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Abstract

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Disciplines

Arts and Humanities | Law

Publication Details

Gibson, P. & Ville, S. (2019). Australian wool and Chinese industrialization, 1901-41. *Twentieth Century China*, 44 (3), 265-287.

AUSTRALIAN WOOL AND CHINESE INDUSTRIALIZATION, 1901-41

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Chinese industrialization has been understood chiefly in terms of China's engagement with more powerful countries, especially Japan and Britain. During the early twentieth century, nevertheless, the development of China's woolen industry—part of a broader program of Chinese industrial development—depended largely on an import trade in raw wool from Australia. Through a study of this industry and trade, we show how a minor world power played a more significant part in Chinese industrialization than previously imagined.

KEYWORDS

Australia, wool, textiles, manufacturing, industrialization, China

INTRODUCTION

In 1894, Chinese-Australian merchant, philanthropist and Qing government representative Quong Tart (梅光達 Mei Guangda 1850-1903) departed Sydney for China, determined, as he put it, “to open up a market there for Australian wool.” With assistance from wool growers in Australia, and through connections with officials and industrialists in China, he intended to “advise those in authority to take the wool” and to tell Chinese people that “by wearing woolen clothing they would live longer and be more comfortable.” Quong Tart was noncommittal about his prospects for success in China, and this particular wool-selling

mission had a limited impact, but he made a prescient statement on departing from Sydney. He was sure, he explained, “that the day was not far distant” when wool from Australia would be fuelling a robust Chinese woolen industry.¹

Chinese woolen manufacturing advanced dramatically over the next four decades, supplied by a new raw wool trade between Australia and China. One of several Chinese industries to develop during the early twentieth century, it depended largely on Australian imports. It had humble beginnings, though by the end of the 1930s it had expanded to some 14 large woolen spinning mills and a multitude of smaller textile and clothing establishments, most of which were heavily reliant on wool from Australia.²

We explore the development of the Chinese woolen industry and the Australia-China wool trade between 1901 and 1941. Using unexamined and underexamined source material—Chinese and Australian diplomatic correspondence, personal and firm records, Chinese- and English-language newspapers published in China and Australia, and economic publications—and combining business and economic history approaches in analysing this source material, we highlight the importance of Australian wool to this Chinese industry. We show how a cooperative economic relationship with a minor world power, Australia, was a driver of Chinese industrialization, which challenges views of this endeavor as one defined by China’s dealings with the major powers. We begin our discussion with an overview of histories of Chinese industrialization and locate our work within this scholarship. We then explore the woolen industry and the wool trade chronologically through four periods corresponding to the different phases of their development.

¹ *Evening News* (Sydney) (*EN*), 19 April 1894, 6.

² Vivian Bowden, “Sino-Australian Trade,” 21 April 1937, Australia-China Commercial Relations Part 1, National Archives of Australia (NAA) A609 555/35/1.

HISTORIES OF CHINESE INDUSTRIALIZATION

Thomas Rawski's classic work *Economic Growth in Prewar China* illustrated how Chinese industrialization was directed against the leading industrial nations. Adopting a linkages style argument and the epithet "domestic, private, civilian and competitive", he argued that the growth of industrial manufacturing in China was characterized mainly by Chinese industrialists from within the private sector harnessing traditional primary industries, domestic transport and financial services, and local consumer goods markets.³ This, Rawski has shown, countered the predominance of goods imported from more developed countries, particularly cotton products from Japan.⁴

Since Rawski's landmark book, several historians have conceptualized Chinese industrialization as typified by opposition to major world powers.⁵ Du Xuncheng and others have stressed the significance of nationalist—primarily anti-Japanese and anti-British—consumer campaigns and protectionist government policies to the growth of Chinese manufacturing over the early twentieth century.⁶ Some historians have examined how these

³ Thomas Rawski, *Economic Growth in Prewar China* (Berkeley: University of California Press, 1989), 63-4. See further Marie-Claire Bergère, *The Golden Age of the Chinese Bourgeoisie, 1911-1937* (Cambridge: Cambridge University Press, 1989); Zhang Zhongli, "Guanyu Zhongguo minzu ziben zai ershi niandai de fazhan wenti" [On the development of Chinese national capital in the 1920s], *Shehui kexue* [Social science] 10 (1983): 42-6; Wang Yuru, "Lun liangci shijie dazhan zhijian Zhongguo jingji de fazhan" [Essay on the development of China's economy between the world wars], *Zhongguo jingji shi yanjiu* [Chinese economic history research] 2 (1987): 97-109.

⁴ Rawski, *Economic Growth in Prewar China*, 95-7, 105.

⁵ Another vein of scholarship has considered the differences in the industrial trajectories of China and the West. See, for instance, Kenneth Pomeranz, *The Great Divergence: China, Europe and the Making of the Modern World Economy* (Princeton: Princeton University Press, 2000); Jean-Laurent Rosenthal and Roy Bin Wong, *Before and Beyond Divergence: The Politics of Economic Change in China and Europe* (Cambridge, MA: Harvard University Press, 2011).

⁶ Du Xuncheng, *Minzu zibenzhuyi yu jiu Zhongguo zhengfu, 1840-1937* [National capitalism and the old Chinese government, 1840-1937] (Shanghai: Shanghai Academy of Social Sciences Press, 1991); Yu Baotang, *Guominzhengfu yu Minguo jingji* [The national government and the economy of the Republic of China] (Shanghai: East China Normal University Press, 1998); Karl Gerth, *China Made: Consumer Culture and the Creation of the Nation* (Cambridge, MA: Harvard University Press, 2003); Harumi Goto Shibata, "Japanese and British Perceptions of Chinese Boycotts in Shanghai: With Special Reference to the Anti-Japanese Boycotts, 1928-31," in Kaoru Sugihara, ed., *Japan, China, and the Growth of the International Economy, 1850-1949* (Oxford: Oxford University Press, 2005), 127-44; Toru Kubo, "The Tariff Policy of the Nationalist Government, 1929-36: A Historical Assessment," in Sugihara, ed., *Japan, China, and the Growth of the International Economy, 1850-1949*, 145-76.

campaigns and policies impacted on specific industries, including woolen manufacturing. Brett Sheehan has revealed how nationalism facilitated the establishment and operation of Song Feiqing's (宋斐卿 1899-1955) Tianjin-based woolen yarn spinning firm in the 1930s, which challenged Japanese and British imports for control of the Chinese market.⁷

Other scholars have emphasised the centrality of China's collaboration with more powerful countries to its industrial advancement. With her business and economic history of Zhang Jian's (張謇 1853-1926) Nantong-based cotton production enterprise, Elizabeth Köll has contended that the dissemination of 'modern' Western approaches to industry throughout China, combined with 'traditional' Chinese approaches, were critical to its industrialization.⁸ Historians including Xiao Aili have also highlighted the importance of Japanese, British and American technology, along with their capital, raw materials and shipping, to China's industrial ambitions.⁹

⁷ Brett Sheehan, *Industrial Eden: A Chinese Capitalist Vision* (Cambridge, MA: Harvard University Press, 2015). Refer also to Zhao Jin, "20 shiji 30 niandai siying qiye de weiji yu biange—yi Shanghai Zhonghua maorong fangzhi gongsi wei li" [Crisis and change for private enterprises in the 1930s—the case of Shanghai Zhonghua Plush Textile Company], *Shanghai shifandaxue xuebao* [Journal of Shanghai Normal University] 3 (2017): 141-52. Another study of Chinese textiles that stresses, like Rawski's, mobilization of domestic resources is Zhou Qicheng et al, eds., *Zhongguo jindai fangzhi shi* [The history of modern Chinese textiles] (Shanghai: Chinese Textile Publishing House, 1997).

⁸ Elisabeth Köll, *From Cotton Mill to Business Empire: The Emergence of Regional Enterprises in Modern China* (Cambridge, MA: Harvard University Asia Center, 2003). On the uptake of "scientific" management in Chinese manufacturing, consult also Stephen Morgan, "Transfer of Taylorist ideas to China, 1910-1930s," *Journal of Management History* 12, 4 (2006): 408-24.

⁹ Xiao Aili, "Shanghai jindai fangzhi jishu de yinjin yu chuangxin—jiyu 'Shenbao' de zonghe yanjiu" [Shanghai modern textile technology introduction and innovation—a comprehensive study based on 'Shenbao' (PhD diss., Donghua University, 2012); Zheng Jianshun, "Jishu yinjin yu qiye fazhan—kangzhan qian Zhanghua maorong fangzhi gongsi de geanyanjiu" [Technology introduction and enterprise development—the case of Zhanghua Plush Textile Company before the Anti-Japanese War], *Zhongguo shehui jingji shi yanjiu* [Chinese social and economic history research] 2, 1 (2007): 99-103. See also Tomoko Shiroyama, "China's Relations with the International Monetary System in the 20th Century: Historical Analysis and Contemporary Implication," in Shigeru Akita and Nicholas White, eds., *The International Order of Asia in the 1930s and 1950s* (London: Routledge, 2010), 233-54; Wu Lin-chun, "Partnership across the Pacific: Sino-American Collaboration in Maritime Transportation during World War I," *Journal of Modern Chinese History* 9, 2 (2015): 199-222. Regarding Cold-War interactions, see *Modern Asian Studies* 51, 1 (2017).

