

10 The Emerging Economic World Powers

A frequent lament in Great Britain in the 1890s was that, in the past, the British had virtually monopolised China trade and that now others were demanding their share. British business circles bewailed the progress other nations were making and were inclined to accuse the British government of apathy, of not doing enough to promote and protect British commerce in the Far East. Sometimes such observations went hand in hand with complaints about trade protectionism by other powers in their colonies and protectorates and the subsidies that foreign governments, those of France, Germany and Japan, gave to railways, shipbuilding and shipping lines. Another practice foreign competitors were accused of was undercutting prices, and offering products inferior to those produced by the British, which sold well precisely because they were cheaper.

At that time, Great Britain was still by far the dominant commercial force in China trade, at the close of the century still responsible for two-thirds of China trade; but new rivals had appeared (Curzon 1896: 281; Chambre 1898a). The United States and Germany were looking for markets for their surplus industrial products (and in the case of the United States also agricultural ones, cotton being among the most important), their politicians and economists – and likewise their British colleagues – reflecting on what winning or losing markets meant for domestic employment and prosperity. In both countries, however agitated some of their businessmen and politicians might become about China's commercial prospects and its Open Door, from a general perspective trade with China only played a minor role, amounting to a tiny percentage of total foreign trade (LaFeber 1998: xxvii, 301; Wertheimer 1913: 71; Conrad 2008). Both the United States and Germany, and also Great Britain, had to deal with increasing economic and political competition in China from yet another newcomer, Japan, which had the obvious advantage of proximity.

Germany's world politics

The first new economic power to make its mark was Germany, making the transition from an agricultural to an industrial nation in the last decades of the nineteenth century. The change was accompanied by a desire to manifest itself, not only in Europe but also in the wider world. One of the champions of such a new German role was Wilhelm II, who since he had

ascended the throne in 1888 had enthusiastically endorsed the transformation of the country from a continental inland power into a nation with world ambitions. The prestige of Germany and its Emperor had to be enhanced. Germany should become a world power. In 1897 *Weltpolitik*, world policy, became the aim, giving the acquisition of overseas possessions and the delineation of spheres of influence a new impetus; not only contributing to international complications in Samoa, but also in China and the Philippines. As in Bismarck's days, conflicts over colonial affairs with other powers were the result. And, again as in Bismarck's days, Wilhelm II tried to exploit Great Britain's tense relation with Russia and France to further German interests. Or, as it was phrased in a memorandum from the German Foreign Office in 1895, he wanted Germany to react in such a way that 'when the moment arrives when England absolutely needs us and begs for help, we can exact proper payment, and if a conflict takes place without our being involved in it, we can take what we want ourselves'.¹

Wilhelm II might have had great plans. When he saw off troops on their way to China in December 1897 he impressed upon them that their expedition was just the first step of the tasks Germany had set itself overseas, and that the stunning development of German trade made it his duty to give Germans abroad the protection they wanted him and the Empire to give them (Weicker 1908: 39). *Weltpolitik* was fully supported by Prince Bernhard Heinrich Karl Martin von Bülow, between 1897 and 1900 Minister of Foreign Affairs and Chancellor from 1900 to 1909. Bülow wanted to do away with the country's 'tepid and vacillating policy in the Far East'.² Germany, he would explain in the Reichstag in December 1899, had been drawn into world politics by the 'rapid growth of its population, the unprecedented flourishing of its industry, the thoroughness of its merchants and the enormous vitality of the German nation'.³ To some British alarmists at that moment, and there were many, Germany had already grown into an enemy to count with, also in Asia. One of them, Pickering (1898: 267), was even sure that Germany, motivated by what he described in a letter to the *London and China Telegraph* in 1897 as its 'insane jealousy of England', would eventually annex the Netherlands in Europe and its colony, the Netherlands Indies, in Asia. Should this happen, then the British in Asia would be encircled 'by

1 Memorandum German Foreign Office 20-2-1895 (www.mtholyoke.edu/acad/intrel/gerchin.htm).

2 Wilhelm II to Bülow 7-11-1897 (E.T.S. Dugdale, German Diplomatic Documents, Vol III, The Growing Antagonism, 1898-1910; www.mtholyoke.edu/acad/intrel/dugdale/Kiao-Chou.htm).

3 Germanhistorydocs.ghi-dc.org/pdf/deu/608_Ungeleicher%20Vertrag (accessed 3-1-2011).

Russia on the north and west, by France on the east, and by Germany on the south, east, and south-west' (Pickering 1898: 261).

Even in the spiritual sphere there was a special role to play, providing powers and their governments with a prestige they might be in want of in other fields and sometimes also with a motive to act. Not only did commerce follow in the wake of missionaries, so, at times, did the flag. One of the additional responsibilities Russia and France had taken upon themselves, and at times used as a justification to interfere in internal affairs of weaker nations, was that of protector of Christians living amidst Muslims and heathens. As early as 1853, and only months after Napoleon III had been crowned Emperor of France, a conflict between France, Russia and Turkey over the protectorship of Christians and the Christian holy places in Palestine had been at the root of the Crimean War. Among the other regions where France claimed such a role was China and its vassal states, a country to which foreign missionaries, Protestants and Roman Catholics, of many nations, among them Britons, Frenchmen, Americans and Germans, had flocked to spread the Gospel. Germany could hardly accept such a French role for its own Roman Catholic citizens, and in 1875 the German government made it clear that 'it recognised no exclusive rights of any protection of any power' of German Roman Catholics in the East. If necessary, Germany would take on such an obligation itself.⁴ In 1890 actions matched deeds. This happened after the German minister in Beijing, Max von Brandt, had suggested that one way to counter a growing French influence in China and Southeast Asia was to take on a more active role in the religious field. Brandt's idea appealed to Wilhelm II. He reacted positively to a request by Johann Baptist von Anzer, the German bishop of the southern Shandong (Shantung) vicariate in north eastern China, the region where German missionary activities were concentrated (Chambre 1898a: 440). Anzer was an ideal partner for a more forceful German stand in China. He was, as one German author described him, a man with a 'warlike mind', a person it was easy to imagine with 'a cross in the one hand and a naked sword in the other, of whom it would not have come as a surprise when below his bishop's garb all of a sudden a shining cuirass would have become visible' (Weicker 1908: 58). Opting for Germany suited Anzer and the other Steyl missionaries, 'aggressive nationalists' and 'aggressive proselytisers' as they were, to use the words of Esherick (1987: 80). After lengthy negotiations with Rome, Wilhelm II took on the protectorship of the German Roman Catholic

4 [en.wikisource.org/wiki/catholic_encyclopedia_\(1913\)/protectorate_of_missions](http://en.wikisource.org/wiki/catholic_encyclopedia_(1913)/protectorate_of_missions) (accessed 14-7-2010).

