

A MONETARY HISTORY OF THE FORMER GERMAN COLONY OF KIAOCHOU

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After China's crushing defeat by Great Britain and France in the two Opium Wars (1839-1842 and 1856-1858), the Ch'ing dynasty fell into great decline. After both of these events, the Manchu government was forced to sue for peace – the price of which proved to be very dear indeed. Great Britain and France, sensing the total collapse of civil rule in China, placed exorbitant demands upon China in the form of repatriations as laid down in the Treaty of Nanking. These took two distinct forms; the demand for monetary indemnity in silver for expenditures incurred in the war, and for the outright concession of Chinese territory. The Chinese eventually handed over twenty-one million ounces of silver to satisfy the former, and the island of Hong Kong to satisfy the latter. Thus the British territory of Hong Kong was created. This act proved the forerunner of additional demands for territorial concessions on the part of the European powers and Japan, who then proceeded to carve China up into various spheres of influence for commercial exploitation. French territorial ambitions centered upon south China. The British, in addition to their trading port of Hong Kong, sought the right to open additional Yangtze River ports to trade. Russia had ambitions for territorial expansion in the north, where she craved a warm water Russian port on the Liaotung peninsula as well as land in Manchuria. The Japanese, seizing upon the opportunity, laid claim to Korea and the offshore island of Taiwan, which was then renamed Formosa. China was simply too weak to resist these demands for territorial concessions.

This was pretty much the state of affairs until the turn of the century. For a millenium the Chinese had considered themselves to be at the center of the universe insofar as the arts, civil administration and commerce were concerned. It was therefore understandable that they resented the presence of the “foreign devils” and their commercial and cultural domination. Continued pressure and agitation by the foreign powers fanned the flames of hatred against the barbarian outsiders. In an attempt to provide a national defense against foreign belligerence the Ch'ing empress Tz'u-hsi acting as regent for the boy emperor Kuang-hsu, ordered the reinstatement of the militia at the village level. Radicals and secret societies were soon to infiltrate these units, spreading the rallying cry “Protect the country, destroy



The German Colony of Kiaochou (1897-1914)

the foreigner!” Westerners identified these militia bands by giving them the name “Boxers”, a loose translation of their Chinese name meaning “Righteous Harmony Fists”. The Boxers at first began singling out Chinese Christians for persecution, then went after the missionaries themselves. Isolated posts were attacked resulting in many missionaries and thousands of their Chinese converts being put to death. Things rapidly got out of hand, with all foreigners finding themselves in grave danger. The greatest concentration of foreigners was in the Legation Quarter of Peking which contained the foreign embassies, and it is there that the Boxers went seeking revenge. The foreign powers made an unsuccessful attempt in June 1900 to send additional troops to protect the embassies there. Foreign troops then seized the

fort at Taku bar, on the Yellow Sea, to gain passage to Tiensin and Peking. This only aggravated the situation. Panicked and against saner counsel, the dowager empress then ordered all foreigners killed. Heads began to roll. First to be murdered was the German minister to China, whereupon the other foreign ministers and their staffs, together with hundreds of Chinese Christians, sought refuge in the legation quarter of Peking. The area was quickly besieged by the Boxers.

Another international expeditionary force was gathered and in August, 1900 was sent to relieve the Peking siege. This time it was successful. The imperial court fled to Sian and the Boxers were suppressed. Following these hostilities, the usual indemnities and concessions were demanded by the foreign powers, further embarrassing China and its people in the eyes of the world. Foreigners now acted as though they were living in a conquered land, encroaching further upon Chinese sovereignty. It was obvious to almost all that the days of Manchu rule over China were now clearly numbered, eventually resulting in the overthrow of dynastic rule and the establishment of the Chinese republic in 1912.

