ohel Rachel was styled after the Spanish and Portuguese Bevis Marks Synagogue (1701) and Lauderdale Road Synagogue (1896) in
It is not surprising that the Sassoons, although originally from Baghdad, had abandoned the Middle East in favor of London. This architectural style reflects these connections between the Sephardic Jewish community in Shanghai and the Spanish and Portuguese Jewish community in London.

The synagogue is an imposing building that could hold up to 700 people in its cavernous sanctuary. The interior of the synagogue shows off the wealth of the Sephardic Jewish community in Shanghai. Its marble pillars flanked a walk-in ark (which once held 30 Torah scrolls) and its wide balconies overlooked the sanctuary. The synagogue housed “Grand crystal chandeliers; highly polished wooden pews; thirty 19th-century Torahs from Baghdad; gorgeous marble pillars that frame the entrance to the Ark, the Jerusalem-facing sanctuary set into the wall of the synagogue where the Torah is stored.” Rabbi W. Hirsch is said to have left after some time still feeling unhappy with all the wealth at Ohel Rachel. Today, when touring inside the synagogue, people could still have a sense of the luxury of the synagogue back at that time.

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370 Bevis Marks synagogue is the oldest synagogue in Britain and it has been a religious center for Anglo-Jewry since it was established in 1701. Its classical architectural style is thought to be influenced by the work of Sir Christopher Wren who, at this time, was supervising the rebuilding of the City of London after the Great Fire of 1666. Lauderdale Road Synagogue, also named Spanish and Portuguese Synagogue, was founded in 1895 and served the Spanish and Portuguese Jewish populations in London. It was designed in a Byzantine style by architects Davis & Emanuel.

As an international collaboration of Shanghai Municipality, members of the former Sephardic community in Shanghai, Museum Works in Jerusalem (an architectural company), and Israeli Ministry of Foreign Affairs, the restoration project of the synagogue started in 1998. It soon gained international attentions. On July 2, 1998, an opening ceremony was conducted with the attendance of Hillary Rodham Clinton, who described the restoration of the synagogue as “a very good example of respect for religious differences and appreciation for the importance of faith in one’s life.” An American Rabbi, Arthur Schneier, sanctified the Ohel Rachel Synagogue with a Torah carried from the Park East Synagogue on East 67th Street in New York City. The Rabbi said that, although Jews were not yet allowed to hold services there, “this is a beginning of Jewish life in Shanghai.”

In September, 1999, the Shanghai government permitted the Jewish community in Shanghai to use the Ohel Rachel synagogue for 24 hours. Evening and morning Rosh Hashana services were held at the synagogue with approximately 120 Jews in attendance. This was the first time since 1952 that a Jewish service was held at the synagogue and it was the highest attendance the modern Shanghai Jewish community had seen.

372 Shanghai Municipality provided $60,000 of financial support for this project, according to the Jewish Studies Center of Social Science Academy in Shanghai.


374 Ibid.

Subsequently, the Shanghai Jews were allowed to use the Ohel Rachel Synagogue for Chanukah and Passover services. Seventy-five and one hundred Jews respectively attended in that year, according to the news report.\footnote{Ibid.}

In a conservation report (2007) written by a designer from Museum Works, Rachel Lev, she points out that the restoration project initiative started in June of 2000 by both the Israeli Ministry of Foreign Affairs and the Shanghai Municipality. Since 2002, a sequence of meetings with former Shanghai Jewish community members including Rebecca Toeg, Sassoon Jacoby, and Joseph Jacob were held in order to research the information on the lost interiors. All the memories and visual resources provided by these former Jewish residents in Shanghai helped with the restoration of the original layout of the synagogue's interior.\footnote{“The Ohel Rachel Synagogue, Shanghai—Tracing the Lost Interiors,” Museum Works LLC. This report was provided by Prof. Xu Xin from Nanjing University, China.}

In March, 2008, with the help of the director of the Jewish studies center at Shanghai Social Science Academy, Pan Guang, the Chinese government agreed to open the Ohel Rachel Synagogue for a Jewish wedding. It was the first time in the past 60 years that the Jewish community in Shanghai celebrated a koshered wedding in this synagogue. Around 250 guests from all over the world came to the wedding of Denis Gi’han and Audrey Ohana, who are both Moroccan Sephardic origin. The bride, Audrey Ohana, has lived with her family in Shanghai for ten years. Her father Maurice Ohana, serves as president of the local Jewish community. Journalists reported this event, stating that the
wedding demonstrates that “China’s largest city is regaining its cosmopolitan reputation as the country continues its dramatic rise…” With the further opening of the city, the increasing economic, social and political interactions between China and other Western countries, and the expansion of the Chabad movement in China, more and more self-identified Jews came to China for business, touring and other purposes. The Jewish community of foreigners in Shanghai at this time has numbered more than 2,000.