Steyl Mission of the Society of the Divine Word (SVD). He valued his newly found status greatly. Bishop Anzer was presented with a royal honour once the protectorship was a fact.

Germany's ambitions were made possible by a rapid economic and industrial growth, which allowed Germany to emerge as one of the leading economic nations in the world, overshadowing Great Britain in a number of sectors of the economy, and reducing the gap in others. In the mid-1880s, when coal mining and the iron and steel industry experienced a boom, Germany became one of the major coal and steel producers in the world. It would also take the lead in the chemical and electrical industries and in the production of precision instruments and optics. By 1914, Germany would be 'the European frontrunner in chemicals, the world leader in electrical goods' (Blackbourn 1997: 331). All this made Germany's share in world trade increase markedly; its advance only being surpassed by that of the United States (Blackbourn 1997: 330). It also meant, however, that China remained insignificant when aggregate Germany export figures are considered, its market – an exception being armaments – not yet ready for the high-tech products the Germany producers excelled in (Wertheimer 1913: 71).

The growth of merchant shipping and shipbuilding made the German Empire a seafaring nation of importance. Not just increase in trade had contributed to this. Berlin's colonial policy and its suspicion of Great Britain were equally important factors. The German overseas possessions and business enclaves should have their own sea connections with the motherland. To become independent of Great Britain at sea, and eventually to rival it, the creation of shipping lines to Africa and the Pacific to take care of the country's intercontinental freight and passengers traffic were crucial. Granting financial support to establish such lines became one of the cornerstones of Bismarck's colonial policy in the middle of the 1880s. Once he had turned in favour of acquiring colonies in Africa and the Pacific, Bismarck submitted to the Reichstag a plan to create new German steamship lines. At that moment, in 1884, the Hamburg-Amerikanische Paketfahrt Aktien-Gesellschaft, better known as the Hamburg-Amerika Linie (founded in 1847) and the Norddeutscher Lloyd (founded in 1857), sailed from Hamburg and Bremen to the United States, but there were no regular German lines to the Far East, Australia and Africa. In view of the growing commercial interests in those parts of the world, and in anticipation of the opening up of China to foreign investment and trade, Bismarck aimed to fill the gap. The new lines should provide Germany with its own freight and passenger connections with distant parts of the world, competing with existing ones, in particular those British-owned. Bismarck asked permission

from the Reichstag to subsidise three such lines. One to Singapore as the main port of destination with onward connections to Hong Kong, Shanghai, Korea and Japan; one to Australia with a sideline to call at Tonga and Samoa; and one to Africa. With these shipping lines, German mail, freight and passenger traffic no longer had to use foreign mail steamers and freighters. An additional argument in favour was that German shipping lines would allow for communication independent of the goodwill of other countries between Navy Command in Berlin and the German warships sailing the Pacific or the coast of Africa, where such warships had become an indispensable tool in backing up German presence (Koschitzky 1887-88 I: 256).

Bismarck expected that his proposal would fail to gain a majority in the Reichstag. There was too much opposition by members who were said not to understand what was wrong with sending German freight along with British vessels or who recoiled from the financial risk of a subsidy (Koschitzky 1887-88 I: 258-60). Those in favour stressed trading prospects. Among them was H.H. Meijer, founder and director of the Norddeutscher Lloyd, who expected that the opening up of China would result in a rising demand for railway materials and other industrial products. He also suggested that the liners should be constructed in such a way that, with some adjustments, they could serve as auxiliary warships (as some would later in World War One) (Koschitzky 1887-88 I: 260). To get what he wanted Bismarck indicated that he was prepared to settle for a compromise, and that of the three lines proposed, that to Africa was the least important. Vital were those to East Asia and Australia, the second one especially in view of the German interests in Samoa. Two lines it would be. In April 1885 the Reichstag agreed to those to the Far East and Australia.

The subsidy to create the new lines went to the Norddeutscher Lloyd. One of the conditions demanded by the government in return for its money was that, when necessary, the mail boats should be available for the transportation of troops. The first steamer of its East Asia line to sail was the SS *Oder*. In June 1886, its departure from Bremerhaven was 'marked by a patriotic demonstration, attended by representatives from the highest Imperial and Bremen governing bodies, the Chinese Minister in Berlin, and numerous members of the Federal Council and the Reichstag' (Taylor 1908: 201). The following year the Australia line was initiated. From Sydney there were connections to Japan via Hong Kong and to New Guinea. In addition, there was 'an excellent service of small steamers plying among the lovely islands of the South Pacific' (Taylor 1908: 201).

The German liners became an object of pride. They earned admiration at home and abroad. Colquhoun (1902: 226) wrote that the (British) Peninsular

and Oriental Steam Navigation Company (P&O) with its 'high prices, limited accommodation and ... scant courtesies' could not stand comparison. Also, the British Commander, Basil Taylor (1908: 201), praised the 'excellent service' maintained by the Norddeutscher Lloyd 'between Europe and all the chief ports east of Suez'. He noted that the growth of the company had 'been due to the care exercised in seeing that passengers lacked no comforts' and that by the mid-1890s the vessels designed were of 'the best type of steamer for the tropics'. The Hamburg-Amerika Linie, which opened a service to the Far East as well, earned similar praise. In 1908 one British author wrote how the Hamburg-Amerika Linie, 'by careful navigation, strict discipline, efficient organisation, and constant effort to promote the comfort and convenience of their patrons ... grew and prospered year by year', becoming 'one of the greatest steamship companies in the world' (Wright and Cartwright 1908: 466). German ocean-going steamships were also faster than other commercial vessels in the world; between 1898 and 1907, holding the Blue Riband, the award for the passenger liner crossing the Atlantic in record speed. To the alarm of the British Admiralty, such German liners sailed faster than the British cruisers (Massie 1993: 493). It was not only a matter of speed and comfort, but also of prestige. As one member of the House of Lords exclaimed: 'Our mail steamers show the flag in distant harbours. They create an influence similar in kind and scarcely inferior in degree to the visits of warships'.⁵

By 1886 the German community in the Far East was already large enough to warrant the publication of a German newspaper, *Der Ostasiatische Lloyd*. Its first edition appeared in October of that year in Shanghai; a port city in which, according to a travel guide from 1905, the German position in the foreign settlement was 'influential' (Darwent 1905: 166). A similar remark can be made about the second centre of China trade, Hong Kong. In Hong Kong the German community, Bickers (2012: 310) notes, was 'socially and commercially prominent'.