Historical scholarship has seldom touched on the roles of minor powers in Chinese industrial development.¹⁰ William Kirby explored China's relationship with a defeated Germany after World War One. Chinese powerbrokers, he argued, saw Germany's post-war recovery as a model of modern economic expansion that was neither revolutionary, like the Soviet Union's, nor imperialist, like the victorious powers', and treated it as a counterbalance to these nations. Chinese raw materials, Kirby observed, were exported to Germany in return for consumer products and military equipment.¹¹ Similarly, though his observations await further examination, Hajime Kose has noted how India became an important supplier of raw cotton to China in the 1930s and how Egypt became the main foreign purchaser of Chinese cotton goods in this era.¹² Historians have briefly noted that wool from Australia was used in Chinese woolen mills and factories.¹³

In this paper, we show how a minor power, Australia, played a significant part in Chinese industrialization through the supply of a necessary raw material, wool. With its late developing economy that was neither revolutionary nor imperialist, we highlight how Australia, as with Germany, provided a counterbalance to China's uneven dealings with larger economic powers. Australia also provided a higher degree of complementarity than Germany, since there were few consumer goods manufactured in Australia to compete with

¹⁰ While he considered economic sanctions against Japan during the 1930s, not industrialization in China, Kosmas Tsokhas has lamented the neglect of the role of minor powers such as Australia in helping to shape Asia's past. See Kosmas Tsokhas, "'Trouble Must Follow': Australia's Ban on Iron Exports to Japan in 1938", *Modern Asian Studies* 29, 4 (1995): 871-92.

¹¹ William Kirby, *Germany and Republican China* (Redwood City, CA: Stanford University Press, 1984). Recent research on this subject includes Tan Kanjie, "Wan Qing min chu Zhongguoren dui Deguoren zhiji qi yingxiang—yi 'zhishijie' wei zhongxin de kaocha" [German influence on Chinese thought during the late Qing and early Republic—an 'intellectual circle' case study] (PhD diss., Chinese Academy of Social Sciences, 2017).

¹² Hajime Kose, "Foreign Trade, Internal Trade, and Industrialization: Patterns of Regional Commodity Flows, 1914-31," in Sugihara, ed., *Japan, China, and the Growth of the International Economy, 1850-1949*, 198-214. Regarding Chinese exports to Southeast Asia, see Kubo, "The Tariff Policy of the Nationalist Government, 1929-36," 146.

¹³ Sherman Cochran and Andrew Hsieh, *The Lius of Shanghai* (Cambridge, MA: Harvard University Press, 2013), 266, 290, 337; Sheehan, *Industrial Eden*, 71; Zhao, "20 shiji 30 niandai siying qiye de weiji yu biang", 144-5; Zhou et al, eds., *Zhongguo jindai fangzhi shi*, 278, 281, 322; Zhu Hanguo and Yang Qun, eds., *Zhonghua Minguo shi* [History of the Republic of China], V3, P2 (Chengdu: Sichuan People's Publishing House, 2006), 25.

Chinese manufactures. In thus demonstrating Australia's place in Chinese industrialization, we contest the primary historical focus on China's dealings with leading industrial nations. Through combining business and economic history, much like Köll has done in relation to Zhang Jian's cotton textile firm, we also offset the emphasis on impersonal economic and political forces in the literature.

A MODEST TRADE IN WOOL, 1901-14

China's earliest woolen textile facilities were established in the final years of the Qing dynasty. While few in number, these were mostly state-owned or state-sponsored and were constructed to produce cloth for military uniforms. The first such facility opened in Lanzhou, Gansu, during the early 1870s under the auspices of Viceroy Zuo Zongtang (左宗棠 1812-1885), the notable army reformer.¹⁴ Another early establishment constructed primarily for military purposes was the Hubei Felt and Woolen Cloth Factory (湖北氈呢廠 Hubei zhan ni chang), built around the turn of the century near the central China military hub of Wuchang, Hubei.¹⁵ Chinese capitalists funded private concerns in late-Qing China, too. These were built to help meet a rising demand for European woolen fashions, introduced to Chinese consumers by Western traders and missionaries through treaty ports, and by Chinese migrants returning home from overseas, especially from the US and Australia.¹⁶ A private concern,

¹⁴ "Shanghai Woollen Textile Factories," *Chinese Economic Journal (CEJ)* 11 (1932): 436. See also Lin Long, "Zhongguo di-yi ge jiqi mao fangzhi gongchang shi zenyang chuangan qilai de" [How China's first machine woolen textile factory was established], *Lanzhou Daxue xuebao* [Lanzhou University journal] 2 (1981): 91-5; Jia Shucun, "Chuangban Zhongguo di-yi jia jindai jiqi mao fangzhi gongchang de Lai Zhang" [China's first modern machine woolen textile factory, established by Lai Zhang], *Lingnan wenshi* [Lingnan literature and history] 4 (2003): 55-9.

¹⁵ "Shanghai Woollen Textile Factories," 437; Zhu and Yang, eds., *Zhonghua Minguo shi*, 22.

¹⁶ Sheehan, *Industrial Eden*, 22, 66; *Chinese Times* (Melbourne), 13 April 1912, 4. On woolen fashions of this era, refer additionally to Liu Yunhua, "Hong bang caifeng yanjiu" [Red gang tailor research] (PhD diss., Suzhou University, 2008); Yuan Haixiao, "Minguo shishang yu fushi zhidu—yi nvzi fushi wei zhongxin de kaocha" [Republican China's fashion and apparel system—a women's clothing case study] (PhD diss., East China Normal University, 2011).

constructed in 1906 in Qinghe County, Hebei, was that of the Pu Li Company (溥利公司 Puli gongsi); another facility, built in Shanghai in 1907, was the Bright Sun Woolen Cloth Factory (日暉織呢廠 Rihui zhi ni chang).¹⁷ These establishments constituted some of the first steps towards overturning the predominance of imported, principally British, consumer goods, which included woolen goods from the mills of Yorkshire. These were the ‘golden days of British industry and trade’, as pointed out by historian Harumi Goto Shibata, against which resentment had been brewing in China, and to which domestic manufacturers responded.¹⁸ The Bright Sun Woolen Cloth Factory in Shanghai touted the superiority of its own products over foreign ones.¹⁹ Foreign experts and technology, nevertheless, were still needed for these establishments.²⁰

Chinese production of raw wool was extensive by the turn of the twentieth century; however, little of it was suitable for the new woolen industry. Some local varieties, such as Manchurian, Mongolian and Tibetan “spring wool” (春毛 *chun mao*), were appropriate for the manufacture of woolen textiles, as were several varieties from Gansu, Hebei, and Henan.²¹ This could explain the location of some of the first mills, that is, in, or in close proximity to, these wool growing regions. However, most domestic wool was coarse-grade, best suited for manufacturing rugs and carpets, not cloth, and was exported for this purpose,

¹⁷ “Shanghai Woollen Textile Factories,” 437; *Shenbao* [Declaration] (Shanghai), 1 January 1909, 1.

¹⁸ Shibata, “Japanese and British Perceptions of Chinese Boycotts in Shanghai,” 128. There was similar resentment against other major powers. See, for instance, Daniel Meissner, “Imports and Industrialization: China’s ‘War’ Against American Flour Imports, 1895-1910,” *Twentieth-Century China* 28, 2 (2003): 1-40.

¹⁹ *Shenbao* [Declaration] (Shanghai), 1 January 1909, 1.

²⁰ “Shanghai Woollen Textile Factories,” 436-7; Zheng, “Jishu yinjin yu qiye fazhan,” 99-100; Wang Changfan, “Shanghai maofang gonghui shimo” [Shanghai Wool Spinning Association beginning to end], *Gongshang shi yuan* [Industrial and commercial history] 2 (2012), accessed 4 May 2018, <http://oldweb.acfic.org.cn/zt/11/gssy/6/new5.htm>.

²¹ *Shenbao*, 4 June 1912, 3; “Shanghai Woollen Textile Factories,” 437-8; Albert Rasmussen, “The Wool Trade of North China,” *Pacific Affairs* 9, 1 (1936): 60-8.

predominantly to the US.²² In 1907, China was the second largest source of American wool imports (39m lbs) after Australia (52m lbs).²³ Local and foreign general trading and wool export merchants operated in Tianjin, Hong Kong, Shanghai, Guangzhou, and Hankou, using the treaty ports to purchase wool privately from Chinese inland traders and then shipping it directly to overseas carpet manufacturers.²⁴ Although beneficial to several sectors of the Chinese economy, the preponderance of such wool regularly left pioneering domestic woolen manufacturers short of supplies. Thus, some people looked to Australia. In 1912, for instance, Tian Junfeng (田駿豐 dates unknown), a senator and the Financial Secretary of Gansu province, urged readers of Shanghai's *Shenbao* (申報) newspaper that sourcing the "best" Australian wool was vital to overcome the limitations of Chinese wool and move China's woolen industry forward.²⁵

At the beginning of the twentieth century, Australia was the leading producer and exporter of fine-grade merino wool suitable for high-quality clothing, and accounted for 40 per cent of global supply.²⁶ Wool was Australia's most valuable export, providing income for importing manufactured goods, including capital goods, and for financing infrastructure development.²⁷ Wool was increasingly sold in Australia prior to export, which gradually marginalised the European auctions of internationally consigned wool, particularly in

²² *Shenbao*, 4 June 1912, 3; "The Cotton and Woollen Weaving Mills of Shanghai," *CEJ* 4 (1929): 454-9; Rasmussen, "The Wool Trade of North China," 60-8.

²³ *Dalgety's Annual Wool Review, 1909-10* (Sydney: Dalgety and Company), 16.

²⁴ *World's Wool, 1927* (London: Thomas Skinner), 181-2. See also Li Xiaoying, "Shuangchong yinsu zhiyue xia de yangmao maoyi (1894-1937 nian)" [Dual-factor wool trade (1894-1937), *Xibeishida xuebao* [Journal of Northwest Normal University] 48, 5 (2011): 43-9; Li Xiaoying, "Wenhua wangluo yu yangmao maoyi: jindai Gan Ning Qing Huizu shangren (1894-1937 nian)" [Culture, network and wool trade: modern Gan-, Ning-, and Qing-region Hui merchants (1894-1937)] (PhD diss., Xiamen University, 2007).