Along with the physical, cultural and religious restoration of the synagogue, in 2002 and 2004 the Ohel Rachel Synagogue was listed on the World’s Monuments Watch List of endangered buildings. This international attention raised public awareness and stimulated local participation for further protection and restoration of this building. The restoration of Ohel Rachel as a unique Jewish cultural heritage and landmark in Shanghai commemorates the history of the Jewish presence in the city. It witnessed the past but with its reuse by the current Jewish community in Shanghai, it will revitalize the community and therefore acting as a bridge between the past and the present.

As Leo Ou-fan Lee describes in his *Shanghai Modern*, Shanghai in the 1930s was a cultural matrix of Chinese modernity. What made Shanghai modern were the material aspects of Western civilization and the cultural and social expressions generated through this Western civilization. The Ohel Rachel Synagogue is only one of the many

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foreign religious/cultural institutions built in the foreign concession and modern sector of the city. It symbolizes the Western cultural and socio-economic modernity in Shanghai and also acts as a worthy monument to Jewish enterprise.

The restoration of the Ohel Rachel Synagogue as Shanghai’s cultural heritage today first involves the searching and “fabrication” of a lost past (a tradition) of Shanghai modernity in the 1920s and 30s. Shanghai, in the past decade or so, has been striving for a local identity, namely a Shanghai culture. In its less than two hundred-year-long history, Shanghai experienced massive changes—from a small coastal town to the modern metropolitan city in the Far East; from its obscurity during the Cultural Revolution to its economic, social, and cultural revival since the 1980s. Today Shanghai is facing the choice to preserve certain memories of the city and to integrate the past into the contemporary life for the purpose of constructing a new modern Shanghai identity. Through various cultural constructions, today Shanghai is claiming a so-called “foreign style” (haipai) urban culture which distinguishes itself from other urban centers in China. This “foreign style” urban culture is claimed to be authentic because foreign influences have permeated every layer of Shanghai’s rich history and left their marks on the city’s urban form and diverse architectural compositions. The linkage between Shanghai and the West, despite a severance of nearly half a century, has transformed into “acquiescent nostalgia, forming the central pillar of the foreigners’ awareness of Shanghai in the 21st century.”

Modernist piles, Art Deco motifs, eclectic styles and postmodern towers all

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make up the grandeur of the city. Historical monuments and heritage such as the Ohel Rachel thus act as the “authentic” record for its pre-eminence in the past and legitimacy for the city’s resurgence today.

After regaining the past, the construction of the Ohel Rachel as cultural heritage then involves the construction of its meaning in the present. Economic reforms entailed de-collectivization in agriculture and the relaxing of state controls in urban productive sectors. These changes gave rise to entrepreneurial experimentation, a renewed emphasis on profit and prosperity, and growing disparities of wealth. Business dealings with the West brought China back into the world market. Cultural exchanges intensified and international tourism rapidly grew. All these new phenomena make up to the state discourses of modernization and civilization that are deployed by the Chinese leaders to distance themselves away from the political chaos of the previous decades. Quoting from Denison and Ren, the construction of Chinese modernity today is through “the performative disavowels” of its own recent past and adoption of the codes of the Western progressive other.\(^{381}\) The Ohel Rachel could be taken as a monument that locates the remembered or imagined past in the present landscape. The restoration and continued usage of the synagogue to serve the present Jewish community in Shanghai symbolizes the revival of a cherished past.