Germany had been looking for an opportunity to exploit China commercially for some time but had no plans for territorial acquisition. Her business interests were concentrated principally in the Shantung peninsula of northeast China. It was here, in 1897, that two missionaries were murdered by the Chinese. Seizing upon this incident, Germany occupied the Kiaochow Bay area. The negotiations which followed resulted in the lease of one hundred seventeen square miles of land on the Kiaochou peninsula to Germany for ninety-nine years. This foreign enclave on Chinese soil was named Kiaochou by the Germans.

Kiaochou consists of an eclectic array of coin, banknote, notgeld and token issues. This microcosm known as Kiaochou seemingly offers something for every collector.

To this point the principal money of the area had consisted of a myriad of notes from small private shops which could be found in all principal towns and villages. These were the shops of the moneylenders. Even though they called themselves "bankers", most operated out of pawn shops. There was little or no control exercised over them from the Manchu government and their note circulation was strictly limited to the local area of issue. This system of banking had been prevalent in China for centuries. From the 1830s on, the Ch'ing court did try to regulate banking in the principal cities through the use of Ch'ien banks which were responsible to the central government. It was not until 1898 that anything like central banking appeared in China. To supplement this, the various foreign powers

began imposing their own banking systems upon a China weakened by corruption and wars.



Private bank issue of Wei Hsing Te Chi in the amount of 1 tiao. "Tiao" was a term for one string of 1000 copper cash coins. This note is typical of those issued by money lenders in every town and village during the latter Ch'ing and early Republican period. Translated, the four vertical characters in the left margin read: "Not to be paid by lamplight".

Following the German acquisition of Kiaochou in 1898, the colony was placed under the jurisdiction of the Imperial Naval Office and a trading and naval port established at Tsingtao, the capital. The Imperial Maritime customs was set up soon thereafter for collection of duties on goods shipped to and from the interior. The German government built up the city of Tsingtao, running it as a model colony. Tsingtao was a center for the flour, paper and cotton milling industries and for fishing and shipyards. Extensive salt deposits were also mined nearby. Later on the Germans built a large brewery which today bottles the famous Tsingtao beer. Educational and agricultural institutions were opened throughout the leased territory.

To promote its trade interests in the newly acquired territory, several of the major German banks joined together to form a joint venture to serve their Chinese interests. The Deutsch-Asiatische Bank was thus established. With a capital of five million taels (22,500,000 mark) it opened its doors in Shanghai. This bank soon followed the example and practices of other foreign banks in China, which had been established for quite some time. (As early as 1872 a branch of the Deutsche Bank in Berlin was opened in Shanghai but closed in 1875 for lack of business.) The creation of the Deutsche-Asiatische Bank placed it in direct competition with other foreign banks, all of whom had been operating in China for some time. These included two Belgian, three British, two French, one Dutch, one Portuguese, two Russian, one Scandinavian, three American and three Japanese banks. In the beginning the German bank was less than successful. After the Boxer rebellion was suppressed, business grew and branch offices were set up in Tsingtao, Tientsin, Peking, Hankow, Hong Kong and Canton. The bank, at that time however, did not have the power to print and issue its own banknotes, a right enjoyed by all the other foreign banks. This was finally corrected in 1906, when permission from the German government was obtained. At this time the Chinese monetary system lacked uniformity, and in 1907, it was not possible to issue banknotes of uniform denomination. Each Deutsche-Asiatische Bank branch therefore had to issue its own series of notes because the local monetary unit was not the same in the different locales. Consequently, different kinds of notes were issued by the various branch banks (the Hong Kong and Canton branches did not issue notes). Two major types of banknotes were emitted, one in dollars and the other in taels. The Chinese tael was an ingot of commercially pure silver in the shape of a shoe (called sycee by the Chinese) which had a different weight in each major trading city. The three principal units used in everyday commerce were the custom's tael, weighing 38.24 grams, the Shanghai tael, with a weight of 36.64 grams and the Mexican dollar weighing 26.69 grams. The "Mex" got its name



The Deutsch-Asiatische Bank 1907 five tael issue of the Peking branch office. The bank's main office was at Tsingtao in Kiaochou. Three other branches operated in Hankow, Tientsin and Shanghai. The notes were the product of the German printing firm of Giesecke and Devrient in Leipzig.

because the bulk of the silver dollars circulating in Chinese trade were of Mexican origin. The note issues of the Deutsche-Asiatische Bank were strictly controlled by the home office in Germany and never reached large amounts. (See Table 1.)