²⁵ *Shenbao*, 4 June 1912, 3.

²⁶ Stephen Brearley, "The International Wool Market, 1840-1913" (PhD diss., University of Leicester, 2004), 48.

²⁷ Paul Cashin and Christopher McDermott, "'Riding on the Sheep's Back': Examining Australia's Dependence on Wool Exports," *Economic Record* 78, 242 (2002): 251.

London.²⁸ As the local selling industry grew and organised itself through industry associations and large brokers, it developed a coordinated system of auctions in major centres which was praised for its efficiency.²⁹ Wool buyers were attracted to the Australian auctions from numerous countries as they were now able to import wool directly rather than through London. Firms arrived from Europe, particularly France and Germany, and opened offices in Sydney and Melbourne to supply their woolen industries.³⁰ Japanese buyers also arrived in Australia to supply their relatively new, but rapidly growing, textiles industry. For them, purchasing in Australia meant a shorter, more direct trip home. Kanematsu (兼松) set up a branch in Sydney in the 1890s and was followed by other firms such as Mitsui (三井).³¹

Chinese migrants made a sizeable contribution to wool growing in Australia. Chinese shepherds were engaged in small numbers by British pastoralists in New South Wales as early as the 1830s.³² Between the late 1840s and early 1850s, larger numbers of Chinese migrants, indentured labourers from Amoy, or Xiamen, travelled to the colony of New South Wales, where many worked on sheep farms.³³ Following the gold rushes of the 1850s and 1860s, thousands of migrants from the Pearl River Delta area of Guangdong, many of whom had originally arrived in Australia seeking gold, also entered the wool growing industry. They cleared land for grazing, sheared sheep and, as pictured in Figure 1, washed wool for

²⁸ Simon Ville, "The Relocation of the International Market for Australian Wool," *Australian Economic History Review* 45, 1 (2005): 73-95.

²⁹ A. F. Du Plessis, *The Marketing of Wool* (London: Pitman, 1931), 59; Gerda Blau, "Wool in the World Economy," *Journal of the Royal Statistical Society* 109, 3 (1946): 216-7.

³⁰ Ville, "The Relocation of the International Market for Australian Wool," 81.

³¹ William Purcell, "The Development of Japan's Trading Company Network in Australia, 1890-1941," *Australian Economic History Review* 21, 2 (1981): 116-7.

³² Ian Jack, "Some Less Familiar Aspects of the Chinese in 19th-Century Australia," in Henry Chan, Ann Curthoys and Nora Chiang, eds., *The Overseas Chinese in Australasia: History, Settlement and Interactions* (Canberra: ANU Press, 2001), 44-53.

³³ Maxine Darnell, "The Chinese Labour Trade to NSW, 1783-1853: An Exposition of Motives and Outcomes" (PhD diss., University of New England, 1997); Margaret Slocomb, *Among Australia's Pioneers: Chinese Indentured Pastoral Workers on the Northern Frontier, 1848 to c. 1880* (Bloomington: Balboa Press, 2014).

European employers and customers.³⁴ Several, including James Chuey (黃柱 Huang Zhu 1862-1938) of Junee in western New South Wales, gradually acquired their own sheep farms and wool brokerages, and rose to prominence.³⁵ Anti-Chinese sentiment and the creation of “White Australia”, however, was an impediment to Chinese involvement in the Australian wool industry.³⁶ “White Australia” also provoked outrage in China and, thus, discomfort in Britain because part of the Empire threatened to disrupt British commerce in China.³⁷

Figure 1. Chinese-Australian wool washers, c. 1900.³⁸

Drawing on knowledge accumulated within the Australian wool growing industry, Chinese-Australian migrants facilitated the first small wool shipments from Australia to Qing-era mills. Some served as the agents for customers in China at the Australian auctions. In 1908, to take one instance, representatives of Sydney’s conservative and largely pro-Qing Chinese-language newspaper the *Tung Wah Times* (東華報 Donghuabao) were reported bidding at the Sydney auctions on behalf of unnamed parties in China.³⁹ Chinese-Australian migrants also acted in conjunction with non-Chinese wool growers and brokers in Australia. James Chuey, a grower and broker himself, was active in promoting the export of wool to

³⁴ Barry McGowan, “Ringbarkers and Market Gardeners: A Comparison of the Rural Chinese of New South Wales and California,” *Chinese America: History and Perspectives* 19 (2006): 31-46.; Raymond Markey, “Populist Politics,” in Ann Curthoys and Andrew Markus, eds., *Who Are Our Enemies? Racism and the Australian Working Class* (Sydney: Hale and Iremonger, 1978), 66-79.

³⁵ *Sydney Morning Herald* (Sydney) (*SMH*), 13 October 1938, 7.

³⁶ Timothy Coghlan, *Labour and Industry in Australia* (Oxford: Oxford University Press, 1918), 1591-4.

³⁷ See, for instance, Marilyn Lake, “The Chinese Empire Encounters the British Empire and Its ‘Colonial Dependencies’: Melbourne, 1887,” in Sophie Couchman and Kate Bagnall, eds., *Chinese Australians: Politics, Engagement and Resistance* (Leiden: Brill, 2015), 98-116.

³⁸ “Washing wool at Enngonia Bore, near Bourke,” c. 1900, Kerry and Co. Australia, Museum of Applied Arts and Sciences, 85/1284-141.

³⁹ *Farmer and Settler* (Sydney), 5 June 1908, 3; *Daily Telegraph* (Sydney) (*DT*), 10 August 1908, 3.

China. Between 1903 and 1912, he collaborated with one of Australia's foremost wool brokerage companies, John Bridge and Co., regarding a number of China-bound shipments.⁴⁰ For China, these consignments were an effort to supply its woolen industry and undermine British influence in the Chinese market for woolen products. For Australia, such shipments were designed to gain a degree of economic autonomy from Britain; they also helped counter anti-Chinese sentiment. Nevertheless, overall volumes of wool in this new trade were modest. In this era, most Australian wool was exported to Britain, France, Germany, Italy, and the US. A portion of this wool eventually arrived in China as the foreign-made products against which the energies of Chinese manufacturers were directed.⁴¹

Political upheaval and military conflict interrupted the early growth of Chinese woolen textiles production and, consequently, the wool trade between Australia and China. The toppling of the Qing government in 1911-12 and the subsequent fragmentation of China into states controlled by warlords in 1916 created an “inhospitable environment for business” in most parts of the country, especially for emerging industries, according to Sheehan.⁴² Chinese woolen production was also impeded by the British wartime wool monopsony of Australian wool from 1916, which prevented direct wool exports from Australia to China.⁴³ By 1919, there were strong demands from Shanghai woolen manufacturers for an end to the monopsony and a resumption of Australian imports, although this did not occur until 1920, well after the conclusion of the war.⁴⁴ World War One also hastened the entry of Japanese textiles—chiefly cotton, but also woolen—into the Chinese market.⁴⁵ Redirection of

⁴⁰ *Chinese Australian Herald* (Sydney) (CAH), 10 October 1903, 6; *EN*, 10 August 1908, 3; *Tung Wah Times* (TWT), 5 September 1908, 7; *CAH*, 3 April 1909, 2; *SMH*, 1 February 1912, 11; *SMH*, 12 September 1912, 6.

⁴¹ *Dalgety's Review*, 1908 (Sydney: Dalgety and Company), 110.

⁴² Sheehan, *Industrial Eden*, 16. See also Andrew Atherton and Alex Newman, “The Emergence of the Private Entrepreneur in Reform Era China: Re-birth of an Earlier Tradition, or a More Recent Product of Development and Change?,” *Business History* 58, 3 (2016): 324-6.

⁴³ Ville, “The Relocation of the International Market for Australian Wool,” 78.

⁴⁴ *Shenbao*, 15 August 1919, 7; 21 September 1919, 22; 6 November 1919, 6.

⁴⁵ Zhang Zhongmin, “Di-yi Ci Shiji Dazhan qian Riben mianfang zhi qiye jinru Zhongguo de lujing yu tedian—yi Shanghai fangzhi zhushihuishe weili” [Paths and characteristics of Japanese cotton textile entry into China

resources by European powers, especially shipping, for the war effort left a gap which Japanese entrepreneurs filled, often at the expense of, but sometimes in collaboration with, Chinese industrialists.⁴⁶

CALLS FOR CHANGE, 1920-29

The May Fourth Movement—originating in outrage over China’s marginalization at the Treaty of Versailles negotiations of 1919—stimulated an upsurge in Chinese nationalism and a heightened demand for China-made products, including woolen goods. Consumption of Chinese products was touted as a means of rescuing China from domination by foreign powers, which many regarded as no longer tolerable after the transfer of the German concession of Shandong to Japan instead of China in 1919.⁴⁷ Cotton products, the market for which was awash with Japanese imports, received most attention.⁴⁸ Woolen manufactures, too, were deemed prime targets for import substitution by Chinese nationalists.⁴⁹ From 1920, home knitting with woolen yarn was marketed to Chinese women as a patriotic duty. Indeed, historian Antonia Finnane has examined several Chinese newspaper articles from this period where knitting features as a nationalistic, yet simultaneously a “modern” and “Western,”

before the First World War—the case of Shanghai Textile Co. Ltd.), *Shanghai jingji yanjiu* [Shanghai economic research] 1 (2009): 122-6.

⁴⁶ Shibata, “Japanese and British Perceptions of Chinese Boycotts in Shanghai,” 128.