Tourism is an important element that mobilizes the construction of the cultural symbolic of the Ohel Rachel. Dean MacCannell argues in his famous piece *The Tourist* that modern civilization emerges in the mind of the tourist…modern society is intimately

\(^{381}\) Ibid., 34.
linked in diverse ways to modern mass leisure, especially to international tourism and sightseeing. Since the 1980s, Jews from North America had come to big cities of China such as Beijing and Shanghai to travel or to pursue careers in business, journalism, diplomacy, or academic studies. In the 1990s, Jewish communities in Beijing and Shanghai had taken shape with regular services provided and major holidays celebrated. With the tide of more and more Jews coming to China to work and study and Jewish tourists coming to China to visit the old Jewish sites, Chinese government has taken efforts in creating a positive cultural environment for the Jews.

The Shanghai government and Social Science Academy have been heavily involved in the developing of Jewish heritage sites as tourist spots and attracting Jewish investments in Shanghai. Other than the initiative on the Ohel Rachel synagogue restoration project, in 1993, Shanghai government turned the original building of the Ohel Moses Synagogue into a museum. It is now open and receives visitors by the thousands annually. Together with the Tilanqiao Jewish area and other landmark sites built or dwelled by former Jewish residents in Shanghai, they have been packaged into the so-called “Jewish tourism” in Shanghai. Various kinds of organized tours of the Jewish sites in Shanghai could be easily found on the official and non-official local websites. In fact, a Jewish

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Commemoration Park has been built in Qingpu (青浦) under the sponsorship of Shanghai Social Science Academy and opens to the public in September, 2015.\footnote{Shanghai Qingpu District Municipality website. Accessed on April 25, 2016. http://www.shqp.gov.cn/gb/content/2015-09/09/content_757118.htm}

**Tilanqiao Project – A View of the “Old Shanghai”** (Figure 7.)

Since late 2003, the Shanghai Municipality had started its restoration project on Tilanqiao area in Hongkou district. During its initial planning, a Canadian architectural company called Living Bridge expressed its willingness to participate in the project. Israeli ambassador Ilan Maor also offered the support in representing the Israeli government. The reason why this project attracted attentions from overseas is because Tianlanqiao used to be the home of thousands of Jews who fled the Nazi atrocities from Central Europe. That chapter of history in Shanghai comes to be brought into the resurrection of Tilanqiao heritage project.\footnote{According to a Chinese official website, Renmin Wang (人民网), to celebrate the 70 years’ anniversary of the victory of WWII, Shanghai Municipality will apply for Tilanqiao to be listed as a World Heritage Site. The Municipality stated that it is an important project for Hongkou district to protect the “Hongkou memories” of Jewish refugees during the Wartime period. Across the Ohel Moses Jewish Refugee Museum, the White Horse Tavern, and the famous Roof Garden will be all incorporated into the Tilanqiao project. This project is centered on the history of Jewish refugees in Hongkou area. See 人民网 Feb. 4, 2015, the article titled “上海提篮桥犹太街区拟申报世遗” (Shanghai Tilanqiao Jewish Area Planning to Apply for the World Heritage Site).}
In the northwestern side of Tilanqiao on 173 Kunming Road is the over-200-year-old Xiahai Temple, where the history of Tilanqiao began. In 1937 during the Songhu battle of Shanghai, Xiahai Temple was bombed into pieces. In 1941, the temple was rebuilt and expanded with a bridge in front for the visitors. Tilanqiao’s name which literally means “bridge of basket-carrying” thus came from the story that visitors carried their baskets full of incenses and candles and walked through the bridge to visit the temple.  During the Cultural Revolution, Xiahai Temple was closed but then reopened in 1991 after a government supported renovation.

The connection between Tilanqiao and the Jews was recorded in the local history. When Baghdadi Sephardic Jews first came to Shanghai, most of them settled in Hongkou or the north of the International Settlement. Up till the 1920s when the Russian Jews came down to Shanghai, they generally made their home in Hongkou district and opened small businesses in Tilanqiao and Changyang Road. The community set up relief organizations, shelters and sports centers for the Russian Jews. They outnumbered the Sephardic Jews and soon shed more influence on the local society. During the late 1930s under the Japanese occupation, Tilanqiao and South of Suzhou River became the major settlement areas for Jewish refugees from central Europe. Their lives were largely supported by the American Jewish Joint Distribution Committee and the wealthy Sephardic Jewish families in Shanghai. In order to survive, early Jewish refugees who came to Shanghai in the early 1930s also ran various kinds of small businesses such as

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385 Xue Liyong, *Shanghai Zhanggu Cidian (Encyclopedia of Shanghai)* (Shanghai: Shanghai Cishu Chubanshe, 1999).
bakeries, coffee shops or grocery stores. With the support of international and local welfare groups, a functional community came into shape: schools were established, newspapers were published, theaters produced plays, sports teams participated in training and competitions, and even cabarets thrived.

