

## **The Impact of Colonialism on 19th and Early 20th Century China**

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### **Abstract:**

This essay attempts to critically analyze the overall impact of colonialism on 19<sup>th</sup> and early 20<sup>th</sup> century China. Analysis has been done primarily in the context of modernization theory and world-systems theory in order to get the contrasting views at two extreme levels. In addition, the liberal market approach has also been used to balance the two extremes. It has been noted that several positive influences of colonialism on the Chinese economy and society remained limited within a small area only. Contrarily, the most devastating impact of colonialism had been on the Qing state. The forceful imperialist invasion dealt a major blow to its overall capacity to lead China as a united nation towards prosperity. In summary, this essay argues in favor of an overarching negative impact of colonialism on China.

**Key Words:** Colonialism, Contemporary China, Impact, Modernization Theory, World-systems theory

## 1. INTRODUCTION:

Colonialism first stepped into China after the victory of the British Navy in the first opium war (1839-42). This war is marked in history as the first in which steam-driven ships were used as the main force (Spence, J. D. 2013: 157). By the end of the second opium war (1856-60), colonialism further strengthened its foothold within Chinese territories. The Qing dynasty had to accept a series of humiliating treaties (1842-44, 1854, 1858, 1860) committing to pay an unusually high amount of compensation over the years, and grant sovereign control over the major ports of China in the coastal region. The sovereign control of the treaty ports included rights for the victorious imperialists to trade freely and even to fix tariffs on their own (1854). The treaties of 1858 and 1860 opened doors for the western powers to trade, and extend their influence into the interior regions of China. In 1937, Japanese forces took control of the entire country. Colonialism in China, which initially started in only a few treaty port areas during the 1840s, gradually expanded over time and continued for more than a century, finally to end in 1945 after Japan was defeated in World War II. What was the overall impact of colonialism on China? Was it bad? Was it good? Was it both, i.e.; a mixed impact? This essay will try to find the answers to these questions systematically. It will be done primarily in the context of modernization theory and world-systems theory to get contrasting views at two extreme levels. Initially, both theories will be discussed in brief after which the ongoing debate regarding the impact of colonialism on 19<sup>th</sup> and early 20<sup>th</sup> century China will be briefly discussed. The main part of the essay will attempt to critically analyze the impact of colonialism in three parts, namely; a) on the state, b) on the economy, and c) on the society. Finally, some concluding remarks will be made at the end of the essay.

## 2. OVERVIEW OF MODERNIZATION THEORY

Modernization theory combines naturalism and rationalism to hold biological, sociological, cultural and political aspects in addition to neoclassical view of economic growth (Peet and Hartwick 2009: 122). The theory, often criticized for being excessively pro-west, divided the world into two distinct parts, a) the modern world (the west) and b) backward peripheries (the rest of the world). According to Modernization theory, the modern world (west) will show the backward peripheries the appropriate path towards modernization. Therefore it sees nothing wrong in powerful modern countries pursuing expansionist policies to intrude into other territories to acquire colonies. In his book titled 'Development Theory: An Introduction', P. W. Preston pointed out the fact that the expansion of colonialism during the 19<sup>th</sup> century involved the noble mission of spreading civilization in the backward peripheries of the world (Preston 1996: 147).

## 3. OVERVIEW OF WORLD-SYSTEMS THEORY:

World-systems theory is highly critical of the ever exploitative nature inherent within the capitalist world-economy. Immanuel M. Wallerstein proposed this theory on the philosophical and theoretical foundation of Marxism. He divided the modern world into three economic zones: core, periphery and semi-periphery. The core consists of countries producing higher value core-like products, the periphery consists of countries producing lower value peripheral products and the semi-periphery consists of countries producing a mix of core-like and peripheral products. Core-like products can generate higher profitability due to quasi-monopoly or oligopoly situations created for them whereas peripheral products can only generate nominal profitability due to highly competitive market situations. World-systems theory views the relationship between core, periphery and semi-periphery as exploitative. When exchange occurs, core states receive more value for their products while peripheral states receive very less. As a result, there is a constant flow of surplus value from peripheral states to core states owing to the unequal exchange (Wallerstein, I. M. 2004: 28).