⁴⁷ Liao Dawei and Ma Jun, *Wu-Si Yundong* [May Fourth Movement] (Shanghai: Shanghai Bookstore Press, 1999), 9-10, 37; Shibata, “Japanese and British Perceptions of Chinese Boycotts in Shanghai,” 121.

⁴⁸ See, for instance, *Guohuo diaocha lu* [National products survey] (Shanghai: Chinese National Products Maintenance Association, 1923).

⁴⁹ Sheehan, *Industrial Eden*, 66. There was, however, considerable opposition to wool because of its perceived status as a ‘foreign’ product, as pointed out in Gerth, *China Made*, 102.

activity for Chinese women.⁵⁰ The increasing power of the Chinese Nationalist Party fostered such initiatives.⁵¹

The Chinese woolen industry grew markedly from 1920. New establishments were constructed in response to China's increasingly nationalistic consumer culture, and to equip armies of the Warlord Era (1916-28) with uniforms and blankets.⁵² To an extent, new enterprises were an effort to boost export earnings, too, with woolen products shipped to Southeast Asia, to be purchased principally by Chinese migrants.⁵³ Among the facilities to open were the Shengda Woolen Cloth Weaving Mills (勝達呢絨廠 Shengda nirong chang), the Asia Weaving Mill (亞細亞針織廠 Yaxiya zhenzhichang), the Jingye Mill (精業工藝廠 Jingye gongyi chang), along with the Lianhe Weaving Mill (聯和襪廠 Lianhe wa chang).⁵⁴ These establishments and most others opened over the 1920s were in Shanghai. As the busiest of China's treaty ports, Shanghai avoided most of the disruption of the Warlord Era. With stable institutions, including secure property rights and the rule of law, it was the preferred location for industrialists to invest, and was the main hub of Chinese industrial development in this era.⁵⁵ Shanghai offered the added benefit of being China's traditional centre of cotton weaving with a ready supply of skilled workers. Modern cotton textile manufacturers derived the greatest benefit from this pool of skilled labour, yet some skills

⁵⁰ Antonia Finnane, *Changing Clothes in China: Fashion, History, Nation* (New York: Columbia University Press, 2008), 122-3.

⁵¹ Shibata, "Japanese and British Perceptions of Chinese Boycotts in Shanghai," 127.

⁵² *Shenbao*, 25 December 1927, 11. See also Wang, "Shanghai maofang gonghui shimo"; Zhu and Yang, eds., *Zhonghua Minguo shi*, V3, P2, 23-4.

⁵³ "The Cotton and Woollen Weaving Mills of Shanghai," 458; Kose, "Foreign Trade, Internal Trade, and Industrialization," 207.

⁵⁴ "The Cotton and Woollen Weaving Mills of Shanghai," 454-5; Chen Yu, *Zhongguo jindai gongye shi ziliao* [Chinese modern industrial history data] (Shanghai: Life, Reading, New Knowledge Triple Bookstore, 1957), 337-46; Zhu and Yang, eds., *Zhonghua Minguo shi*, V3, P2, 23-4.

⁵⁵ Debin Ma, "Shanghai-based Industrialization in the early Twentieth Century: A Quantitative and Institutional Analysis," *Working Papers of the Global Economic History Network* 18, 6 (2006): 4-5; Kose, "Foreign Trade, Internal Trade, and Industrialization," 208.

associated with weaving cotton were transferable to the woolen industry.⁵⁶ Certain cotton mills like the Xingxiang Cotton Weaving Mill (興祥棉織廠 Xingxiang mianzhichang) on Wuding Road, Shanghai, made both cotton and woolen products, and regularly combined cotton and wool fibres.⁵⁷ Most new establishments, as with their Qing-era forerunners, required foreign machinery, which was sourced from Europe, the US and Japan.⁵⁸

Yet, China's wool growers were unable to keep pace with the new developments. Unsuitable climates and limited breeding and pastoral practices militated against farmers producing sufficient quantities of fine-grade wool. Aware of these difficulties, Chinese officials and businesspeople attempted to address them. In 1921, for example, Governor Yan (閻錫山 Yan Xishan 1883-1960) brought 1,000 Australian merino sheep into Shanxi, seeking to building up the area's stock.⁵⁹ Such initiatives, however, were not expected to have a significant impact for several decades. Even if the hurdles associated with increasing domestic wool output could be overcome, China's internal trade posed obstacles to supplying fine-grade wool. Albert Rasmussen (dates unknown), one industry commentator, drew attention in 1936 to the long-entrenched practice of adulterating wool with sand and dirt at multiple stages of trading to increase its weight.⁶⁰ A lack of wool auctions, inspection of wool by customers and specialist brokers, all of which were standard practices in Australia, reduced incentives for the production of fine-grade wool. The 1921 revolution in Mongolia,

⁵⁶ Harriet Zurndorfer, "Cotton Textile Manufacture and Marketing in Late Imperial China and the 'Great Divergence,'" *Journal of the Economic and Social History of the Orient* 54 (2011): 701-38; Kaiyiu Chan, "Making Sense of the 'Business Group' in Modern China: The Rong Brothers' Businesses, 1901-37," *Australian Economic History Review* 51, 3 (2011): 219-44.

⁵⁷ "The Cotton and Woollen Weaving Mills of Shanghai," 455; "Shanghai Woollen Textile Factories," 439; Wang, "Shanghai maofang gonghui shimo."

⁵⁸ "The Cotton and Woollen Weaving Mills of Shanghai," 457; Chen, *Zhongguo jindai gongye shi ziliao*, 337-46.

⁵⁹ *Queensland Times* (Ipswich), 7 May 1921, 3.

⁶⁰ Rasmussen, "The Wool Trade of North China," 68.

an important wool-growing region, further compromised supplies.⁶¹ An anthrax scare in 1922 probably also discouraged the use of Chinese domestic wool supplies.⁶²

Under the circumstances, industrialists in China called for an expansion of the Australia-China wool trade. Shanghai's *Shenbao* newspaper published several reports in the 1920s that lauded the quality of Australian wool and highlighted the limitations of Chinese domestic wool, urging development of the trade.⁶³ In 1924, F. A. Hooley of brokerage firm Leodell and Co. in Shanghai suggested that local mills were crying out for Australian wool, offering "a golden opportunity" to both countries.⁶⁴ Further, in 1926, Luo Tingyu (羅聽餘, dates unknown), manager of the Beijing Kaiyuan Wool Fabric Factory (北京開源呢絨工廠 Beijing Kaiyuan nirong gongchang), penned an open letter to the Sydney Chinese Chamber of Commerce regarding closer trade ties. These were crucial, Luo explained, for securing supplies of high-quality Australian merino wool for manufacturers in China and for finding new markets for China-made woolen goods.⁶⁵

At the same time, Australian wool growers were searching for new markets in response to the difficult trading conditions of the 1920s. A wool glut following the lifting of Britain's wartime monopsony depressed prices. Growers also feared for their industry's future owing to the proliferation of other fibres, especially silk and its artificial form, rayon. Global output of rayon increased almost tenfold between 1914 and 1926, from 26m to 210m lbs.⁶⁶ Such concerns had broader ramifications. Wool remained Australia's chief source of export earnings and, more prosaically, held a special place in the national psyche. Leading

⁶¹ Christopher Atwood, "Inner Mongolian Nationalism in the 1920s: A Survey of Documentary Information," *Twentieth-Century China* 25, 2 (2000): 75-113.

⁶² *EN*, 21 July 1922, 7.

⁶³ *Shenbao*, 17 October 1920, 19; 18 June 1923, 6; 10 May 1925, 5; 25 December 1927, 11.

⁶⁴ *Ballarat Star* (Ballarat), 8 May 1924, 2.

⁶⁵ *TWT*, 24 April 1926, 6.

⁶⁶ "World Rayon Production, 1914-26," Graziers Federal Council Australia 42nd Convention 1929, Noel Butlin Archives Centre (NBAC) E266/30.

pastoralists and stud masters were celebrities and pastoral firms were among the largest businesses in the country.⁶⁷ Australia was said to have ridden to modernity on the sheep's back and the industry was deemed too important to fail. Even the spirit of "White Australia," which risked dilution through new trading relationships in Asia, was open to re-examination in the search for new markets.

There were thus calls from Australian wool producers for closer attention to the Australia-China wool trade. Growers' associations proposed in 1921 that part of the wartime stockpile be given to China, free of charge, "as an advertisement" to stimulate the trade.⁶⁸ The most audible calls came from the Tasmanian Farmers and Stockowners Association, perhaps because of the influence of Tasmanian Senator Thomas Bakhap (1866-1923), an Australian of Chinese descent who championed more trade with China.⁶⁹ That same year, Winchcombe Carson Ltd., one of Australia's leading brokerage firms, declared that China's "big population... offers immense opportunities for the development of the industry."⁷⁰

Chinese-Australian entrepreneurs and organizations were adamant that the wool trade be expanded. In 1921, William Yinson Lee (李源信 Li Yuanxin 1884-1965) from Sydney's On Yik Lee and Co. (安益利有限公司 Anyili youxian gongsi) called on Australian authorities to "immediately set about improving trade conditions between China and Australia" by subsidising direct shipping services to Shanghai. "Australian wool," Lee suggested, could "capture the Chinese market."⁷¹ Sydney's Chinese Chamber of Commerce, along with the

⁶⁷ Charles Massy, *The Australian Merino* (Ringwood: Viking O'Neil, 1990).

⁶⁸ *West Australian*, 23 June 1921, 6.

⁶⁹ *Sun* (Sydney), 25 June 1922, 5.

⁷⁰ *Sydney Stock and Station Journal* (Sydney) (*SSSJ*), 15 April 1921, 8.