After the outbreak of the Pacific War, many of the British Sephardic Jews were considered enemies and interned by the Japanese. With decreasing donations from the local Sephardic Jewish community and wartime inflations, life for Jews became more difficult. In 1943, the Japanese tightened their anti-Semitic restrictions and issued Proclamation Concerning Restriction of Residence and Business of Stateless Refugees. Jewish refugees were relocated into the one square mile ghetto area in Hongkou district and their economic conditions were even worsened. It was not until September, 1945 when the ghetto was finally liberated. With the establishment of the State of Israel in 1948 and fall of the Nationalist government in 1949, almost all Shanghai ghetto Jews left China.

Because the Hongkou Jewish ghetto was not walled and poor Chinese remained living there, this created opportunities for the Jews to interact with the local Chinese on a day to day basis. According to the local history of Hongkou, on July 17, 1944, when U.S. aircraft was bombing the Japanese communication system in Tilanqiao, fire broke out in the ghetto area. Jews and local Chinese helped each other in putting down the fire and saving each other’s lives. Rena Krasno in her memoir Strangers Always: A Jewish

386 David Kranzler, 491.

Family in Wartime Shanghai also talks about the poor Chinese families in the neighborhood helping out the Jewish refugees during and after this fire. In many of the memories by Shanghai Jewish refugees, they talked about the friendship forged with the local Chinese. Chinese media also tend to emphasize this friendship and feeling of thankfulness from the Shanghai Jewish refugees. For example, an article on Xinmin Wanbao (Xinmin Evenings) on April 14, 2005 talks about a former Shanghai refugee visiting her old home in Shanghai and remembered one Spring Festival her family was invited by her Chinese neighbor for dinner; On August 21, 1998 of Xinmin Wanbao, an article reports former Shanghai Jewish refugee Greenberg visiting Tilanqiao area and saying hello in Shanghai dialect with the local Chinese.

Anyhow, within less than 20 years, Tilanqiao was changed because of the Jewish settlement there. After 1939, seven shelters were set up to provide assistance to the Jewish refugees throughout the city of Shanghai. The largest one, sheltering over 1,000 refugees, was inside lane 138 on Changyang Road. In 1927, Russian Jews established the Ohel Moshe Synagogue which was converted from an old private residency building on today’s 22# Changyang Road. During the Wartime period, it became the religious center for Jewish refugees and served as the head office for Jewish Youth Organization. Zhoushan Road, as the busiest street in Tilanqiao, had ice cream stores, coffee shops, or bakeries. On the east side of Zhoushan and Huoshan Road is the Huishan Park (today’s

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389 See note 21.
Huoshan Park), which became the major open space recreation area for the Jewish community. On 57 Huoshan Road, there was the Mascot Roof Garden Located at the top of the Broadway Theater. It was the most popular gathering place for Jewish refugees. The former site of Cafe Atlantic is located at 127 Haimen Road. It was run by a Jewish refugee, and Jewish musicians were often invited to give performances there. On 416 Tangshan Road was the Communal Association of Central European Jews, the largest Jewish refugee organization in Shanghai. It was responsible for negotiating with the Japanese during the Wartime and repatriating the Jews after the War.

In a word, the restoration and resurrection of the Tilanqiao Jewish heritage project involves the preservation of multi Jewish cultural relics. Other than the physical renovations, through the process of identification, displaying, conservation, reconstitution, adaptation, or commemoration, Jewish heritage is celebrated and elaborated as part of the semi-colonial history of Shanghai. Jews, especially the Jewish refugees, are interpreted as victims of war, and therefore were able to forge an empathetic relationship with the Chinese. This is strongly promoted in the present discourse of Sino-Jewish relations. On the other hand, they also formed functional communities and contributed to the prosperity of the Tilanqiao area during the wartime period.