Table 1.

DEUTSCHE-ASIATISCHE BANK NOTES IN CIRCULATION IN JUNE 1914

Branch	Taels	Dollars
Tsingtao	(1)	2,333,064 (2)
Peking	23,690	237,643
Hankow	6,490	245, 648
Tientsin	(1)	266,192
Shanghai	75,000	376,530
Total	105,180	3,459,077

- Notes: (1). Although tael notes were printed for both the Tsingtao and Tientsin branch banks, none found their way into circulation.
- (2). By far and large, the bank's greatest circulation of notes were the Tsingtao dollars. This was due to the Chinese-German lease agreement for Kiaochou, which permitted only notes of the Tsingtao branch to circulate throughout Shantung province.

The notes issued on the five Deutsche-Asiatische Bank branches were similar in most respects, although there were significant differences. All tael and dollar notes were printed by the firm of Giesecke and Devrient in Leipzig and were of very superior workmanship. The face of each banknote carries as its principal motif a crowned Germania holding a lance and shield emblazoned with the German eagle. In the upper left corner of the note is found an eagle of the Reich with the letters D.A.B. upon its breast. The lower left hand corner contains a frontal view of the imperial dragon. At the bottom center appears the name of the branch of issue in a large rectangle. The text on the front of the notes is in both German and Chinese, and on the reverse in English as well as Chinese. The back of the notes portray two Germanias facing each other. The notes were printed on good quality white watermarked paper. All notes were large in size, the smaller denominations measuring 125 x 187mm and the larger 25 through 200 dollar and 20 tael notes, 135 x 200mm. Notes which had been placed into circulation contain two



The Peking branch of the Deutsche-Asiatische Bank issued notes in both tael and dollar denominations. The 1907 series of notes were circulated extensively. The ship carrying the 1914 issue to Kiaochou was intercepted by a British submarine at the outset of World War I and it consequently never saw circulation in the colony. All Deutsche-Asiatische Bank notes were highly prized by the public due to the bank's fiscal standing.

handwritten signatures, while remainders from the vaults of the Deutsche-Asiatische Bank or notes in-transit at the outset of World War I do not.

The 1 March, 1907 series of Deutsche-Asiatische banknotes contained denominations of 1, 5, 10, 25 and 50 dollars, and in taels 1, 5, 10 and 20. One and two hundred dollar and 50, 100 and 500 tael notes were added in 1914, but not uniformly for all branches. Other differences may be found in the German text on the notes. Both dollar and tael notes on the Shanghai, Peking, Hankow and Tientsin branches bear the inscription "Zehn dollar (tael, etc.) ortsublicher Handelsmunze zahlt die Deutsche-Asiatische Bank dem Einlieferer dieser Banknote an ihrer hiesigen Kasse." The reverse side of each note translates the German as "The Deutsche Asiatische Bank promises to pay the bearer ten dollars (taels, etc.) local currency at its office in Peking (Shanghai, etc.) Tsingtao notes, however, contain a significantly different text which reads: "... bie ihren Niederlassungen im

Deutschen Schutzgebiet Kiautschou und in der Chinesischen Provinz Schnatung.” (... at its offices in the German colony Kiaochau and in the Chinese province of Shantung.) The Tsingtao notes can therefore justifiably be called the official currency of the colony Kiaochau.