The German accomplishments impressed many, whether they were British, French, Americans or Chinese; all praised the entrepreneurial spirit of the Germans and their work ethic. In Great Britain there was some soul-searching about what the Germans did right and the British did wrong. The answer was inspired by a mix of awe, fear of losing out on a competitive market, popular perceptions and actual observations. As early as 1875, the *Brisbane Courier* (6-8-1875) noted that German products

5 Lord Brassey in House of Lords 8-7-1902 (hansard.millbanksystems.com/lords/1902/jul/08/merchant-cruisers-in-the-navy).

were cheaper than British ones and that German merchants accepted lower salaries than their British counterparts. Competence was mentioned as another distinctive trait of German trade. The Germans who came to the Far East were said to be able to speak one or two foreign languages, this in contrast with the 'sturdy antipathy to speak any language but their own' of the British and the Americans (Colquhoun 1902: 377). Also praised was the fact that Germans who came to China were well-trained for their job. They could 'compete successfully with men from England, who however accomplished in a classical sense, may not have been designed and prepared for commerce from their youth, as their German rivals have'. At the turn of the century, members of a British trade mission to China were impressed by the German firms in Hong Kong and Shanghai, which were often small and lacked capital, but took away business from the British 'by assiduous attention to business, by never neglecting the smallest opening, by working long hours for less money and commissions than Englishmen in the East are willing to do' (Neville and Bell 1898: 209). Other British qualifications included 'Teutonic thoroughness' and 'plodding perseverance' (Cartwright 1908b; Colquhoun 1902: 376). Around the same time, a former American commissioner to China, William W. Rockhill, praised the aggressiveness of German commerce. They had their agents look for markets everywhere. It was an example Americans should follow in China (Lawton 1912: 1261). In Korea, where the German trading interests were small, it was similarly noted that the Germans working there were 'throughout familiar with the Korean language', which seemed to 'illustrate very admirably the methodical system upon which German commerce in the Far East is built up' (Hamilton 1904: 166). The French also wrote with admiration and probably also with a bit of envy about the German spirit of enterprise and perseverance (Chambre 1898a: 189; Grupp 1980: 68).

Incompetent British consuls, insensitive to mercantile interests, got part of the blame, as did the dexterity of the competition. Going into matters of international politics as well as trade, Pickering (1898: 258), in a letter to *The Times* in April 1895 tried to impress upon its readers that 'France will coquet with Russia to spite us, and Germany can do nothing but act as a cuckoo, and place her young ones in the nest of the other powers, so that they may make money out of our markets and undersell us'.

Germans themselves would mention 'hard work and nerve' to explain the success of their overseas business ventures (Weicker 1906: 171); but over time they also had to come to terms with the facts that not all went as smoothly as they had hoped. In 1913 the German author Wertheimer (1913: 73) observed that British and American products in China were cheaper

than the German ones, and better geared to local demands. Wertheimer (1913: 76-7) does praise the 'fresh energy' and zest for work of the German merchants in the Far East, but criticises them for not being innovative, for just copying what others also already did.

The German commercial advance commented upon was unmistakable. In various ports in China contemporaries noted a spectacular growth of the German business community. In Hong Kong, the first German company, Siemssen & Co., had set up an office in 1846. In 1898 the number of German trading firms in Hong Kong had increased to 21 (Taylor 1908: 216; Zimmermann 1901: 299). In the Chinese treaty ports a similar pattern was visible. In Tianjin (Tientsin), where in 1882 only two German merchants had been active, there were 24 German firms in 1898 (Zimmermann 1901: 299). In that year 107 German companies had an office in the treaty ports of China compared to 398 British, 114 Japanese, 43 American, 37 French, and 16 Russian ones.⁶ And, of course, among the German companies active in Asia was also Krupp, but that company was everywhere. Also, the British navy used its steel for the protection of its battleships. After having sold its first cannons to that country in 1871 China became an important market for Krupp. Its purchases made Germany the leading arms exporter to China. Krupp sold some 78 pieces of ordinance annually; amounting to almost 14 per cent of Krupp's exports and 8 per cent of its production (Graichen and Gründer 2005: 223; Steinmetz 2007: 426).

To the north, in Russian Vladivostok, the firm of Kunst und Albers was founded in 1864. It was to grow into an important German mercantile house in the region, also active elsewhere in Asia. Its department store in Vladivostok was the biggest in town. One could buy there 'absolutely everything, from a pound of butter to a piano,' (Norman 1900: 146). The company had, the British author Putnam Weale (B.L. Simpson) wrote in 1908, a 'practical monopoly in every species of dealing', in that part of the Far East. It had accomplished this 'by merit, by industry, and by a thorough knowledge of local conditions and needs'. He also attributed the fact that, contrary to the Germans, the British had failed in Siberia to their companies employing interpreters and not 'men well-trained in the language of their patrons' (Putnam Weale: 1908: 17, 249).

Similar observations can be made about Southeast Asia. In the mid-1880s, Germans played a prominent role in the foreign commercial community

6 These figures are from the 1898 annual report of the Dutch consul in Shanghai (Onze handel 1899: 44). In other reports slightly different figures can be found. A French one puts the number of French companies in China as low as eight to ten (Chambre 1898a: 448).

of Saigon (Scott 1885: 310, 312). In 1914, in British Straits Settlements, Singapore, Malacca and Penang, among the foreign residents only the British were more numerous (Nasution 2006: 43). The start had been modest. In Singapore a British resident remembered in 1874 that the first German merchant who had settled there – he must have been talking about the important trading and shipping company Behn, Meyer & Co., which had set up business in the city in 1840 – only had a simple desk in the office of a British firm. Since then, ‘German houses have sprung up in the settlement, until ... they [are] almost equal, if they do not outnumber, the English’ (Bogaars 1955: 111). Shipping was one of the sectors in which the Germans excelled, hitting especially the P&O hard. By the early twentieth century, shipping in the Straits and British Borneo had become predominantly German (Taylor 1908: 201; Shennan 2000: 78). Among the connections controlled by German companies were those to the Philippines and Thailand. For some British it was an unpleasant surprise, and an additional reason to bemoan British decline, to have to board a German ship in a British port in Southeast Asia (Colquhoun 1902: 226). In 1904 one traveller noted (with some exaggeration) that, in the past, the shipping at Bangkok ‘was practically British, now 95% is German and 5% British’ (Shennan 2000: 78). In Thailand as a whole, contested between Great Britain and France, Germany had become the second foreign investor, after the British (Taylor 1908: 201; Chew 1969: 290). Around 1890 the Germans also were said to be a ‘very strong element’ in the European society of Rangoon (Yangon) in Burma (Browne 1888: 114).