In 1992, the Shanghai Municipality converted the Ohel Moshe Synagogue into a museum of Shanghai Jewish refugees, which became the center of Tilanqiao Jewish heritage project. Since then, it has received thousands of visitors annually from all over the world. The residential buildings on Zhoushan Road are well preserved in their art-deco architectural style. This street used to be the busiest street in the Jewish ghetto and
settled by a mixture of Jewish and Chinese residents. In Huoshan Park on the south of Huoshan Road, the Shanghai Municipality erected a memorial in 1998 in commemorating of the Jewish refugees in Shanghai. The restoration of the Tilanqiao also involves the commercial development of this area and the promotion of Shanghai as an international metropolis. Different from the restoration of the Ohel Rahel Synagogue, which serves more as a symbolic connection of Shanghai’s modernity between the past and the present, Tilanqiao is a living space where the past has to be integrated into the development of the present. Zhang Yanhua, an architect from Tongji University in Shanghai, studies the urban planning in Tilanqiao that they will combine commercial, entertainment and tourist functions into the planning and reinforce its sustainable development in the future. Tilanqiao will be turned into a modern living community with residential buildings, books stores, galleries, museums, and coffee shops in the metropolis of Shanghai.  

The project started in 2003 by Shanghai Tongji Urban Planning and Design Research Institute (Shanghai Tongji Chengshi Guihua Sheji Yanjiu Yuan 上海同济城市规划设计研究院) with investment from both Shanghai Municipality and foreign companies such as the Canadian Living Bridge. Renovations on many of the old houses on Zhoushan Road, Huoshan Road and Haimen Road started since then. The principle is to combine the historical value with its current commercial potentials. In 2007, funded by Israeli government and many Israeli enterprises in Shanghai, a senior citizen center was also

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established in Huoshan Park. In a word, Tilanqiao project will continue for more than a decade.

**Conclusion**

The search for the past is essential for the maintenance of purposes in the present. The preservation and restoration of Jewish heritage in Shanghai reflects the purposes of present politics and the agenda of economic growth in China. Although Jews generally emigrated out of China since the 1950s, their cultural legacy has been rediscovered and reinterpreted throughout time. In that sense, the connections between the former Jewish “Shanghailanders” and the Chinese have never been broken. The urban space in Shanghai is permeated with social relations and social forces. Memory is naturally place-oriented or at least place-supported. Place trigger memories for insiders, who have shared a common past and at the same time places often can represent shared pasts to outsiders who might be interested in knowing about them in the present. Stories about Jews set in Shanghai and relics physically convey the history of Jews are preserved and promoted as both Jewish and Shanghai’s cultural heritage. They represent individual and collective memories of the Jewish past in the city. They reflect the present politics and the needs of building modernization projects in today’s Shanghai. The instrumentalization of Jewish heritage in Shanghai also illustrates the changing relationship between Jews and Chinese in a new post-Mao era.
Figure 6.


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Figure 7.


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Epilogue

Jewish Community in Contemporary Shanghai & Its Connection with Hong Kong Jewish Community