In Tsingtao and Tientsin only dollar notes were issued. All other branch banks issued tael as well as dollar banknotes. The Tsingtao branch was allowed, by concession agreement with the Chinese, to issue dollar notes for the entire Shantung province. Because of this, the dollar banknotes circulating were eighty times the amount of the tael notes, making the Tsingtao branch by far the banks most important. (refer to Table 1.)

Deutsche-Asiatische Bank notes also contain two distinctively different watermarks. The first of these, which appears on the 1907 issue is known as the “eight cornered cross flower design”. The second watermark consists of the stock Giesecke-Devrient cross star design with the alternating letters “D-G” superimposed. The latter watermark commonly appears on German banknotes of the period. Colors used by Giesecke-Devrient in the printing of the notes were the same for each different value, irrespective of the branch of issue. (see Table 2.)

In 1914 additional denominations of 100, 200 dollars and 50, 100 and 500 taels were authorized and printed, but not uniformly for all branches. These notes were on their way to the colony when World War I broke out. Unfortunately for the Germans, the ship was interdicted and captured by a British submarine and directed to an English port where the notes were offloaded.

After Japan had declared war on Germany in World War I, her first military objective was the capture of the port of Tsingtao, which served as an operational base for such German sea marauders as the SMS *Emden*, SMS *Ziethern* and SMS *Bremen*. These ships preyed upon commerce using the Allied trade routes in the Western Pacific. A blockade of Tsingtao by the Japanese navy commenced in August 1914, thereby precipitating a run on the bank by Chinese and Europeans alike seeking to convert their notes into gold. In the following month troops were landed on the north shore of Shantung and rapidly advanced on the German stronghold. Fortified by a British force, the Japanese directed a week long attack upon Kiaochou's land defenses, while at the same time bombarding them from their blockading fleet. On 14 November, 1914 the Germans capitulated. Japan subsequently held Tsingtao until 1922 when it was ordered returned to China as part of the Washington Agreement on China and naval rearmament.

Table 2.

PRINTING COLORS ON DEUTSCHE-ASIATISCHE BANK NOTES

Denomination	Germania	Background
1 dollar	blue	pink
5 dollars	dark green	violet
10 dollars	brown	blue
25 dollars	green	pink
50 dollars	violet	grey
100 dollars	red	grey
200 dollars	black	red
1 tael	grey	yellow
5 taels	brown	green
10 taels	blue	tan
20 taels	purple	blue-violet
50 taels	unknown	unknown
100 taels	unknown	unknown
200 taels	unknown	unknown

Notes: Printing colors for like values are the same for all branches.
 Writing is dark brown on dollar notes.
 Writing is green-black on tael notes.

After the fall of Tsingtao, the German navy continued to raid Allied commerce in the Pacific despite the loss of their land base. In early 1917 an incident occurred at sea, which has a direct bearing on our story. Steaming in the central Pacific, the German freighter *Cormorant*, while fleeing Allied warships, was forced to seek shelter in the port of Agana on the American island of Guam.

The United States at that time had not yet entered the war, therefore Agana was a “neutral” port. The Germans lost no time in seeking protection under amnesty law, which was granted. Some months later after America had entered the war, the amnesty ran out. The governor of Guam ordered the captain of the *Carmorant* to surrender his ship and crew.

The order was only partially obeyed as the captain surrendered himself and crew, but while doing so scuttled the ship. The *Cormorant* sank to the bottom of Apra harbor with her full cargo. Over two thousand dollars in German coins, including Kiaochou five and ten cent pieces were still in the ship’s safe.

In 1967 U.S. Navy Captain Robert Yarborough then stationed in Guam, became acquainted with a native Guamanian who had discovered the sunken *Cormorant* in its watery grave some eighty feet down. The diver on subsequent trips to the sunken ship recovered the contents of the ships safe. The treasure was divided up, with Captain Yarborough retaining the Kiaochou five and ten cent pieces, which after fifty years found their way into the hands of collectors.