In Asia, the Germans participated with gusto in the social and cultural activities organised in the foreign enclaves to brighten life far away from home. Buildings reflected the status of the German community in the Far East, also in Anglo-Saxon eyes. In all the important treaty ports in China Germany had ‘impressive and commodious consulates’ (Millard 1906: 212) and imposing commercial buildings. In Guangzhou (Canton), the office of the German-Swiss Arnhold, Karberg & Co. company was ‘the most conspicuous commercial building’ in the city (Cartwright 1908b: 788). In Shanghai, the office of the Deutsch-Asiatische Bank (established in 1889 by a consortium of German banks to promote trade in Asia and one of the biggest banks in Asia) was among the grandest buildings on the Bund. The German consulate was located on ‘the most desirable site’ the European settlement, and the German club, Club Concordia, was rated as one of the most handsome structures on the Bund, perhaps even its ‘most striking building’ (Darwent 1905: 64; Millard 1906: 213, Cartwright 1908: 372).

America's large policy

America's commercial contacts with China were as old as those of Great Britain and France, but for a long time did not really take off. After the First Opium War (1839-42), the United States was among the first nations to sign a treaty with China. In Washington President John Tyler evoked American mercantile interests as the rationale behind the Sino-American treaty of 1844. Imports from China were 'large' and exports to China constituted an 'interesting and growing part' of American commerce, statements that were, in fact, untrue (Tyler 1842). Ten years later, in 1853, Commodore Perry forced Japan to open up to foreign trade and shipping. Commanding a small fleet and carrying a letter by President Millard Fillmore he sailed to Japan and invited Japan to enter into a treaty of peace and amity. The treaty signed during Perry's second visit the following year gave America the coaling and anchorage stations it was looking for, for its whalers and its ships sailing between China and the United States. Perry also suggested turning Taiwan and Hawaii into forward stations for America's China trade, but Washington was not receptive.

Having reached the Pacific Coast, a strong American presence in the Pacific was a logical extension of the overland migration. It was a proposition wholeheartedly supported by William H. Seward, US Secretary of State in the 1860s, who urged his countrymen to 'continue to move on westward' (Immerman 2010: 114). Seward, a firm believer in the expansion over the globe of American economic and political influence, was also not averse to some territorial aggrandisements, but the American Civil War forced him and other American expansionists to temper their ambitions. After the war ended, efforts were resumed. When the United States bought Alaska from Russia in March 1867, China was mentioned as one of the considerations to do so. Seward, responsible for the deal, explained that the purchase would open up new trade with China. America could not but benefit from such an American 'entrepot in the Northwest' (Immerman 2010: 124). Coaling and repair stations were also on the agenda. In August of the same year, Captain William Reynolds of the USS *Lackawanna* took possession of Midway Island, as its name indicates located halfway the route between North America and Japan and China, which had to serve as the coaling station of the Pacific Mail Company (Brookes 1941: 264). It was no success story. In 1870 government efforts to turn Midway into a real port were halted. The expenditures necessary far exceeded the sum allocated by Congress (Brookes 1941: 344). The island anyway was too small to become a hub in Pacific shipping (Immerman 2010: 125).

The next step came in 1871 when five American warships sailed to Korea, a Chinese vassal, to seek redress for the sinking of an American merchantman and the killing of its crew five years before. The squadron bombarded the forts at the mouth of the Han River on Korea's west coast, the entrance to Seoul, but the resistance put up forced the squadron to sail home without having accomplished its mission. It took more than a decade, until 1882, for Commodore Robert W. Shufeldt to succeed in concluding a Treaty of Peace, Amity, Commerce, and Navigation with Korea, also allowing missionaries in. The treaty had been made possible by the Chinese government, in need of international support against Japan and seeking international acknowledgement that Korea was a Chinese vassal. Washington rewarded Beijing by sending American advisers to modernise the Chinese fleet (Field 2001: 3). Japan had preceded the United States by six years in getting trade concessions in Korea, but this did not prevent Shufeldt from stating that he had succeeded in bringing 'the last of the exclusive countries within the pale of western civilisation' (Field 2001: 3).

Throughout most of the nineteenth century, and influenced by an Anglophobe mood, American business circles and politicians tended to see the British as the main political and economic adversary. In the 1860s, beating Great Britain in the race for economic and political dominance had already been among Seward's aims (Immerman 2010: 126). Asia was one of the arenas of such Anglo-American commercial competition. Seward was convinced that the 'battle between Britain and America is to be fought if not in at least for Asia!' (Immerman 2010: 106-7).

By the 1890s, Americans politicians could boast, as one would do in 1893, that their country produced 'of manufactures more than any two nations of Europe; of agriculture more than any three, and of minerals more than all together' (LaFeber 1998: 147). Others wrote about America's 'future manufacturing supremacy over Europe', even about its 'commercial supremacy of the world' (LaFeber 1998: 183, 377). Europe had to come to terms with America's growing role in international trade. In France some even warned against the American peril and worried about the consequences for the economic position of France and the other European nations in the Pacific once the Panama Canal had been dug (Grupp 1980: 58, 66). Globally, in 1893, American foreign trade was second only to that of Great Britain (LaFeber 1998: 18). The United States had grown strong enough to be mentioned by contemporaries as 'England's great commercial rival' in the Pacific (Inagaki 1890: 47). Some foresaw that changing alliances might be the result. In 1900 the Russian Ambassador in Washington, Count Cassini, was sure that commercial rivalry would drive the United States and Great

Britain apart. He told his German colleague in St Petersburg that 'England could not look on at America's enormous advance in shipbuilding without anxiety', and that American investments in the part of China that London regarded as its preserve – the Yangtze (Yang-Tsze-Kiang) Valley – could only lead to tension between the two.⁷ In St Petersburg, in 1902, the Foreign Secretary, Vladimir N. Lamsdorff, thought along similar lines, predicting that its economic rivalry with the United States and Germany might bring Great Britain closer to Russia (Soroka 2011: 58).