With the implementation of Chinese economic reforms since the late 1970s, the establishment of diplomatic relations between China and Israel in 1992, and China’s joining of WTO in 2001, Shanghai again became an attractive city for Jews to come and travel, conduct business and settle down for a living. In Chinese official media, this not only entails potential economic benefits but is also regarded as a symbol that Shanghai is once again reconnected with the world. In fact, due to lack of reliable sources, it is very difficult to get an accurate number of current Jewish residents in China. According to the president of Shanghai Jewish Community Maurice Ohana, Jewish population in China has been increasing steadily due to the influx of Jewish entrepreneurs and their families. Since 1990s, there have been many media reports about former Jewish residents or their descendants visiting Shanghai. Media reports tend to focus on those successful Jewish entrepreneurs who brought in the prospects of future investments, trade or other business collaboration opportunities to Shanghai. For example, Shenjiang Fawu Daobao (申江服务导报) on September 29, 1998 reported the visit of Dr. Sam Rehnborg, whose father, Carl Rehnborg lived in Shanghai during the 1920s, and founded the Nutrilite Company in the U.S. in 1934. Rehnborg brought the Nutrilite business into China and became the biggest multivitamin supplement seller. Xinmin Wanbao (新民晚报) published an article on March 27, 1997 about the former Shanghai Jewish resident, the billionaire Shaul Eisenberg’s investment in diamond trading center in Shanghai. On February 7, 1994, Renmin Ribao (人民日报) also complemented on the support of Lawrence Kadoorie to the Dayawan nuclear power plant. In October 2004, former NBA commissioner David Stern visited Shanghai and the Jewish refugee museum in Hongkou. His promotion of basketball in China was complemented in an article on Jiefang Ribao (解放日报) on October 15, 2004.
Shanghai was estimated around 200 in 1998, 500 in 2002, 1,000 in 2005, 2,500 in 2007 and over 3,000 in 2008. Every week, around four Jewish families that settled down in Shanghai would contact him. These Jewish residents are mainly from the U.S., Canada, Israel, Australia, and other European countries. They are comprised of international professionals, businessmen and entrepreneurs of various backgrounds and affiliations. Other than these long-term Jewish settlers, every year, more than 50,000 Jews travel to Shanghai for short visits.

The new Shanghai Jewish Community (B’nai Yisrael) was officially established in 1998 with about 200 people representing more than 15 countries. With the enlarging population in the community, currently there are three community centers including the original community center in Hongqiao, the in-town Jewish center located in Jing’an district, and the Chabad Jewish center in Pudong area. This is an active Jewish community with regular services, Hebrew school, adult education, kosher market and community publications. Because this is a community comprised of Jews from various backgrounds and affiliations, there is a subtle relationship between the Orthodox and non-Orthodox Jewish members within the community.

392 These numbers came from an interview of Maurice Ohana conducted on March 3, 2008 by the Shanghai Social Science Academy. What has to be noted is that these figures usually point to those self-identified Jews who tend to live regular Jewish lives. The number of reform Jews or non-affiliated Jews living or traveling in China might be more difficult to calculate.


395 See their webpage: http://www.chinajewish.org/SJC/index.htm last access date is April 22, 2015.
Generally speaking, the current Jewish community in Shanghai had little connection with the former Baghdadi Sephardic Jewish community in Shanghai. The Sephardi merchants’ interests in China sustained great losses following the Japanese invasion and occupation of Shanghai. After the War, with the outbreak of the Chinese Civil War and the founding of PRC, the Sephardi merchants gradually left Shanghai and transferred their property to Hong Kong and abroad. After 1949, many of them continued to forge ahead, taking advantage of Hong Kong’s position as the main trading channel between China and the West.

Jewish community in Hong Kong was established around the same time of the community in Shanghai by the Sephardic Jewish merchants after the Opium War along with the upsurge of trade with Britain. The Sassoon family first shifted their operations eastward to India and then went on to become the first Jews to establish firms and engage in business in Hong Kong and Shanghai. In 1841, the David Sassoon & Sons Company established its office in Hong Kong. Taking advantage of its connections with the British colonial power, the Sassoon Company soon became successful in Hong Kong and attracted more Sephardies to develop business enterprises in Hong Kong. By 1858, the first Jewish cemetery in Hong Kong was established in Happy Valley, which stood as the symbol of the formation of a Jewish community in Hong Kong.

During the second half of the 19th century, the Jewish population in Hong Kong had little increase compared to Shanghai, which then became the center of Sephardic Jewish life in the Far East. The reason why Sephardic Jewish merchants chose Shanghai instead of Hong Kong as the main locus of their settlement had to do with the more favorable tax
policy in the international settlement of Shanghai and the geographical advantage of Shanghai as a business venue leading to the larger market of mainland China. It was not until 1902 that the first Jewish synagogue, the Ohel Leah, was erected in Hong Kong. In 1909, the Hong Kong Jewish club was founded to serve the active community life. Between 1904 and 1907, Sir Matthew Nathan, a British Jewish descent, served as the governor of Hong Kong. During his tenure, the Jewish cemetery was renovated to serve the expanding Jewish community in Hong Kong. The expansion of Jewish community in Hong Kong also had to do with the arrival of Russian Jewish immigrants from Harbin and Manchuria especially after the Japanese occupation of Manchuria. Their presence had an impact on the changing style of religious services offered within the Hong Kong community.