Kiaochou coinage consists of just two pieces. Five and ten cent copper-nickel coins were struck for the colony on 1909 at the Berlin mint.

During the siege of Tsingtao over one million dollars in banknotes were burned. Other notes found their way aboard supply ships sent to support the Duke of Spee squadron. A portion of this paper money was intended to pay the German marine garrison in Shanghai. These notes also found continuing circulation amongst the German prisoners of war interned in Japan.

When China entered World War I in 1917 on the side of the Allies, all Deutsche-Asiatische Bank branches were closed and their notes declared invalid. Nevertheless the notes of this bank were so highly prized that they were still being cashed as late as 1939. An entry on the books of the Deutsche-Asiatische Bank in

that year shows a balance of \$56,000 still outstanding. This helps to explain the extreme rarity of the notes which had been placed into circulation.

After the fall of Kiaochau many ancillary issues of the various German naval forces continued to circulate. These included credit notes of the East Asiatic squadron, the Third Naval Battalion and others. One final issue associated with Kiaochou is worthy of mention. The Germans of Tsingtao were split up among several Japanese prisoner-of-war camps. Lacking sufficient funds, the prisoners at Camp Bando near Tokushima created their own notes from wooden plates. Two types of one yen denomination notes were printed for prison administration. These notes are unique as the only known specimens today are in the hands of a private collector in Germany.

The coinage of Kiaochou is restricted to two pieces thereby making it one of the least prolific fields from which numismatists may collect. Copper nickel coins of twenty-five percent nickel and seventy-five percent copper alloy were struck at the Berlin mint in Germany under the direction of Kaiser Wilhelm's mint-masters. These coins of five and ten cents denomination are all dated 1909 and bear on their obverse a German spread eagle with the inscription "Deutsch Kiautschou Gebiet" (German Kiaochou Territory) above and the date "1909" below. The coins' value appears to the left and right of the eagle. The reverse of these coins contain the Chinese inscription "Ta Der Guo Bao" (Germany's currency) within an inner circle, and "Kiautschou, Ching Tao" (Kiaochou, Tsingtao) which appears in the border. The diameter of the five cent piece is 19mm, while that of the ten cent coin is 22mm. Mintage was restricted to 610,000 five cent and 670,000 ten cent pieces. The value of these coins was calculated on the basis of 100 cents being equal to one Mexican silver dollar. The Germans made these coins the sole legal tender coinage in the colony, forcing the Chinese to use them to the exclusion of Chinese coins circulating elsewhere.

Upon consolidating their conquest of Kiaochou the Japanese were quick to introduce into Tsingtao a series of military notes which the public were forced to accept. These notes are not readily identifiable as "Tsingtao" issues, as they were printed entirely in Japanese. In his Japanese banknote catalog published in the late 1950s, Ohashi shows a note of ten sen which bears the additional annotation "10 sen in silver" in English on both sides of the note. This is the "Tsingtao" issue which is otherwise identical to the Japanese military issues for Siberia, with the exception that the denominations on the Siberian expedition notes appear in the Russian language. It is also believed that the Tsingtao series of military notes was used on the island of Yap in the Western Carolines and possibly on the island of

New Britain in the principal city of Rabaul. These Pacific islands, part of German New Guinea prior to World War I, were occupied by Japan and Australia at the outbreak of war in 1914.

One other post World War I Japanese issue was prepared for Tsingtao. These notes were drawn on the Yokohama Specie Bank, Limited. This bank had been active in north China commercial affairs since 1902 where it was involved in the



This Japanese occupation issue for Kiaochow was released in Taisho year 3 (1914) after Tsingtao fell to Japanese forces at the outset of World War I. It is distinguishable from similar issues used during the Sino-Japanese War (1895), the Russo-Japanese War (1904), and a later series for Japanese troops occupying Siberia during World War I (1918). The Tsingtao notes are the only ones to bear the English legend "10 sen in silver" printed on the face and back of each note. The note shows two Onagadadiri cockerels at the top with two dragons below.