The close of the nineteenth century saw Washington embark on its own version of world politics. Henry Cabot Lodge, Theodore Roosevelt and other leading Republican politicians advocated a more aggressive course of action, captured in 1898 under the term 'large policy' (Immerman 2010: 141). Up to then, American government policy had resembled that of the British. There was talk of Empire, but, with some exceptions, it was essentially a commercial one Americans had in mind. Seward, for instance, had aimed first and foremost at economic expansion, shrinking away from the cost and effort of ruling over subjugated peoples (Immerman 2010: 122).

The Far East was in the American picture but for years gaining markets and political influence in Latin America had had priority. Interests in Asia lagged behind. Around 1900, however, the United States redirected part of its energy – both mercantile and with regard to spreading the Faith – to Asia. Confronted with an economic depression and overproduction at home and the social upheaval that went with it, business circles and politicians felt that American trade needed a new outlet. Steel was one of the products seeking new markets, machineries, cotton and wheat were others. In the 1890s, American cotton exports to China increased in value by some 60 per cent (while that of Great Britain shrank by about 8 per cent) (Beresford 1899: 102).

Though American trade with China was still small, it was growing and large enough to have any barrier put in its way upset the mercantile community, with the newly established Committee on American Interests in China and the American Asiatic Association in front (LaFeber 1998: 355-7; Beresford 1899: 426-7). One periodical, the *Journal of Commerce*, in 1897 even depicted China as 'the greatest market which awaits exploitation' (LaFeber 1998: 356). It was such expectations of growing export – and obstacles perceived – that made the United States an avowed proponent

7 Prince Von Radolin to Imperial Chancellor 2-9-1900 1897 (E.T.S. Dugdale, German Diplomatic Documents, VIII, The Boxer rebellion, June, 1900 to March 1901. The Yang-Tsze Agreement; www.mtholyoke.edu/acad/intrel/dugdale/boxer.htm).

of an Open Door in China, as adamant on this point as Great Britain, if not more so. The efforts to find new markets abroad, and with respect to China the concomitant pleas for free trade, took place against a patriotic background. When Beresford attended a banquet of the American Asiatic Association during his visit to the United States he was praised in *The New York Times* (24-2-1899) for joining 'with animation in the frequent outburst of enthusiasm that followed the utterance of patriotic American sentiments'. The newspaper also observed that 'while his hosts laid aside not a jot or title of their Yankee patriotism, they evinced the most unselfish cordiality in cheering Lord Beresford, his country, his Queen, and his country's fame'.

Asia for the Asians

Japan's rise was at least as spectacular as that of Germany and the United States. Within years after the Meiji Restoration of 1868 Japan made its first aggressive move, acting as a power should. In 1874 Tokyo sent a punitive expedition to Hengchung in Taiwan to avenge the murder, three years earlier, of 54 shipwrecked sailors from the Ryukyu islands, which Japan asserted were Japanese territory a claim Beijing denied. According to an agreement brokered by Thomas Francis Wade, the British envoy in Beijing, in return for Japan withdrawing its troops from Taiwan China had to pay a 'a certain sum to compensate the families of the shipwrecked Japanese' and for 'the roads made and the buildings erected by the Japanese'.⁸ It was also forced to extend its *de facto* control over the island and, as the agreement demanded, 'take steps for the due control of the savage tribes' in Taiwan, to show that the island was really Chinese territory and not free for the Japanese to take.⁹ Korea came next. In 1876 a Japanese fleet forced Korea to open up Busan (Fusan, Pusan) and two other ports to Japanese trade in the Treaty of Kanghwa (Ganghwa) and gained extraterritorial rights for its nationals. In the conventional way Japan would also try to expand its influence in Korea by having a Japanese officer appointed adviser to its army. In 1895 Japan defeated China in a conflict over control over Korea. By that time 'Japanese boasted loudly of the fact that they were leaders of civilisation in the East, and were thus entitled to undertake the reform of Korea' (Lawton 1912: 174).

8 Engagement between Japan and China respecting Formosa 31-10-1874, Art. 2 (www.taiwan-documents.org/1874treaty.htm).

9 Ibid.

By the end of the century, Japan had firmly acquired the status of a world power. The other nations had to treat it as an equal; also because Japan could be a valuable ally in their struggle over China. Between 1894 and 1897 Tokyo succeeded in revising the unequal treaties it had been forced to conclude earlier with the European nations and the United States (and in the 1870s also with Hawaii and Peru), which among other regulations had granted extraterritorial rights to foreigners. In 1899 Japanese residents were legally included in the population group of 'Europeans' in the Netherlands Indies. Another indication of Japan's growing importance was that Japan was mentioned as a possible rival to the United States for the takeover of Hawaii and the Philippines.

Japan had become an assertive power in its own right, strong enough to compete with the western nations, politically and economically. Japan did produce (and export) coal but needed iron ore and other raw materials the country itself lacked. Also, it could no longer do without the import of food to feed its people, and had to find an outlet for a growing population. The United States and the British colonies in the Pacific (including Canada) were discouraging the immigration of Japanese, if not being downright hostile to it. Japan had to look west, at Asia, notably at Korea and Manchuria, though as early as 1893 Southeast Asia also came into the picture (Goto 2003: 7). Or, as the Japanese Prime Minister Ito Hirobumi said after Japan had taken hold over Korea: 'The population of our country ... shows a very rapid rate of increase, and it is natural that its increment should overflow in Korea' (Lawton 1912: 1064). Commercially, Japan became a serious competitor in China, also in those regions where other powers had acquired a strong mercantile position, such as the Yangtze Valley, adding to the doom scenarios in Great Britain about the country's future position in China, and what was to become German Jiaozhou about his prospects. Like the other powers, Japan had its commercial representatives abroad doubling as political agents. The whole of China was 'flooded with Japanese agents who collected information about commercial opportunities, and who with the political ideas they present to the Chinese ... also sell their goods', the German navy pastor Weicker (1908: 170) observed.