The Second Sino-Japanese War (1937-1945) was the turning point for the foreign communities in Shanghai. With the outbreak of Pacific War, as enemy aliens, British merchants suffered from huge losses and many Sephardic Jewish merchants were forced to sell their properties and leave China. After WWII, while the political and economic conditions in Shanghai were deteriorating, Hong Kong had been prospering, which attracted Jewish merchants to shift their focus to Hong Kong. The Sassoon Company was an example. The Kadoories also pulled back their business in Shanghai and moved their headquarter to Hong Kong. While the once lively Jewish communities and Jewish enterprises in Shanghai suspended after the political transformations of the city, in Hong

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396 Dennis Leventhal, *The Jewish Community of Hong Kong: An Introduction* (Hong Kong: 1988).
Kong, since the late 1940s the Jewish community had been continuously developing along with its growing economy in post-War era.

During this transitional period, Jewish merchants inevitably suffered from financial losses. The Hong Kong Land Company of Shanghai (later changed its name to The Shanghai Land Investment Company Limited (SLIC), which belonged to the Kadoories, used to be the largest public listed property company owning a large part of downtown Shanghai in the heart of Shanghai’s Puxi district. SLIC owned “27 parcels” of property in Shanghai. Each Parcel was an entire city block composed of some 25 to 30 separate buildings and properties. After the founding of the PRC, the Kadoories and other expatriates fled Shanghai, relocating to Hong Kong. But SLIC was unable to move its assets from Shanghai, except transferring its corporate domicile to Hong Kong and its share listing to the Kowloon Stock Exchange. And finally the Kadoories in Hong Kong became resigned to the total confiscation and loss of SLIC’s assets and out of humane considerations cabled Shanghai giving their consent to their English manager to transfer all the SLIC properties to the Shanghai Municipality.  

397 A businessman Robert L. Meyer wrote a story on October 2009 of Jewish Times Asia (Vol 4/Issue 6) talking about the confiscation and loss of assets of the Kadoories in Shanghai. SLIC remained a worthless dormant company until in 1983 Robert Meyer signed an agreement with Sir Elly Kadoorie & Son. Limited to buy their controlling stake in SLIC and to rename the company First Pacific International Limited (FPIL). After learning the history of the company, Robert Meyer hired a lawyer beginning to file case claiming that the “27 parcels” of properties either should be returned to the Company or fair value paid for them. However, as part of the Sino-British Agreement of 1984, the PRC agreed to set aside 20 million pounds sterling to satisfy claims of British nationals, including Hong Kong companies for the values of properties
In 1949, the Jewish community in Hong Kong under the leadership of the Kadoorie family restored their Jewish club which was destroyed by the Japanese during the War. In 1950, Britain established trade relations with China and revitalized the Hong Kong economy. From the 1960s onwards, Hong Kong’s development as a trade and finance center attracted tens of thousands of foreigners, among them Jews from various backgrounds. They revitalized the local Jewish community and also dismissed the domination of the Sephardic Jewish community in trade and business during previous decades. Since the Sassoons extended their trade network to Southeast and East Asia in the mid-19th century, they had maintained close connections between Hong Kong and Shanghai. Although Shanghai had been the center of Jewish development for over a century, Hong Kong maintained its political stability and continuously radiates its influence to mainland China.

Conclusion

By the end of the 19th century, most Jews in Western and Central Europe and US were concentrated in large urban areas—Paris, London, Berlin, Vienna and New York, for example. For the past two and half centuries, Jewish life has been inextricably bound up with urban society. It was in the city that Jews first faced the challenge of modern life: how to balance their religious and ethnic loyalties with their commitment to the larger society. It was also in urban society that the majorities of 19th and 20th century Jews made
their livelihood, established modern communal and religious institutions, and created
distinctively new cultural forms. Urbanization in early modern Europe was an important
element in the overall process of Jewish “modernization” or “emancipation” that led
away from tradition and toward secularization and assimilation.