⁷¹ *SSSJ*, 5 September 1922, 8. The China-Australia Mail Steamship Line had already been founded in by Chinese-Australian migrants and their descendants in 1917 but failed in 1924 due largely to the firm's ships having been requisitioned during World War One. See John Fitzgerald, *Big White Lie: Chinese Australians in White Australia* (Sydney: UNSW Press, 2007), 134-40. Regarding Lee's charity work, see John Fitzgerald and Mei-fen Kuo, "Diaspora Charity and Welfare Sovereignty in the Chinese Republic: Shanghai Charity Innovator William Yinson Lee (Li Yuanxin, 1884-1965)," *Twentieth-Century China* 42, 1 (2017): 72-96.

Australasian branch of the Chinese Nationalist Party, supported such efforts by promoting interest in the wool trade among Chinese migrants; the organizations' respective newspapers, the *Tung Wah Times* and the *Chinese Republic News* (報國民 Baoguoimin), published various wool-related reports in this period.⁷² Encouraging bilateral trade was probably also intended to help soften anti-Chinese sentiment within Australia.⁷³

Alongside private sector exhortations in China and Australia, governments sought stronger trade ties. In 1921, following talks with Chinese authorities, Edward Little (李德立 Li Deli 1864-1939) was appointed Australian trade commissioner in Shanghai by Prime Minister William Hughes (1862-1952). Little, who spoke Chinese fluently, was well-qualified to effect growth in bilateral trade and set about his work with enthusiasm, approaching, among others, Chinese woolen industry representatives.⁷⁴ Yet, Little was recalled almost immediately, in 1923, because of the shift by the new Australian Prime Minister Stanley Bruce (1883-1967) away from the trade policy of his predecessor.⁷⁵ Little's role was more than likely also compromised by his inability to negotiate trade deals that risked contravening those negotiated by the British.

There was a brief spike in wool imports from Australia in the early 1920s. Even though the proposed gift of a part of Australia's wartime stockpile did not proceed, Chinese manufacturers procured a considerable volume of wool over 1921-2. Nearly 0.7m lbs was imported, more than Australia sent to India, Austria, the Netherlands, Spain, or Sweden, and

⁷² *Chinese Republic News* (Sydney) (*CRN*), 12 August 1922, 6; *TWT*, 18 November 1922, 7; *CRN*, 1 March 1924, 6; *CRN*, 23 May 1925, 5; *TWT*, 26 May 1928, 7.

⁷³ Sophie Loy-Wilson has shown similar of Chinese peanut imports into Australia. See Sophie Loy-Wilson, "Peanuts and Publicists: 'Letting Australian Friends Know the Chinese Side of the Story' in Interwar Sydney," *History Australia* 6, 1 (2009): 1-20.

⁷⁴ *DT*, 16 January 1922, 4.

⁷⁵ Boris Schedvin, *Emissaries of Trade: A History of the Australian Trade Commissioner Service* (Canberra: WHH Publishing, 2008), 32. See also James Cotton, "E. T. Sheaf, Australian 'Trade Commissioner in the East,' 1922-25," *History Australia* 15, 2 (2018): 272.

the most purchased in a single year up to that point.⁷⁶ Even so, direct wool shipments from Australia would not continue at this rate over the decade, diminishing to merely 2,000 lbs by 1928-9.⁷⁷ The new trading relationship had weakened, with one Australian contemporary blaming a reluctance amongst increasingly nationalistic Chinese merchants to engage with Australia because of its racist immigration policies.⁷⁸ Indeed, Shanghai businesspeople were warned about “White Australia” and the difficulties associated with doing business there in the pages of *Shenbao* in the early 1920s.⁷⁹ It is also possible, though not reflected in this newspaper, that Australian wool was seen as an extension of British imperialism in China, since Australian goods often bore the Union Jack, as noted by historian Sophie Loy-Wilson.⁸⁰ Nationalistic rhetoric was, however, inconsistent in relation to Australia during this period. As described by Benjamin Chapman, an Australian teacher in Wuchang, Hubei, in the 1920s, Australia was depicted as one of the “oppressed nations”: one that shared China’s struggle against imperialism.⁸¹

Efforts to develop the Australia-China wool trade could have been more strenuous, but the main obstacle to protracted growth in the 1920s was the rapid increase in Japanese wool imports from Australia. These rose from 2 to 20 per cent of Australia’s total exports between 1920 and 1930. Much of this was re-imported by China as part of what historian William Purcell has termed “the very profitable third country trade which existed between Australia and China.”⁸² Wool imported into China through Japan came in different forms: raw greasy wool as received from Australia; after processing (scoured and combed) as “tops”

⁷⁶ *World’s Wool*, 1927, 43.

⁷⁷ *Statistical Handbook of the Sheep and Wool Industry (SHSWI)* (Canberra: Bureau of Agricultural Economics, 1961), 98; H. W. Gepp, *Report on Trade between Australia and the Far East* (Canberra: Government Printer, 1932), 24.

⁷⁸ *Daily Herald* (Adelaide), 1 October 1923, 3.

⁷⁹ *Shenbao*, 28 January 1921, 6; 15 April 1921, 6; 18 May 1923, 18.

⁸⁰ Sophie Loy-Wilson, *Australians in Shanghai: Race, Rights and Nation in Treaty Port China* (London: Routledge, 2017), 80.

⁸¹ Benjamin Chapman, *Roving in a Changing World* (Sydney: Scripts, 1956), 92.

⁸² Purcell, “The Development of Japan’s Trading Company Network in Australia, 1890-1941,” 122.

ready for spinning; as yarn; as fabric; and as clothes. By 1929, close to half of the raw and semi-processed wool in Shanghai woolen facilities came indirectly from Australia, predominantly through Japan.⁸³ Due to the substantially larger woolen industry in Japan compared with China, most wool arrived as woolen yarn, fabric, and finished clothing, which undermined Chinese domestic production of these items and stifled direct imports from Australia.⁸⁴ Chinese-Australian newspapers described wool shipments to Japan negatively.⁸⁵

Rising Japanese influence in Chinese markets throughout the 1920s, including that for woolen goods, contributed to a virtual explosion of Chinese nationalism toward the end of the decade. All manner of Japanese products, particularly cotton textiles, competed with Chinese products to the detriment of Chinese industry, incensing many.⁸⁶ Additionally, Japanese merchants, unlike their Western counterparts, had begun to transport their own wares around the country, thereby exacerbating discontent.⁸⁷ Anti-Japanese sentiment peaked in May 1928, when Japanese and Chinese forces clashed at Jinan. Boycotts and the mass confiscation of Japanese products followed, as discussed by Shibata.⁸⁸ Such activities were bolstered with the end of the Warlord Era and the reunification of China under the Nationalist Party in October 1928.⁸⁹ Chinese reunification also facilitated unified tariff protection for woolen and other manufacturers in 1929.⁹⁰

⁸³ “The Cotton and Woollen Weaving Mills of Shanghai,” 456.

⁸⁴ *Shenbao*, 1 May 1924, 14; 3 May 1924, 14. See also Eiichi Motono, “Anglo-Japanese Trademark Conflict in China and the Birth of the Chinese Trademark Law (1923), 1906-26,” *East Asian History* 37 (2011): 10.

⁸⁵ *TWT*, 16 June 1923, 7.

⁸⁶ “The Cotton and Woollen Weaving Mills of Shanghai,” 459; Kose, “Foreign Trade, Internal Trade, and Industrialization,” 200, 207-8.

⁸⁷ Kose, “Foreign Trade, Internal Trade, and Industrialization,” 202. Anti-British feeling lessened considerably after surrender of the British concession in Hankou from 1927, as described by Herbert Chapman, an Australian doctor residing in Hankou. Refer to Herbert Chapman, *The Chinese Revolution: A Record of the Period under Communist Control as Seen from the Nationalist Capital, Hankow* (London: Constable & Co. Ltd., 1928).

⁸⁸ Shibata, “Japanese and British Perceptions of Chinese Boycotts in Shanghai,” 127-32, 139-41.

⁸⁹ Gerth, *China Made*, 194-200.

⁹⁰ Kubo, “The Tariff Policy of the Nationalist Government, 1929-36,” 147-9.

TAKING ACTION, 1930-7

The 1930s began with the novel idea of constructing an Australian woolen mill in China. Despite progress over the 1920s, Chinese capacity to process raw wool was constrained to a few large mills, and it was this limitation that an Australian facility was intended to address.⁹¹ Australian wool growers were the foremost proponents of the mill since it offered a potentially very lucrative market for their exports. The Pastoralists' Association of the Southern Riverina in New South Wales, in which grower James Chuey was involved, insisted in 1930 that the Australian government fund research into the idea.⁹² Australia's Chinese-language newspapers lauded this proposal, calling on Chinese migrants to consider investing in it.⁹³ Chinese-Australian businesspeople, including Australia-born William Liu (劉光利 Li Guangli 1893-1983), subsequently commenced their own research into a new woolen mill. Shanghai's extensive and well-known Wing On Textile Manufacturing Company (上海永安紡織有限公司 Shanghai Yonan fangzhi youxian gongsi) was particularly enthusiastic about Liu's research, furnishing him with information about their cotton textile operations in 1930.⁹⁴ Liu also received an endorsement from within the Nationalist Ministry of Industries in 1931.⁹⁵ Processing raw wool was more capital-intensive than the chiefly labour-intensive tasks of manufacturing cloth and clothes, hence the perceived need in China for foreign capital.⁹⁶ Indeed, Australian investment in new wool processing facilities promised to assist

⁹¹ "The Cotton and Woollen Weaving Mills of Shanghai," 454-5; "Shanghai Woollen Textile Factories," 437.