#### 4. THE ONGOING DEBATE:

For many years, there has been an ongoing debate on whether the impact of colonialism on China was positive or negative. There has not been much of an agreement between the competing sides of the debate and scholars could not so far reach any consensus on this issue. Let us see what each of the sides has to say in support of their respective positions.

Proponents of modernization theory argue that colonialism in China was a blessing in disguise and had a major positive impact on the country's overall development. In their view, without colonialism all the positive changes could not have taken place there. The Middle Kingdom would have been in isolation for many more years and might have remained in some form of 'Dark Age' without the timely imperial intervention. Among the proponents of modernization theory, the most prominent scholar on China is John King Fairbank. He holds a very positive view regarding the western invasion and therefore writes, "For better or worse, the treaty ports remade Chinese life. Through them flowed western goods, people and ideas (Fairbank, J. K. 1964, c1953: 3)." Fairbank, at the same time, is very critical of China for not being able to take enough goodness from the west. Therefore, he describes the Chinese social and political system as a 'handicap' (ibid., p. 3).

Contrarily, the proponents of world-systems theory and the supporters of Chinese traditional views oppose the above mentioned overall positive view of modernization theory by pointing out the overarching negative impact of colonialism in China. Esherick writes, "...imperialism produced economic, social, and political disruptions, distortions and instability of such a nature as to make successful modernization of any bourgeois-democratic variety impossible (Esherick, J. 1972: 11 cited in Nolan, P. 1993: 37)." Esherick's statement reflects the extreme view held by world-systems theorists. According to them, whatever good things colonialists claim that

they did were around the treaty port areas, a very small area in the context of China's huge geographic mass.

Advocates of the liberal market approach present a view which is relatively newer and do not fall into either side of the above two extremes. They argue that the overall impact of colonialism on 19<sup>th</sup> and early 20<sup>th</sup> century China was not as bad as it had been portrayed by the world-systems theorists. They also claim that there is sufficient evidence available to prove that the forceful incorporation of China into the world economy did not cause the country's 'underdevelopment' or 'deindustrialization' (Nolan, P. 1993: 51). They highlight the inevitable role of market forces and present historical data, e.g.; per capita income, GDP growth rate, population growth figures, farm output, factory output etc. in order to justify their view.

## 5. IMPACT ON THE STATE:

The most devastating impact colonialism had on 19<sup>th</sup> and early 20<sup>th</sup> century China was on the Qing state. During the colonial era, the Qing state became politically, administratively and financially too weak to function as an effective government to lead the country towards a positive direction. Due to humiliating defeats against imperialist powers, the legitimacy of the Qing state as a capable regime to protect its citizens, sovereignty and national interest became a serious question mark in the eyes of the Chinese people (Nolan, P. 1993: 38). This issue of ruined legitimacy had left serious political repercussions for the Qing dynasty with regards to leading China as a united nation. The military and administrative power of the state was shattered due to successive wars against imperialist powers and a series of domestic rebellions. The victorious western powers imposed a series of unequal treaties on the Qing government creating treaty ports as safe heavens for foreigners challenging the ultimate sovereignty of the Chinese state. Over the years, the number of treaty ports increased from five to as high as 48 by the end of 1913, creating a vulnerable state with severely fragmented sovereignty (*ibid.*, p. 45). Foreigners were allowed to live in selected Chinese territories, having the right to manage their own affairs by establishing foreign-controlled municipal governments leading to a degree of extraterritoriality (Wong, R. B. 1997: 154).

The desperation of the Qing government to collect additional revenue to meet the enhanced requirement of indemnity payment caused widespread dissatisfaction among their subjects, especially among the peasants. As a result, various rebellions sparked in different parts of China during the early years of the colonial era. Particularly, the Taiping rebellion (1850-64), Nian rebellion (1851-68) and Muslim rebellion (1867-73) continued for many years causing major setbacks for the domestic law and order situation. The Qing dynasty had to devote much of its time and resources in dealing with these rebellions in order to maintain stability and discipline within the empire. Therefore, the weakened Qing government could not pay due attention to the issues of governance and development in China. Nolan points out this deficiency of the Qing state and argues that it was supposed to provide peace and unity and act in a number of important areas which included protecting and promoting large and infant

industries, and supporting the development of education, agriculture, communication etc. which it was unable to carry out successfully (Nolan, P. 1993: 52). Besides financial constraints, the Qing central government's capacity was also restrained by its bureaucracy that was based on an 18<sup>th</sup> century mind-set. This old-fashioned bureaucracy did not have the capacity to transform China's economic infrastructure into one that could be suitable for the 19<sup>th</sup> century (Wong, R. B. 1997: 157).