Japan's political offensive went hand in hand with the slogan 'Asia for the Asians' and the promotion of pan-Asianism. For reformers and nationalists in Asia, Japan became a model of reform and development, of dealing with the colonial powers on an equal footing. Japan was hailed as the herald of Asia's Awakening and as an example of an Eastern nation that had forced the European states to treat it as an equal. Economically, Japan in its trade with China increasingly came to be seen as a serious competitor. By 1905,

after the Russo-Japanese War, people in Great Britain began to observe that Japan was 'rapidly becoming the predominant commercial Power in the Far East' (Lawton 1912: 265). Japan also acquired a name as producer of cheap consumer goods. It earned the Japanese some admiration, such as from a trade mission from Blackburn investigating Lancashire's decreasing share in textile imports, which praised the Japanese knowledge of and approach to the Chinese market (Neville and Bell 1898: 190). At the same time, European and American commercial circles (the latter being equally accused by Beresford (1899: 102) of exporting to China 'a considerably lower standard of goods ... to meet the Chinese requirement of cheapness') had difficulty in coming to terms with Japanese competition. It was claimed that Japanese products were often of inferior quality, that the Japanese were not afraid of copying others' design, producing 'most shameless imitations' for the Chinese and Korean markets (Hamilton 1904: 167) and flooding China with 'goods which bore pirated trademarks belonging to well-known foreign firms' (Lawton 1912: 974).

The development of banking and shipping accompanied Japan's economic growth. The Yokohama Specie Bank, established in 1880, became one of the biggest banks in Asia. Japanese international shipping lines, the Nippon Yusen Kaisha and Osaka Shosen Kaisha, both subsidised by the government, prospered and, as the German lines did, took away part of the British passenger and freight transport (Colquhoun 1902: 227). As in the German case, price, comfort and service made the difference (Colquhoun 1902: 3355). Lawton (1912: 934) was full of praise for the 'commodious steamers, with excellent accommodation for passengers'. Shipping to and from China increased spectacularly. Between 1897 and 1907 in Shanghai, where more than half of Chinese foreign trade took place, the tonnage of British shipping had increased from 4,498,278 to 6,848,400 tons, that of Japanese shipping from 575,833 to 3,102,070 (Cartwright 1908a: 368-9). The Japanese also settled in increasing numbers in the treaty ports. In Tianjin, in the north, they made up more than half of the foreign population, and mirroring the custom of the other powers, had their own club there (Wright and Cartwright 1908: 726).

Building strong navies

In 1890, Mahan stated in his book *The Influence of Sea Power upon History* that naval power was an essential element in the rise and fall of commercial or political empires (Immerman 2010: 142-3). It was a message that was

understood by Theodore Roosevelt and other Republican politicians in the United States, with whom Mahan was well-acquainted, by Wilhelm II and the architect of the German navy, Alfred Tirpitz, and by the British. By the turn of the century, almost all nations, strong and weak, with colonial or mercantile interests were strengthening their fleets.

One of the countries that took Mahan's lesson to heart was Germany. The initial aims of the German Imperial navy, which grew out of the navies of Prussia and the Norddeutscher Bund, had been modest. The *Flottengründungsplan* of 1873 did not provide for the acquisition of coaling stations or naval bases in distant waters, relying for coaling on British facilities (Sieg 2005: 174). Lieutenant-General Albrecht von Stosch, the first German Chief of the Admiralty and an early protagonist of German colonialism, had wanted otherwise, but political opposition had been too strong. The navy of the early German Empire was geared to Germany's commercial ambitions; relying on small cruisers and gunboats equipped with steam and sails. It had to protect and promote overseas trade; including the backing up of the authority of German consuls and the punishment of local communities which had assaulted Germans or destroyed German property.

Defending colonies was not an option. Consequently, in Bismarck's days, the weakness of the German fleet was seen as an impediment to Germany's overseas expansion and a reason why Germany had not yet become the mighty colonial empire some Germans dreamt of (Berghahn 1993: 33). It was also considered a serious handicap in some of the conflicts in the Pacific with Great Britain in which Germany became involved. The 'Fiji crisis' of 1874 had made for persistent calls for a strengthening of the navy, especially in the cities that had the greatest stake in Pacific trade, Hamburg and Bremen. Six years later, the absence of a strong navy in the Pacific provided an additional argument to those opposing government support to the Godeffroy company. Bismarck tended to concur. In 1881 he still spoke of 'a fleet that cannot sail', using this observation to demonstrate why Germany should not seek colonies; fearing that when it came to war with France, the French would easily take any foothold Germany had acquired in Africa or Asia (Graichen and Gründer 2005: 90). When he changed his mind and came out in favour of acquiring colonies, Bismarck showed himself confident that the might of the German army in Europe, not on a German navy in Africa or Asia could secure their existence.

Under Wilhelm II, enlargement of the German navy, modestly embraced under Bismarck (who fell from power in 1890), became one of the country's priorities. Even before he had ascended the throne in 1888, Wilhelm II, who since his youth had been impressed by the British fleet, had shown himself

a proponent of a strong navy. In the early years of his reign, the German navy that was envisaged no longer just had protection of German maritime trade as its main aim. It was planned for a defensive war in Europe, with a more aggressive role in Africa and Asia (Nuhn 2002: 128).

The man behind the German fleet plans was Alfred Tirpitz (in 1900 he became Alfred von Tirpitz), State Secretary of the Imperial Navy since 1897. His dream was an offensive German navy aiming at a confrontation with Great Britain in the North Sea. For such a purpose battleships were essential, not cruisers and gunboats. Raiding British ships elsewhere in the world, Tirpitz wrote in a memorandum to Wilhelm II, was 'so hopeless because the shortage of bases on our side and the great number on England's side; (Massie 1993: 172). Aiming at a confrontation in Europe, Tirpitz sacrificed German naval presence in the Pacific. In his view, the German possessions in Africa and the Pacific were too wide and far apart and also unable to withstand a hostile attack without support from home. Tirpitz did not think much about the coaling stations Germany had acquired in the South Pacific, refuting any argument others had presented in their favour. They provided insufficient protection against the forces of nature, were located too close to a strong British base, or were too far away from the main shipping routes to act as a base of operation to prey on enemy merchantmen (Nuhn 2002: 129-30, 232). The German overseas possessions had to be protected in another, indirect way. Their fate would be decided not as Bismarck had envisaged by the deterrent of the German army in Europe, but by the fighting strength of the German fleet in European waters; also turning into a German advantage the fact that Great Britain had to station part of its fleet in Asia and Germany did not. A strong German navy in Europe could also serve as a political instrument; or, in Tirpitz' words, a *maritimer Hebelarm*, a maritime leverage, to have other powers accept any further German colonial expansion (Nuhn 2002: 232-3).