Manchurian grain trade. After the defeat of Russia during the Russo-Japanese war (1904-1905) the Yokohama Specie Bank shifted its activities northward, following the advances of the Japanese army. Head offices were established in the port city of Dairen, with many branches elsewhere. Although the bank issues were small and well managed, they principally served the Japanese population, as the Chinese rejected them due to sentiments they harbored over Japanese occupation. After World War I came to a close, a new branch was set up in Tsingtao. The larger denomination notes of 1, 5, 10 and 100 dollars were adorned with Chinese imperial dragons while the fractional 10 and 50 sen issues depict a large domed bank building, believed to be the bank's headquarters in Tsingtao. The larger denomination notes all bear the location "Tsingtao" which is engraved upon their English side.

After a new commercial treaty between China and Germany was concluded following World War I, the Deutsche-Asiatische Bank was permitted to reopen its branches in China. On 23 February, 1923 business was resumed in Peking, Tientsin and Shanghai, but this time without the right to print and circulate paper money. The Deutsche-Asiatische Bank was still in operation in 1940 when the winds of war again took their toll. The end came for most foreign banks in China (French, Belgian, Dutch, German and Italian) when China banned financial intercourse with foreign nationals. Of course all of the above listed nationalities were then in alliance with Germany or were under German occupation. The freezing of these banks' assets and almost total contraction of trade proved to be their death knell.



This twenty cent Bank of Communications issue was intended to circulate in the city of Tsingtao as shown by the overprint on the obverse (Chinese) and reverse (English) of the note.



The Provincial Bank of Shantung released its first banknotes in 1924 after first obliterating the old Tsingtao City Bank name from the remainder of its note stock.



The Tsingtao City Agricultural and Industrial Bank changed its name in 1933 from the previous “Tsingtao City Bank”. As an economic expedient it reused existing notes by obliterating the former bank name and substituting the new.



Bank of Communications five yuan notes of the 1914 series printed for Tsingtao are quite scarce and seldom encountered. This one is a specimen note not meant for circulation. Although the vignettes used by the Bank of Communications for each denomination were the same, they were printed with different color inks for each branch.

To complete the numismatic profile of Tsingtao paper money there is one more category of banknote which needs a brief discussion. These are the Chinese banks which issued money for Tsingtao from the time of the Deutsche-Asiatische Bank onwards. Some of these issues were provincial issues (Provincial Bank of Shantung), some were those of the Bank of China and the Bank of Communications - two of the four “government banks” authorized to print notes on behalf of the government - and those drawn on Chinese commercial banks with offices in the principal cities (Tah Chung Bank). The above banks identified their Tsingtao office by placing an overprint on the obverse and/or reverse of the note (Chinese characters on the obverse and English on the reverse) indicating the branch of issue. Others were put into circulation by local Tsingtao institutions such as the Tsingtao City Agricultural and Industrial Bank, the Tsingtao Regional Bank, and the Shantung Min Sheng Bank.

Having discussed the coin and diverse banknote emissions, we now turn our attention to Kiaochou’s only known token issues.

A Kiaochou brass “kantine” token was used by the Naval Artillery detachments in Tsingtao during the early 1900s. This token, similar to others used on German warships operating out of the port, was used only in the base canteen.

This token is 21mm and carries the following legends:

Obverse: KANTINE MATR. ARTL. ABTLG. KIATSCHOU
(kantine Matr(osen) Art(i)l(leire) Abt(ei)l(ung) Kiaochou
Translation: Sailor’s Artillery Battalion Canteen, Kiaochou

Reverse: Denomination “20” only.

A second token attributed to Tsingtao is unique as it is believed to have been used after the capitulation of Tsingtao to the Japanese in 1914. The token has some interesting features. It contains two diagonal lines across the “0” in the denomination “20” on both obverse and reverse together with a “crowned B” counterstamp on the obverse above the denomination. No other identifying marks appear. Could these diagonal lines have been an attempt to devalue the token from twenty to two pfennig?