Moreover, the payment of the huge monetary compensation or indemnity to imperialist forces caused severe resource constraints on the central government's aim to undertake appropriate developmental initiatives. Most of the collected revenue had to be used at that time to suppress domestic rebellions and also to pay the huge amount of indemnity commitments to various imperialist powers. Indemnity commitments to Japan alone were equivalent to the Qing government's entire annual receipt. Boxer indemnity commitments to various foreign powers were even higher, equivalent to one and half times the annual receipt of the Qing government (Wong, R. B. 1997: 157). Therefore, it became too weak, financially, to sponsor projects and activities in the areas of education, infrastructure build-up, agricultural research and extension etc. (Nolan, P. 1993: 51). By the end of the 19<sup>th</sup> century, the Qing government's revenue stood at as low as one to two percent of the GNP which is considered to be too low for a government to be able to afford any development activity (Perkins, D. H. 1967: 487 cited in Nolan, P. 1993: 50).

## 6. IMPACT ON THE ECONOMY:

Colonialism had left a mixed impact on the Chinese economy. Some affected it directly while others were indirect in nature. In this section, we shall critically evaluate some of the claims and blames related to the impact of colonialism on the Chinese economy, coming from all three sides of the ongoing debate.

Did China's economy experience positive growth during the colonial era? Yes, data suggests that it did. During the early 20<sup>th</sup> century, the economy had been witnessing a trend of positive growth. However, it was growing at a relatively slower pace. Scholars like Swamy, Perkins and Rawski differ on the estimated figure of China's growth rate and report per capita growth rates ranging from 0.4 percent to 1.4 percent per annum (Nolan, P. 1993: 36). In case of population, China grew by 0.3-0.5 percent between the 14<sup>th</sup> and the mid 19<sup>th</sup> century, by 0.5 percent during 1873-1913 and by 0.7-0.8 percent during 1914-1940s. The availability of modern medicines & health services from the west and improved food distribution may have contributed to the higher growth rate of China's population (Perkins, D. H. 1969: 214 cited in Nolan, P. 1993: 32). During the colonial era, the agricultural sector grew consistently, keeping pace with population growth. Farmers moved to crops giving higher yields or generating higher income from the same amount of land, and the demand for agricultural exports rose during the colonial era (Nolan, P. 1993: 33).

Until 1840, the Chinese government was not very welcoming to the idea of foreign trade. After the 1<sup>st</sup> opium war, imperialist powers forced the Qing state to open up a number of Chinese ports to foreign trade. Over time, the number of treaty ports increased, helping further growth of foreign trade. The value of China's foreign trade increased approximately five times from the year 1870 to 1913 (Feuerwerker, A. 1968: 51 cited in Nolan, P. 1993: 32). The Qing government's attitude towards foreign investment was also very negative. They did not authorize its legality until the end of the Sino-Japanese war of 1895. It grew from US\$ 503 million in 1902 to US\$ 2682 million in 1936 (Feuerwerker, A. 1977: 94 cited in Nolan, P. 1993: 32). Had they been more open to it, foreign investment might have grown to a much higher level.

During the colonial era, China witnessed the introduction of modern machinery-based industrialization. However, it was featured by a limited number of factories, smaller-sized factories, and smaller-sized machinery and was not a massive type of industrialization, overall. Up to 1913, only about 700 modern factories and mining enterprises were set up in China using small-sized machinery (Perkins, H. D. 1975: 118 cited in Nolan, P. 1993: 33). Of course, after 1913, modern industries expanded in China and took a sharp rise after World War I to continue for a period of modest growth until the break-out of the Sino-Japanese War in 1937. But this trend of industrialization did not turn into an industrial revolution like the one that occurred in Europe. The production output of modern industries could not exceed the output of the traditional handicraft industry. Even during the mid-1930s, the total value output of native handicrafts was more than three times that of the modern machinery-based industries (Feuerwerker, A. 1977: 9 cited in Nolan, P. 1993: 34).