⁹² *SMH*, 4 March 1930, 11.

⁹³ *CRN*, 15 March 1930, 6; *TWT*, 17 October 1931, 8.

⁹⁴ Wing On Textile Manufacturing Co. to William Liu, 30 August 1930, William Liu Papers, Mitchell Library (ML) MSS 6294/6.

⁹⁵ Ministry of Industries to William Liu, 22 May 1931, William Liu Papers, ML MSS 6294/6. See also *Shenbao*, 9 September 1931, 9.

⁹⁶ Kose, "Foreign Trade, Internal Trade, and Industrialization," 208-11.

Chinese manufacturers in the patriotic project of import substitution by replacing semi-processed wool from Japan and Britain, without depending on Japanese or British investment.

While the Australian-financed mill was considered, new mills were built in China. Local industrialists targeted the politically charged and tariff-protected Chinese consumer goods market.⁹⁷ One facility set up in 1930 for this was the East Asia Wool Weaving and Spinning Limited Liability Corporation (東亞毛呢紡織股份有限公司 *Dongya maoni fangzhi gufen youxian gongsi*) in Tianjin, presided over by Song Feiqing.⁹⁸ According to Sheehan, Song was an ardent nationalist, his adolescent years shaped by the May Fourth Movement, and viewed “business as the transformative engine China needed.”⁹⁹ His “Butting Ram” (抵羊 *di yang*) yarn brand, which he marketed to Chinese women through free knitting classes, was a homonym for “oppose foreigners” (抵洋 *di yang*).¹⁰⁰ Song’s mill had the capacity to process raw greasy wool.¹⁰¹ Alongside rising demand for China-made consumer goods, there was renewed demand for woolen army uniforms owing to the rapidly deteriorating relationship with Japan and the urgency of military preparations. A mill catering to this need was Liu Hongsheng’s (劉鴻生 1888-1956) Zhanghua Woolen Cloth Weaving Company (章華毛絨紡織 *Zhanghua maorong fangzhi*), which opened in 1930 in the Pudong district of Shanghai and could also process raw wool.¹⁰² Much of its output was khaki cloth for the

⁹⁷ On nationalistic campaigns, see Gerth, *China Made*, 203-81. On tariffs, see Kubo, “The Tariff Policy of the Nationalist Government, 1929-36,” 148.

⁹⁸ Sheehan, *Industrial Eden*, 55.

⁹⁹ Sheehan, *Industrial Eden*, 49-50, 70, 75.

¹⁰⁰ Gerth, *China Made*, 182.

¹⁰¹ Sheehan, *Industrial Eden*, 71.

¹⁰² Liu Hongsheng entered the woolen industry in 1926 with the purchase of the former Bright Sun factory, although he soon sold it. He opened the Zhanghua factory in 1930. See Zheng, “Jishu yinjin yu qiye fazhan,” 99; Wang, “Shanghai maofang gonghui shimo.” For a detailed description of its machinery and production in 1933, see *Shenbao*, 26 October 1933, 18; refer also to Zheng, “Jishu yinjin yu qiye fazhan,” 100.

military, and by 1932 was the country's most important supplier.¹⁰³ Dependence on imported machinery within the woolen industry was diminishing over the early 1930s as ironworks in China were now able to manufacture spindles, looms, and the like.¹⁰⁴

Chinese woolen textiles manufacturers were still frustrated by local supply issues, however, which worsened with the Japanese invasion of the wool-growing region of Manchuria in late 1931.¹⁰⁵ Inadequate sources of fine-grade domestic wool were strained further from this point, due to the loss of the wool supply from this region and the intensified demand for Chinese domestic woolen products to replace Japanese ones.¹⁰⁶ Japanese expansionism in Manchuria threatened Australian wool growers, too, creating sympathy in Australia for China's plight. Japanese entrepreneurs were reported to have set about expanding cultivation of Manchurian wool for export to Japan, which, in turn, would reduce their spending at the Australian auctions.¹⁰⁷ Australian-Japan relations began to deteriorate.

Reacting to Japan's designs on Manchuria, and to the economic uncertainty of the Great Depression, Chinese and Australian governments attempted to negotiate a free trade agreement during 1931-2. This would have reduced or eliminated tariffs on certain Chinese exports to Australia, primarily food items, along with Australian exports to China, including wool. Negotiations between the Chinese Consul-General in Sydney, Chen Weiping (陳維屏 dates unknown), and Australian officials were proceeding well, but the treaty was aborted by

¹⁰³ "Shanghai Woollen Textile Factories," 438-40; *Shenbao*, 26 October 1933, 18. See also Cochran and Hsieh, *The Lius of Shanghai*, 266, 290, 337. On Liu's other concerns, see Micah Muscolino, "Energy and Enterprise in Liu Hongsheng's Cement and Coal-Briquette Businesses, 1920-1937," *Twentieth-Century China* 41, 2 (2016): 159-79.

¹⁰⁴ "Shanghai Woollen Textile Factories," 442. On one of China's leading woolen industry technical experts, Zhang Hanwen, see Zhongguo kexue jishu xiehui, *Zhongguo kexue jishu zhuanjia zhuanlie gongcheng jishu bian fangzhi juan 1* [Chinese science and technology expert biographies, textile engineering technology VI] (Beijing: China Textile Press, 1996), 192-6.

¹⁰⁵ Tsokhas, "'Trouble Must Follow'", 873.

¹⁰⁶ Chen, *Zhongguo jindai gongye shi ziliao*, 346-77; *Shenbao*, 12 August 1932, 2. See also Zhu and Yang, eds., *Zhonghua Minguo shi*, 24-5.

¹⁰⁷ *Sunday Mail* (Brisbane), 28 February 1932, 20; *SMH*, 31 August 1933, 10; *Age* (Melbourne), 1 September 1933, 9.

Australia because preferential treatment for its exports to China would have contravened several multilateral agreements negotiated for the British Empire.¹⁰⁸ Indeed, the influence of Britain in the Australia-China trade, even though less marked than when Edward Little worked in Shanghai in the early 1920s, remained substantial.

Alive to the growing Chinese woolen textiles industry and its ongoing supply issues, Australian governments also explored means of exporting more wool to China directly in the opening years of the 1930s. During 1931, Prime Minister James Scullin (1876-1953) commissioned a report on Australian trade with China and Japan from noted Australian industrialist Herbert Gepp (1877-1954). Gepp saw “possibilities of the increased sales of Australian wool in China to be favourable.”¹⁰⁹ Specifically, he predicted that the replacement of cotton coats with woolen and sheepskin ones in China would create more opportunities for Australia, provided that certain measures, including a new Australian trade commission in Shanghai, were instituted.¹¹⁰ Gepp warned, too, that Japan was preparing to substitute Australian wool with that imported from South Africa and South America, making the Chinese market an increasingly vital one.¹¹¹ In 1932, Scullin’s successor, Joseph Lyons (1879-1939), set up the Commonwealth Wool Inquiry. It examined in detail how to expand exports to China, emphasising, like Gepp, increased production of woolen and sheepskin coats there.¹¹²

Australian wool industry groups launched several China-related initiatives in the early 1930s. In 1930, the Graziers Federal Council of Australia pushed for an annual levy of 2s 6d

¹⁰⁸ Correspondence between Australian government departments and office of the Chinese Consul-General in Australia, April 1931 – March 1932, Australia-China Commercial Relations Part 1.

¹⁰⁹ Gepp, *Report on Trade between Australia and the Far East*, 10.

¹¹⁰ Gepp, *Report on Trade between Australia and the Far East*, 8.

¹¹¹ Gepp, *Report on Trade between Australia and the Far East*, 51. A similar, privately-funded report with similar conclusions was Alexander Melbourne, *Report on Australian Intercourse with Japan and China* (Brisbane: Government Printer, 1932).

¹¹² *Report of the Commonwealth Wool Inquiry Committee* (Canberra: Government Printer, 1932), 42.

for every £100 of wool exported for “the purposes of wool research, wool publicity and the securing of new markets,” with China singled out due to its “considerable scope.”¹¹³ The Australian Woolgrowers Council, led in this period by Graham Waddell (1877-1960), also argued as part of a new publicity campaign in 1932 that some of the least affluent but most numerous Chinese consumers might be receptive to clothing made from coarser, cheaper grades of Australian wool, as opposed to the relatively small group of consumers who could afford to purchase premium merino wool clothes.¹¹⁴ The Australian Wool Board and the Department of Commerce provided fleeces and yarn samples for exhibition across China in this era as well.¹¹⁵

As the decade unfolded, Chinese wool buyers began to participate directly in the Australian auctions. In 1934, it was widely reported in the Australian press that “a group of Chinese buyers is being trained [within Australia] by certain experienced Continental buyers in the classing and judging of wool, and in auction room tactics.”¹¹⁶ These first participants paved the way for others over subsequent years.¹¹⁷ Non-European wool buyers travelling to Australia faced race-based discrimination from immigration officials, which may have discouraged many, though these Chinese buyers appear to have been warmly welcomed. Along with their potential value to the economy given the deteriorating relationship with Japan, the international character of wool trading communities in Australia could well have worked to counteract racist sentiment. In Melbourne, for example, there were almost 50 firms that had originated overseas, or had overseas offices, nestled together in the wool-trading

¹¹³ “Wool Publicity,” Graziers Federal Council Australia 43rd Convention 1930, NBAC E266/31. In 1932, salespeople were recruited in Shanghai to market Australian wool. See *Shenbao*, 15 October 1932, 23.

¹¹⁴ *Newcastle Morning Herald and Miners' Advocate* (Newcastle), 28 July 1932, 6.

¹¹⁵ *First Annual Report of the Australian Wool Board* (Canberra: Government Printer, 1937), 9.