In 1898, the Reichstag accepted the first Navy Law. Its aim was ambitious. Ultimately, Germany was to rival Great Britain as the paramount power. A strong and modern navy should be able to protect an expanding German merchant fleet and German settlers all over the world without having to rely on British goodwill. It had to serve as a deterrent to prevent other powers, in casu Great Britain, from blocking the sea routes connecting Germany with its overseas possessions (though some argued that it was the other way around, that Berlin only aspired after colonial possessions to justify a naval build-up). Or, as it was stated in the preamble to Germany's Second Navy Law of 1900: 'To protect Germany's sea trade and colonies ... Germany must have a battle fleet so strong that even for the adversary with the greatest

sea power, a war against it would involve such dangers as to imperil his own position in the world' (Massie 1993: 181). The German navy did not have to be as powerful as the British one. It would suffice when it could inflict such damage that what remained of the British fleet would be in a weak position in a confrontation with a navy of a third power.

Germany's ambitions set a naval race in motion. All over the world increasingly heavy battleships came to be built. International tensions, perceived threats, and rivalries between the powers saw to it that worldwide strong navies with huge battleships became the focus of patriotic drives. In 1898 Germany got its *Deutscher Flottenverein* (Navy League), which would also have a branch in Shanghai, founded and heavily subsidised by Krupp. By the end of the following year, membership already had reached 240,000 and over time would swell to two million (Halpern 1994: 3; Graichen and Gründer 2005: 85). The *Alldeutscher Verband*, established in 1891, and the *Deutsche Kolonialgesellschaft*, set up in 1887, joined the campaign of the *Deutscher Flottenverein* to turn Germany into a naval power (Nuhn 2002: 231). Such a campaign went hand in hand with overviews of the position of Germany in Africa, Asia and the Pacific in which the perfidy of Great Britain, and, to a lesser extent, of France was highlighted. The bitter experiences in Fiji and Samoa had their role to play in the propaganda, but also other German setbacks. Reflecting such sentiments, Zimmermann (1901: 297-8), for instance, made much of the problems Count Friedrich zu Eulenburg encountered in 1860-1861 in entering into diplomatic relations with China and Japan; blaming British and French intrigues for the obstacles encountered.

In Great Britain (where a Navy League would be founded in 1894), calls to strengthen the navy were initially inspired by the country's strained relations with Russia and France and the conflicts over territorial expansion in the Far East. As early as 1884, at a time France tried to gain new territory in Southeast Asia, Norman (1884: 286) noted that many 'distinguished British admirals' had 'been at some trouble to prove that the French fleet is the equal, if not the superior', of the British one. Penjdeh only made anxiety increase. At what *The New York Times* (17-4-1885) called 'a large meeting of citizens of London', among them Members of Parliament and the Lord Mayor, 'immediate steps to secure the supremacy of the English Navy over all the other navies of the world' were demanded. The result of all urging was the Naval Defence Act of 1889 and the formalisation of the Two-Power Standard, the principle that a British navy had to equal the combined strength of the two next largest fleets; those of France and Russia. Ten years later, the shock of Russia occupying Port Arthur prompted the First Lord of the Admiralty to announce the building of four additional warships.

Not much later the build-up of the American, German and Japanese navies made for questions whether the Two-Power Standard of 1889 still sufficed. In the end the German naval plans became a main incentive to prompt Great Britain to expand its fleet. One response was the development of a new type of battleship, that of the dreadnought class. The first one made its maiden trip in October 1906. It was equipped with heavy guns; firing power, the Russo-Japanese War had demonstrated being a decisive factor in a naval battle, and outshone anything the Germans were building (Massie: 1993: 486 Lawton 1912: 322).

The American-Japanese naval race

The United States had to come from far. By the 1880s, America did not yet have much of a maritime power. Its navy had 'decayed into a flotilla of death-traps and defenseless antiquies', while its merchant fleet, due to 'American reluctance to recognise the usefulness of the steamship' was also not up to date (LaFeber 1998: 58, 19). The first concrete plans for modernisation of the fleet were made in 1883 when the American Congress appropriated funds for the building of steel cruisers. Stress was laid on disturbing trade and trading routes of other powers and the protection of American foreign trade. The real change set in in 1889 when Benjamin Harrison became President and James G. Blaine, also known as Jingo Jim, Secretary of State. As in Germany, events in Samoa played a role. One of the factors swaying the American government and public in favour of a strong fleet was the naval confrontation that had threatened in Samoa just before the hurricane struck in March 1889; another was the fact that two years later the American navy could not be relied upon to seek a naval confrontation with Chile. Patriotic feeling ran high. Since 1888 LaFeber (1993: 125) wrote, Congress had 'grown amazingly offensive-minded', with bellicose speculations of war with Great Britain. The danger of war passed, but prospects of, and dreams about, growing exports, also to the Pacific and Asia made for new pleas to strengthen the navy in the 1890s. The United States had to take into account, Secretary of the Navy Hilary A. Herbert wrote to Mahan in October 1894, the protection of its 'close interests with China and Japan'; its 'geographical and political relations with the islands of the Pacific'; and its 'multifarious interests along the whole South and Central American coasts' (LaFeber 1998: 231).

The American fleet underwent the same transformation as the German one; from fast 'commerce destroyers' to heavy battleships, thus preparing

for full-scale naval battles; but unlike in Germany, the American plans were presented as having a defensive purpose (LaFeber 1998: 123). Terminology reflected this. The warships to be built were described as 'shields of commerce', 'coast defense battleships', and 'sea-going coast defense battleships' (Coffman 2009: 260). At the end of the century, a strong modern American fleet became, as Richard Olney, Secretary of State between 1895 and 1897, put it, 'an essential element both of national security and national greatness' (LaFeber 1998: 240-1).

An additional reason for people in the United States to plead for a stronger navy was Japan. Japan emerged as a threat to American interests in the closing years of the nineteenth century, at a moment when the United States itself was transformed into a colonial empire by adding Hawaii and the Philippines to its territory (though some would argue that a Japanese bogey was created to make that empire possible). The personification of the call to strengthen the navy was Theodore Roosevelt, a bellicose expansionist, appointed Assistant Secretary of the Navy by William McKinley in April 1897. Within weeks after his appointment, Roosevelt wrote to his friend Mahan about the danger Japan posed and the need to have a dozen new battleships built.¹⁰ Anxiety over Japan's role as a naval power in the north Pacific would increase, and by 1905-1906 Americans would seriously consider the possibility of war, complete with the accompanying war scare.