Jewish diaspora in Shanghai during the mid-19th century is closely related to the
British colonial expansion in East and Southeast Asia. As a treaty-port, Shanghai’s
distinctive political, social, economic and cultural topography attracted Sephardic Jewish
merchants to extend their diaspora entrepreneurial network to the city and eventually
settle down in there for over a century. Shanghai as a treaty-port offered Jews civic
inclusion, extraterritorial legal status, and a generally tolerant and pragmatic environment.
While through political and social emancipations in the 18th century, Jews in Western and
Central Europe were able to integrate into the societies they lived in, in semi-colonial
Shanghai, Sephardic Jews, taking advantage of the British protection, were able to
integrate into the foreign societies in Shanghai through the introduction of mercantilism.

As a diaspora entrepreneurial community, Baghdadi Sephardic Jews were deeply
involved in the treaty-port system in Shanghai and made the city one of their main
centers of trade. Their economic activities not only focused on trade, real estate and
finance, but also extensively spread in a variety of local industries. Economic
achievements characterized this community the most and Baghdadi Jews generally
confined their interest in trade, finance and industry. However, along with their
economic success, Baghdadi Sephardic Jewish elites also enjoyed high social and
political status in the foreign settlements. Some wealthy Jewish merchants served in the
Municipal Council of the International Settlement or the French Concession. They were actively involved in the political and military affairs of foreign governments in treaty-port Shanghai. At the same time, in order to expand their economic and political interest in China, they built up various social networks both within and outside of the foreign communities, even with local Chinese elites and dominant society. Baghdadi Sephardic Jews’ political activism in domestic and international politics of the country they resided in illustrated their integration into the mainstream society and an alternative path to political emancipation within the context of Jewish historiography.

The examination of the Jewish success story in Shanghai also illustrates the modernization of the city of Shanghai itself. In the scholarly discussions of China’s modern experiences, Shanghai acts as an important loci for the construction of Chinese modernization. Rhoads Murphey’s study Shanghai: Key to Modern China has seen Shanghai as the key link between the agricultural and traditional China and the Modern Western world. In another word, Shanghai served as the model in the modernization of China. Marie-Claire Bergere in her study of Shanghai argues that Shanghai as the model of a modernity is founded upon Western contributions but adapted to the national Chinese culture. Both Murphey and Bergere’s approach is different from the historiography of May 4th movement, which is often presented as a moment of cultural iconoclasm and intellectual enlightenment. For decades, textbooks have taught that May Fourth Movement, with its unqualified acceptance of Western values of science and democracy and its commitment to political activism, ushered in Chinese Modernity. Murphy and Bergere on the other hand, take an alternative approach to the understanding of Chinese modernity. Different from the May Fourth discourse, implicit in their
approach is the argument that modernity was more about business rather than politics, and more material transformation of everyday life than ideas and ideologies.

Studies of Shanghai have always related to the understanding of the ideas on modernity and urban. Scholars of Shanghai see the rise of a new form of urban economy as a concrete expression of relationships between China and West, and seek to determine the nature of this interaction by examining the economic dynamics of the relationship. Within the context of a new economic pattern, enabled in part by the introduction of new technology, there is also an inquiry focusing on the urban culture in Shanghai as a phenomenon of modernity. This correlation between culture and economy were seen not only as the product of Sino-Western contacts, but also, unique to Shanghai. Here the focus is not on the political dynamics between the rural and the urban but more on interactions between China and the West.

The study of Jewish experiences in a non-Western society in the second half of 19th century not only contributes to the understanding Jewish diaspora or Jewish path to modernity but also provides a perspective to examine the local society. By establishing a transnational trade network, bringing in modern management concepts and strategies modeled after other European trading firms, and facilitating the construction of western economic order in the city, Jewish presence in Shanghai had a long-term impact on Shanghai’s modernizing process. Shanghai was a miniature world of international politics. The involvement of Jewish elites in transnational and local politics not only strengthened their own economic interest but also enhanced the establishment of modern political institutions, forming key alliances with leaders and relevant organizations, and
fostering the contacts between the foreign and local Chinese communities. Finally, half a century after the absence of Jewish life in Shanghai, the search for the Jewish cultural heritage in Shanghai illustrates the agenda of using the past to legitimate the present modernization project in Shanghai. In that sense, the Jewish past in Shanghai does not only belong to the Jews who used to live in Shanghai, but more to the Chinese who continue to live their lives in this ever prospering city.
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