¹¹⁶ *Wagga Wagga Express* (Wagga Wagga), 31 March 1934, 9; *TWT*, 7 April 1934, 8.

¹¹⁷ In 1937, “Mr. Yuan” from an unspecified business in China was also reported bidding at the Australian sales. See *Townsville Daily Bulletin* (Townsville), 2 March 1937, 3.

precinct on the western edge of the CBD, and traders of different ethnicities mixed and mingled there.¹¹⁸

Plans for Australian woolen mills in China were drawn up jointly by Australians of Chinese and European descent as the 1930s advanced. The would-be industrialists made up several different groups, each with their own plans for a mill. In 1934, China Woolen Mills Development Company was established in Sydney. It consisted of the entrepreneur and *Chinese Republic News* editor David O'Young Narme (歐陽南 Ouyang Nan d. 1965), pastoralists and politicians William Fleming (1874-1961) and William Killen (1860-1939), and celebrity sheep breeder George Falkiner (1907-61), along with 40 other shareholders.¹¹⁹ The firm coordinated with major brokers Australian Mercantile Loan and Finance Company, and with Toussaint Dewez (dates unknown), a prominent Belgian wool buyer in Australia.¹²⁰ Alex Kaw's (d. 1976) Sydney-based China Indent Trading Company (雪梨中華國貨公司 Xueli Zhonghua guohuo gongsi) started planning for their own mill in 1934 as well. Kaw, who had associates at the highest levels of Chinese government, including President Lin Sen (林森 1868-1943), and who knew the Australian Prime Minister Joseph Lyons personally, held talks on his plan with Graham Waddell and other Australian wool industry figures.¹²¹ Kaw established the China-Australia Woolen Mills Syndicate in 1935 and organised a feasibility study for a new mill in Shanghai. The findings were encouraging, and approved by Roger Pirard (dates unknown), one of the leading authorities on wool in China.¹²² In 1934, William Liu also began to engage the Sincere and Wing On firms of Shanghai, two of the

¹¹⁸ World's Wool, 1927, 166-7.

¹¹⁹ List of Members, China Wool Trading Company, 14 January 1938, China Wool Trading Company 1934-51, New South Wales State Records 12951-15477.

¹²⁰ Letter from Toussaint Dewez to Australian Mercantile Loan and Finance, June 1934, T. Dewez and Company Miscellaneous Correspondence and Documents, ML MSS 2094 Y768.

¹²¹ Letter from Alex Kaw to Australian Prime Minister Joseph Lyons, June 1932, Export of Australian Wool to China, NAA A461 I1325/10/2; TWT, 20 October 1934, 2.

¹²² China-Australia Woollen Mills Syndicate Report 1935, William Liu Papers.

“Four Great Companies,” in planning for a woolen mill.¹²³ Liu saw the mill as a way of cutting what he called “Japanese muddlemen” out of the Australia-China wool trade, echoing the concerns of Chinese industrialists, and of challenging anti-Chinese feeling in “White Australia.”¹²⁴

Cooperation between Chinese and Australian governments to increase bilateral trade was enhanced through the appointment of an Australian trade commissioner, Vivian Bowden (1884-1942), to Shanghai in 1935. Once the managing director of a large merchant house in Shanghai, Bowden was familiar with trading and business conditions in China and was supported by Arthur Nutt (dates unknown), who knew the Australian economy better than Bowden. Both men were optimistic about the opportunities for more Australian exports to China, especially wool, butter, and leather, as historian Boris Schedvin has indicated.¹²⁵ The commissioners and their staff members, pictured in Figure 2, promoted Australian goods to representatives of government and commerce in China, communicated opportunities to the relevant parties back in Australia, and acted as agents of goodwill.¹²⁶ The trade commission contributed to a deterioration in Australia-Japan relations, leading to what was described almost gleefully as a “trade war” between Australian and Japan in *Shenbao*.¹²⁷ Indeed, Australia’s growing independence from Britain and closer military alignment with the US was also discussed enthusiastically by Chinese reporters in Shanghai.¹²⁸ As such, Australia probably appeared friendly to China, as a nation also seeking to assert itself against more powerful nations, which is likely to have magnified the appeal of its wool.

¹²³ Letter from William Liu to Australian Minister of Commerce F. H. Stewart, January 1934, Australia-China Commercial Relations Part 1.

¹²⁴ Correspondence between William Liu and Australian government departments, July – December 1933, Australia-China Commercial Relations Part 1.

¹²⁵ Schedvin, *Emissaries of Trade*, 72.

¹²⁶ Vivian Bowden Correspondence 1935-8, Australia-China Commercial Relations Part 1.

¹²⁷ *Shenbao*, 28 April 1936, 6; 25 May 1936, 5; 1 June 1936, 8; 27 June 1936, 7; 29 December 1936, 5.

¹²⁸ *Shenbao*, 1 June 1936, 8.

Figure 2. Australian Trade Commission in Shanghai, 1937.¹²⁹

Hopes for the Australian mill were not realised, but woolen manufacturing in China expanded further in the mid-1930s. According to Bowden, China went from having four large, capital-intensive mills in 1932 to 14 by 1937.¹³⁰ Bowden recorded, additionally, that the total number of spindles in mills had grown from 7,600 in 1933 to 42,352 by 1937, many of which were suited to spinning merino wool.¹³¹ Several facilities were constructed by Chinese industrialists, and were generously supported by Nationalist officials through extra tariffs, tax concessions, and patriotic campaigns, including National Products Year in 1933, Female National Products Year in 1934, and Student National Products Year in 1935.¹³² China Woolen Textile Factory (中國毛絨紡織廠 Zhongguo maorong fangzhichang) in Shanghai was set up by Chen Zhilian (陳志廉 dates unknown) in 1934, predominantly to supply the market for woolen fashion items.¹³³ However, several of the woolen facilities opened around this time were, much to the chagrin of patriots, Japanese and British establishments, constructed in China to avoid import tariffs. A Japanese mill, built in Shanghai in 1933, was that of Nissho Shanghai Textile Corporation (日商上海紡織株式會社 Rishang Shanghai fangzhi zhushihuishe).¹³⁴ The foremost facility constructed in this period, in 1934, also in Shanghai, was that of the British textiles company Patons and Baldwins. It

¹²⁹ Australian Trade Commission staff, Shanghai, May 1937, National Library of Australia 6292759.

¹³⁰ Vivian Bowden, "Australian Trade with China," December 1938, Australia-China Commercial Relations Part 1.

¹³¹ Bowden, "Australian Trade with China."

¹³² Liu Li and Fan Hong, *The National Games and National Identity in China: A History* (London: Routledge, 2017), 41. See also Pan Junxiang, *Jindai Zhongguo guohuo yundong yanjiu* [A study of modern China's national products movement] (Shanghai: Shanghai Academy of Social Sciences Press, 1998), 167.

¹³³ *Shenbao*, 29 November 1935, 11. On other operations, see *Shenbao*, 22 March 1934, 18; 1 July 1936, 7.

¹³⁴ Zhu and Yang, eds., *Zhonghua Minguo shi*, 24-5.

challenged Song Feiqing's Tianjin mill in particular for control of the knitting yarn market, for which 9m lbs was being made domestically by 1936, up from only 1.7m lbs in 1934.¹³⁵

As woolen production in China expanded, so too did wool imports from Australia. The early 1930s saw minimal direct imports, but the second half of the decade witnessed remarkable growth.¹³⁶ Indeed, valued at 41,452 Custom Gold Units (GU) in 1935, these imports were estimated at GU175,200 in 1936 and GU1,169,589 in 1937: there was nearly a 28-fold increase in two years.¹³⁷ By 1937, China was importing 1.5m lbs, surpassing the previous high of 0.7m lbs in 1921-2 and making it the second-most important purchaser of Australian wool tops globally.¹³⁸ Scheduled amendments to tariffs, intended to encourage more unprocessed wool imports, also promised rapid gains the following year.¹³⁹ The total taken by China was a small fraction of the 700m lbs of Australian exports overall, Japan remaining a much more important customer with over 840,000 wool spindles in mills, though the direct trade between Australia and China was clearly growing at the expense of third country trade.¹⁴⁰

Due largely to rising Chinese economic autonomy, Japan renewed military action in China in July 1937, which, in addition to devastating the country, disrupted cooperation with Australia in the development of the woolen industry. This was the principal reason why an Australian woolen mill was not constructed in China: Japanese invasion was deemed too likely by investors. In fact, in August 1936, Bowden advised that the promising Alex Kaw proposal not be supported owing to the probability of war in the near future.¹⁴¹

¹³⁵ Sheehan, *Industrial Eden*, 65, 82; Kubo, "The Tariff Policy of the Nationalist Government, 1929-36," 167-8.

¹³⁶ *SHSWI*, 54-8; Chen, *Zhongguo jindai gongye shi ziliao*, 346-77. See further Zhao, "20 shiji 30 niandai siying qiye de wei ji yu biange", 144-5.

¹³⁷ Bowden, "Australian Trade with China". The GU was set at US\$0.40 in 1935 by the Central Bank of China.

¹³⁸ *SHSWI*, 54-8.

¹³⁹ Bowden, "Australian Trade with China."

¹⁴⁰ Sheehan, *Industrial Eden*, 86; *SHSWI*, 54-8.

¹⁴¹ Correspondence between the Australian Wool Board and the Australian Department of Commerce, August – September 1936, Wool Industry Suggested Establishment of Woollen Mills in China, NAA A461 G325/10/1.