Modern machinery-based industries could not flourish enough to bring about an industrial revolution. All other economic downturns and negative effects in colonial China could have been offset with the occurrence of a massive scale of industrialization. Why did China not have that during the colonial era? The Qing government's unwelcoming attitude to modern industrialization was probably one of the reasons. They did not legalize the establishment of modern machinery-based industries until the end of the Sino-Japanese war of 1895. They were probably scared of further foreign invasions through those industries and the associated foreign investment. The aggressive attitude of colonial powers may be held partly responsible for this type of behavior. Moreover, the lessened capacity of the Qing state due to the prevailing fragile conditions was also one of the main reasons for China not having a massive scale of industrialization.

It is true that China's traditional handicraft industry could not keep pace with its rival modern machinery-based industries during the colonial era (Nolan, P. 1993: 36). It was partly due to the competition posed by some of the cheaper products produced efficiently at the newly established modern factories. For instance, the market of cotton yarn, once dominated by China's indigenous handicraft industry, had been taken over by modern textile mills. But this could not bring an end to the handicraft industry prevalent in the textile sector which

alternatively moved to the production of cotton clothes by using the yarns produced at their rival textile mills (*ibid.*, p. 34). Eventually, it also started producing new products like soap, cigarettes, matches, bean oil etc. depending on its competitive advantage (*ibid.*, p. 35). The native handicraft industry thus adjusted itself against the new competitive scenario posed by newer market conditions and maintained its existence throughout the period of colonialism. China was a major tea exporting country until the imperialist invasion and Chinese tea was very popular and highly sought after all over the world. But during the early 20<sup>th</sup> century, tea exports from China started declining gradually. This was due to the increased competition posed by better quality branded tea products from the plantations in British colonies in South Asia like India and Sri Lanka (Rawski, E. S. and Rawski, T. G. 2008: 1). Silk was another major export item of the country. Chinese silk had a very good reputation and high demand throughout the world. Almost all the royal families of Europe, Asia, the Middle-East and other kingdoms of the world were fond of Chinese silk products. During the 1920s – 1930s, China started losing its market share to higher quality silk products from neighboring Japan. This was mainly due to better quality control techniques used in the silk production process there (*ibid.*, p.1). One of the finest inventions that China can boast of is porcelain. Unfortunately, Chinese manufacturers could not develop their porcelain products keeping pace with their European counterparts. Against higher quality porcelain products from Europe, the Chinese porcelain industry also lost its market share rapidly (*ibid.*, p. 1). So it is evident from the historical data that for the three sectors mentioned above, colonialism in China had no direct negative impact to cause the declines.

Some argue that local businesses and industries in colonial China were adversely affected by the competition posed by foreign firms. Historical evidence suggests otherwise. Even during the early 1930s, foreign owned factories produced only 35 percent of the gross total value of output and Chinese-owned factories continued to produce the lion's share of modern factory output (Hou, C. M. 1965: 129 cited in Nolan, P. 1993: 45). In 1931, sector wise foreign investment in China accounted for 15 percent in the manufacturing sector, 24 percent in transport, 19 percent in import-export, and 14 percent in real estate (*ibid.*, p. 16 cited in Nolan, P. 1993: 46). Foreign investment in manufacturing was geographically limited to the treaty port city areas only and the Qing government did not legalize it fully until the end of the Sino-Japanese war of 1895. Moreover, foreign investment in China was mainly limited to some non-manufacturing sectors like railway, modern mining, modern shipbuilding, etc. where large capital requirements, advanced technological know-how, and overseas contacts / market knowledge constrained participation by Chinese businessmen. Foreign capital in China directly or indirectly controlled over 90 percent of railway, 80 percent of modern shipping, 100 percent of iron ore mining, 80 percent of modern coal mining, and almost 100 percent of export-import business up to the early 20<sup>th</sup> century (*ibid.*, pp. 127-128 cited in Nolan, P. 1993: 46). Railway

could not expand into China's interior due to continuous resistance from the Qing government. This resistance may be attributed to the government's fear of losing control over the rest of China because of further foreign intrusion. So the argument of the crowding-out effect of foreign firms on local Chinese businesses and industries is not supported by historical evidence.