Identifying Japan as a possibly aggressive nation meant that the American navy had to show its presence on two oceans, and thus had to have more warships. As Roosevelt explained, after he had become President, to Congress, to underline the urgency of the Panama Canal, the American battle fleet was still by no means big enough to allow part of it to be stationed in the Pacific and part in the Atlantic (Lawton 1912: 372). In saying so, he was in all probability inspired by Mahan (1911: 25-6) who warned that a dividing up of the American fleet was 'forbidden by military considerations, in that it is too small; the half is weaker than any probable enemy'. At the same time, Mahan stressed that the American fleet should remain stationed in the Atlantic. His words illustrate the American dilemma of that moment. For commercial and political reasons Asia and Japan had grown in importance, but strengthening the American naval presence in the Pacific would seriously weaken that in the Atlantic. It might, in the view of some contemporaries, even mean 'abandoning' the latter (Putnam Weale 1908: 617). Concentrating on the Atlantic coast left the west coast vulnerable. It – and Hawaii and the Philippines – lay wide open to an invasion fleet,

10 Roosevelt to Mahan 3-5-1897 (cited in Coffman 2009: 220).

and the land defences were insufficient; somehow it had to be protected. Or, as a report of the General Staff of the American army put it at a time of mounting American-Japanese tension, in 'the absence of effective naval opposition a certain Oriental Power, within a month of the time its hostile intentions began to be even suspected, could land 100,000 men on our Pacific Coast, which could be increased at the end of the second month to 300,000' (Lawton 1912: 381). It was a doom scenario: 'It would be practically impossible for the United States to regain possession of the country after its occupation by the enemy'. San Francisco would become and remain Japanese.

In reality, Japan had other things to worry about: its own security at home and its position on the coast of China. Its army and navy had to defend the country against a foreign enemy, with Russia as the most likely candidate. In the south, Russia could use the Isle of Tsushima located between Japan and Korea as a base from which to advance. In the north, there was Hokkaido, where, in 1860, the Russians had established the naval station Vladivostok on the opposite coast and, in 1875 had gained the island of Sakhalin. Korea and Manchuria could also provide that stepping stone.

Japan had its own history urging it on on the path of armament. A first confrontation with Beijing over Korea in 1882, and the realisation that Japan was still too weak to confront China gave an impetus to Japan's plans to strengthen its army and navy, as would, a decade later, the construction of the Trans-Siberian Railway connecting European Russia with Vladivostok. Even before work had commenced on that line in 1891, the Japanese Prime Minister, Yamagata Aritomo, already pointed at the danger the railway posed to Japanese interests in Korea and the defence of Japan itself, and the military response this would require (Drea 2009: 74-5). The Sino-Japanese War also left its mark. The Japanese Parliament still refused to furnish money for the further development of the Japanese fleet in December 1890, but the performance of the Japanese navy during that conflict removed any doubts about its significance as an instrument of war (Jukichi 1895b: ii-iii). After having been forced out of the Liaodong Peninsula by Russia in 1895 a strong army and navy became even more imperative. Frustration over the indignation Japan had suffered was one reason for this. Another was that a Russo-Japanese confrontation was building. The contemporary impression was that in preparing for war Russia not only could count on a large army, but was also assembling 'the most imposing fleet of any nation represented in Pacific waters' (Lawton 1912: 227).

Naval plans evoked in Japan the same nationalist sentiments as elsewhere in the world. 'About their Navy the patriotism of the Japanese is as easily

aroused as is our own in Great Britain', Curzon (1896: 38) wrote. By the beginning of the twentieth century, the strength of the Japanese fleet was observed with awe in the Netherlands proper and in the Netherlands Indies, where the Dutch were often prey to a vague foreboding that a more powerful rival would take away the Dutch colony, Japan in the twentieth century being the most likely candidate. Japan's 'formidable navy' with its 'fighting machines', the 'floating citadels', which had a far greater battle capacity than any of the warships of the Dutch navy, inspired simultaneously admiration and anxiety (*De Locomotief* 6-1-1900, 8-3-1900).

Its fleet became a great asset for Japan in the international power struggle and the carving out of spheres of influence in Asia, closely located as the country was to the main areas of contestation there. The European powers had to station the main bodies of their navies in Europe to be prepared for a European confrontation. Japan could bring to bear its whole navy in Asia. In Great Britain, the strength of Japan as a naval power was the reason to seek an alliance, taking much of the weight off its own navy in Asia. Japan was, in the words of Foreign Secretary Lansdowne, 'a Power of great commercial and political influence' with 'a strong Army and even stronger Navy'.¹¹ In the year he spoke these words, 1902, Japan launched its third naval plan. Four more were to follow within a decade. For some, this could only mean that Japan's aim was 'the ultimate command of the Pacific' (Lawton 1912: 604). To play such a role, Japan built its own shipbuilding yards capable of turning out state-of-the art warships and ocean liners. In early 1905, Japan took naval warfare a step further by laying down the keel of the *Satsuma*, a heavily-armed battleship, preceding by a few months the building of HMS *Dreadnought* by the British (Lawton 1912: 322, Massie 1993: 469). The *Satsuma* was launched in November 1906, a second Japanese battleship of the same class, the *Aki* followed in 1907. The new Japanese warships made an impression. Putnam Weale (1908: 491-2) wrote about 'the two biggest vessels in the world', adding that to some experts they were more powerful than the British dreadnoughts.

Just as Germany and Great Britain in Europe, America and Japan became entangled in a naval race in the Pacific, expanding their fleets with an eye on the danger the other might pose. America was disquieted over the dominant position Japan had seemingly acquired in the Pacific Ocean; Japan was anticipating the consequence of an American naval presence there once the Panama Canal could be sailed and American warships no longer have to

11 Lansdowne in House of Lords 13-2-1902 citing a speech by John Spencer in 1901 (hansard. millbanksystems.com/lords/1902/feb/13/anglo-japanese agreement).

round Cape Horn (Lawton 1912: 586). If the naval race between Germany and Great Britain was inspired by real threats, the one between the United States and Japan was less so. In Japan, the image of the United States as the enemy was needed to justify the further expansion of the fleet (Drea 2009: 127). In the United States, the spectre of Japan as a possible aggressor developed at a moment when, weakened by the Russo-Japanese war of 1904-05, the Japanese armed forces could not live up to that image. In the United States, and also in the rest of the world, the unexpected victory of Japan over a European power, gave Japan an aura of strength, blinding people to how hard hit, militarily and financially, Japan was by the war and also to the fact that the Japanese army and navy were not the efficient war machine people supposed them to be. Still, as time passed, an American-Japanese confrontation became a real factor in people's mind, and in diplomacy. In 1912 one author, Lawton (1912: vi), observed that to the United States 'Japan has become what in Europe Germany has so long been to Great Britain'.