WAR WOOL, 1937-41

China's government representative in Australia was optimistic that the Sino-Japanese War would be brief and that trade with Australia, including that in wool, would resume quickly. The new Consul-General, Bao Junjian (保君建 dates unknown), authored a letter to J. F. Murphy (1893-1949) in the Australian Department of Commerce after the invasion of 1937, insisting: "Japan will never win and China will never lose. When the trouble is passed, that part of commerce which had been taken by the Japanese will have to change hands."¹⁴² In 1938, Bao also authored a book on this issue—*A Century of Sino-Australian Relations*—in which he stated: "with China's economy secured and national independence safeguarded, China would be able to purchase the entire Australian wool clip, and then still be in need of more."¹⁴³

It became clear that the conflict would not be brief, yet many woolen facilities in China were running at full capacity shortly after the attack of 1937. As Sheehan has noted, treaty ports, in which many mills operated, commonly served as safe havens where Japanese military activity was moderated and Japanese authority was not always recognised.¹⁴⁴ Hence, production often continued with minimal break. There was further demand on manufacturers, too, firstly, from the Japanese military, which commandeered some production capacity for making uniforms and blankets, and, secondly, from consumers in a destabilised economy where material goods had come to represent stability: described as the "economy of things" of wartime China by Sheehan.¹⁴⁵ Certain operations even flourished under these conditions

¹⁴² Letter from Consul-General Bao Junjian to Secretary of the Australian Department of Commerce J. F. Murphy, September 1937, Australia-China Commercial Relations Part 1.

¹⁴³ Bao Junjian, "Australia through Chinese Eyes," in Bao Junian, ed., *A Century of Sino-Australian Relations* (Sydney: Office of the Chinese Consul-General in Australia, 1938), 32.

¹⁴⁴ Sheehan, *Industrial Eden*, 94.

¹⁴⁵ Sheehan, *Industrial Eden*, 116.

and increased their output dramatically. Song Feiqing's operation in Tianjin, for instance, raised productivity and profits from the latter half of 1937 until its best year in 1939.¹⁴⁶ Several manufacturers evacuated to western China, beyond the influence of the Japanese military.¹⁴⁷

A plan was also devised in 1939 to expand the woolen textiles industry in western China, which required wool and 2,000 hand looms from Australia. The aim was, ostensibly, to make 1,000,000 refugee blankets. At the centre of the plan was a Chinese Australian working within the Nationalist government, Mrs. Fabian Chow (dates unknown), as the personal secretary of Song Ailing (宋藹齡 1888-1973), the wife of Kong Xiangxi (孔祥熙 1881-1967), Chinese Premier, and sister of Song Meiling (宋美齡 1897-2003), also known as Madame Chiang Kai-shek. Chow appealed to the Australian government, citing China's and Australia's shared status as developing economies and highlighting, like the Consul-General, the potential for post-war trade. This scheme was rejected by the Australian Wool Board, however, because of the expense of the required transportation of wool and equipment overland through Burma.¹⁴⁸

Wool growing regions in China were ravaged by the war, reducing supplies of Chinese domestic wool, and imports from Australia almost doubled between 1938 and 1941. At the close of 1941, a new peak of 3m lbs was being imported into China.¹⁴⁹ This contributed to the Japanese war effort, undermining previous work done toward enhancing

¹⁴⁶ Sheehan, *Industrial Eden*, 96. A list of Chinese-owned facilities still operating in Shanghai can be found in *Shenbao*, 21 October 1941, 1.

¹⁴⁷ Zhu and Yang, eds., *Zhonghua Minguo shi*, 24-5.

¹⁴⁸ Correspondence between Mrs. Fabian Chow and Australian government departments, the Australian Wool Board and the Australian Woolgrowers Council, April – August 1939, Export of Australian Wool to China.

¹⁴⁹ *SHSWI*, 54-8; D. J. Doyle, Sydney – Exportation of Wool to China, NAA A1539 1940/W/17140; Wool, Hides and Skin – Exports to China, NAA A1539 1940/W/18358; Wright, Bruce and Co., Sydney – Exportation of Wool to China, NAA A1539 1940/W/11754; R. V. Tait and Co. – Export of Wool to China, NAA A1539 1941/W/12848.

Chinese economic self-determination. This was part of a broader yet highly questionable Australian strategy of using Japanese money to finance Australia's own defence preparations for the expected war with Japan.¹⁵⁰ The Australia-China wool trade ceased in December of 1941 when that war did come, due chiefly to a new wartime wool monopsony for Britain. The trade would not resume until 1946, though the intervening years saw preparations within China for its resumption, illustrated perhaps most clearly in the form of Gu Zongyi's (顧宗沂 dates unknown) 1944 manual for the Chinese woolen industry, *Aozhou yangmao* (澳洲羊毛 Australian wool).¹⁵¹

CONCLUSION

Australian wool played a significant part in the formative stages of Chinese industrialization in the early twentieth century. Shipments of high quality raw wool —facilitated by Chinese Australians—supplied China's first woolen manufacturing operations from the early 1900s. Such operations were among the earliest efforts to overturn the predominance of foreign, principally British, woolen products on the Chinese market, but they were hampered by domestic political turmoil and a freeze on Australian wool exports during World War One. After World War One, China's woolen industry expanded, fostered by concerns over rising Japanese influence in China, and there were calls in China and Australia for expansion of the Australia-China wool trade. This occurred in 1921-2, though Chinese woolen manufacturing was stifled by the rapid growth of Japan's industry and its saturation of the Chinese market. In the early 1930s, Chinese woolen manufacturing advanced dramatically, as did its use of

¹⁵⁰ Tsokhas, "Trouble Must Follow," 887.

¹⁵¹ Gu Zongyi, *Aozhou yangmao* [Australian wool] (Shanghai: Wool Industry Research Association, 1944). Refer also to *Shenbao*, 10 June 1942, 3.

Australian wool. Australian mills in China were planned—mainly by Chinese Australians—to further boost the industry and the wool trade. Advancement was motivated primarily by increasingly hawkish Japanese foreign policy, which, while a powerful impetus initially, proved disruptive when it led to the Sino-Japanese War in July 1937. Woolen production in China resumed under Japanese occupation, reaching new heights in the first years of the war. Yet, Australian wool exports came to a halt again when World War Two’s Pacific theatre opened in 1941, and they did not resume until 1946.

Australia complemented China’s industrial aspirations. It supplied China with a necessary raw material, fine-grade wool suitable for clothing in this instance. This enabled Chinese woolen manufacturers to compete with imports for control of the domestic market, and helped to challenge the country’s domination by more powerful nations. Australia’s resource-based economy and lack of manufacturing was highly useful to China as it could supply the required resource while not threatening to undermine industrialization efforts through selling its own manufactures on the Chinese market. Australia also benefited, supporting the Chinese woolen industry as part of its reorientation away from traditional European wool markets, which decreased in importance during the early twentieth century, and then later in response to its own economic disputes with Japan. Chinese Australians, too, used the wool trade as a means of building goodwill and countering racist sentiment within “White Australia.”

Our study of the development of the Chinese woolen industry and the place of the Australian wool trade in it adds to historical scholarship. It builds on an evolving line of literature that elevates the place of nationalism and foreign relations in the program of Chinese industrialization. Using unexamined and underexamined source material and a combined business and economic history approach, it offsets the emphasis on competitive, often hostile, interactions with major global powers, especially Japan, demonstrating how a

complementary minor power, Australia, was able to balance the influence of major powers and facilitate the advancement of Chinese industrial manufacturing. This study also lays groundwork for further considerations of China's international economic relationships beyond those with the leading world economies of the twentieth century.

As well as its contribution to the literature, our paper is relevant to the longer sweep of China-Australia economic engagement, and indeed China's interaction with some of the world's smallest nations. China was able to develop its woolen industry to the extent that it is now the foremost in the world and has become the main consumer of Australian raw wool. Australia was, relatedly, able to diversify its wool markets away from Europe, then Japan, and remain the largest international grower and exporter of fine-grade wool. China-Australia trade now also involves vast amounts of other agricultural products and mineral resources, critical to the economies of both countries.¹⁵² This situation has been characterized as new, unusual, or even unnatural and sinister.¹⁵³ China's economic relations with other smaller nations has been seen similarly.¹⁵⁴ Our work problematizes such conceptualizations, suggesting that they are inconsistent with historical precedent.

ACKNOWLEDGEMENTS

The authors are extremely grateful to *Twentieth-Century China's* two anonymous reviewers for their useful suggestions, and to its editorial and administrative staff for their assistance.

¹⁵² Department of Foreign Affairs and Trade (DFAT), *Australia's Trade in Goods and Services by Top 15 Partners 2016* (Canberra: Statistics Section, Office of Economic Analysis, Investment and Economic Division, 2016); DFAT, *Australia's Top 25 Exports, Goods and Services 2015-6* (Canberra: Statistics Section, Office of Economic Analysis, Investment and Economic Division, 2016).

¹⁵³ Sandra Tweedie, *Trading Partners: Australia and Asia, 1790-1993* (Sydney: UNSW Press, 1994), 106-40. See, in addition, Barrie Dyster and David Meredith, *Australia in the Global Economy: Continuity and Change* (Cambridge: Cambridge University Press, 2012), 130. On characterizations of China in contemporary Australia, see Greg McCarthy and Song Xianlin, "China in Australia: The Discourses of *Changst*," *Asian Studies Review* 42, 2 (2018): 323-41.

¹⁵⁴ On contemporary South American characterizations, refer to Jorge Heine, "The Chile-China Paradox: Burgeoning Trade, Little Investment," *Asian Perspective* 40 (2016): 653-73.

The authors are also deeply indebted to Xu Qinqing, Feng Zhuqin, and Tian Zhuoling at the University of Wollongong, along with Huang Zhong at Wuhan University, for their help with archival research.

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