## 7. IMPACT ON THE SOCIETY:

After the forceful imperialist invasion, Chinese society, for the first time, came in close contact with western civilization. Western ideas and concepts in the areas of religion, education, science, philosophy, way of life, cultural nuances etc. flowed rapidly into the Chinese society. Christian missionaries played an important role not only in spreading Christianity as a religion but also in helping to transform Chinese society in many ways by setting up schools and hospitals and introducing a number of social reforms. Missionaries established some schools and colleges in and around the missionary stations to provide a western form of education mainly to the children of foreigners residing in Chinese port cities and to newly converted Chinese Christians (Cohen, P. A. 1978: 549). They also set up a number of hospitals to provide health care services (*ibid.*, p. 548). Missionaries played an important role in improving the status of women in the Chinese society and bringing an end to the age-old tradition of foot binding of Chinese women (*ibid.*, p. 582-83). In fact, one of the major rebellions, the Taiping rebellion, was highly influenced by the missionary-based moral teachings, western values and ideals (*ibid.*, p. 551). The western type of modern education system was also introduced in China during the colonial era. The incorporation of mathematics, science, geography and other important elements of knowledge into the syllabus and the publication of standardized text books by protestant missionaries for their schools and colleges was a major success in developing the education sector in China (*ibid.*, p. 577). Medical science in the country also benefited largely from access to the modern concepts of anatomy, physiology, surgery, diagnosis etc. from western missionaries during the colonial period (*ibid.*, p. 575). Many classic books were translated to Mandarin which allowed the Chinese scholastic society to come across the advanced thinking of western society on various areas of knowledge. Imperialist invasion brought along many people from the west to China's treaty port areas, many of whom contributed in developing some of China's underdeveloped areas. Some started publishing newspapers and magazines, some translated books, some became entrepreneurs and some went on to establish hospitals to serve the Chinese people (*ibid.*, pp. 548-49). The transfer of modern technology was another major contribution of colonialism for 19<sup>th</sup> and early 20<sup>th</sup> century China. Industries with modern, efficient machinery and businesses set up by westerners had a demonstration-effect on Chinese society (Fairbank, J. K. 1964, c. 1953: 6). Most of the things mentioned earlier helped the Chinese society to transform itself into a more modernized one. Fairbank refers to this transformation process as a 'metamorphosis' of the Chinese society happening through flows of people, goods, and ideas from the west (*ibid.*, pp. 3 & 6). Metamorphosis probably sounds a little overstated for the above mentioned transformation process. The process did not have a substantial impact to a wider extent due to its limited



presence within the tiny zones of the few treaty port cities and the adjacent areas to missionary stations. The larger part of Chinese society, however, remained far outside the influence of this transformation process. Had it been prevalent throughout China, the term 'metamorphosis' used by Fairbank could have been more acceptable to all.

## 8. CONCLUSION:

From the above analyses, it is evident that colonialism impacted 19<sup>th</sup> and early 20<sup>th</sup> century China both directly and indirectly, with mixed results in different sectors. The Chinese state was heavily affected by the forceful imperialist invasion that dealt a major blow to its overall capacity to perform its due role in leading China as a united nation towards prosperity. This essay views this as the most devastating impact of colonialism on 19<sup>th</sup> and early 20<sup>th</sup> century China. Historical evidence does not support the argument that colonialism had any kind of direct negative impact on the Chinese economy. Instead we can see that colonialism had some direct positive effects on the Chinese economy in terms of introducing modern machinery-based factories, railways, steam ships, modern mining, foreign trade etc. However, all these benefits were limited to a smaller area only and could not pervade throughout China as a whole. Colonialism also brought in many positive influences on the Chinese society through the introduction of a modern education system, modern technology and know-how and so forth. But these positive influences were also limited to a few treaty port cities and the adjacent areas to a number of missionary stations. Finally, this essay would like to argue in favor of an overarching negative impact of colonialism on China. If the transfusion of positive changes could have happened peacefully without an imperialist invasion, China could have probably avoided most of the repercussions as mentioned above in some of the earlier sections. If the good things like technology, know-how and modern education from western countries could have been transferred to China through some form of exchange mechanism in an amicable way, the country could possibly have caught up with the so called 'modern world' much earlier and could have even surpassed them. Moreover, with a strong government in the center and the nation united under a benevolent capable government, the prosperity of the Middle Kingdom would not have been that difficult a proposition. The civilization which had invented paper, tea, silk, porcelain, and built the Great Wall, could have possibly done more without any forceful intervention. The glorious past of ancient and pre-modern China, and the visible success of today's China both support the above mentioned 'could have been' possibilities.

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