Although not “money” in the true sense of the word, we must also mention notgeld to complete our numismatic study. Germany experienced a period in the 1920s when cities and small towns all issued their own emergency money called



Berlin notgeld in the amount of 75 pfennig, dated 31 March 1922. This note commemorates “German-Hanseatic Colonial Remembrance Day”. All obverses in the series are alike. Each reverse honors a former colony. This one, honoring Kiaochou, contains a view of “Iltisberge”, otherwise known as Skunk Mountain.

“notgeld”. These small change notes came into being as a result of a coin shortage then prevalent in Germany. To meet legal requirements all issues were restricted to amounts under one mark. They were redeemable by the issuer for short periods. These notes caught the public imagination and were eagerly collected by thousands of Germans, so much so that special notgeld clubs sprang up to facilitate trading notes amongst collectors. The prospect of making a few marks in the cause of urban enhancement was so appealing that towns and villages across Germany commenced printing notgeld for the collecting trade, knowing that few would ever be redeemed. As a consequence, thousands of these “notes” exist today. The notes issued were thematic, very colorful and usually depicted some local hero, historical event or distinguishing feature representative of the community (spas, cathedrals, bierkellers, etc.). Some towns and cities issued sets of notes (5, 10, 25, 50 and 75 pfennig) to commemorate past glories. Several such sets honored Germany’s lost colonies. The author has in his collection two such notes for Kiaochow, one of 50 pfennig, the other for 75 pfennig. Both notes prominently display scenes of the former colony.

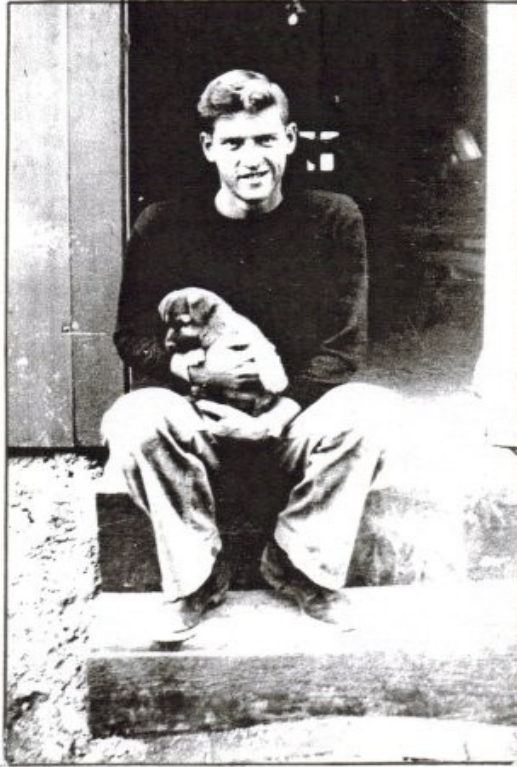
During the Chinese-Japanese War of 1937-1945, Japan again seized control of the port of Tsingtao. This occurred in 1938 from which time the Japanese maintained possession until the end of World War II. The United States based its Pacific Fleet headquarters in Tsingtao following the outbreak of hostilities between the Nationalists and Communists in north China in 1946. Tsingtao remained in Nationalist hands until 1948 when it was overrun by the Red Army.

Epilogue

The author was stationed in Tsingtao in 1946. At that time I was an air controller attached to the Second Marine Air Wing operating out of Chun-dao airdrome north of town. Indications of a German presence existed in town even at that time. For example, the streets such as Kiaserstrasse still had their blue and white porcelain signs attached to the corners of buildings in the European style. And, of course, Tsingtao boasted the best beer in all of China! The former German colonial headquarters still stood downtown but, at this time was serving as a serviceman’s club. The principal pier jutting out into Kiaochow Bay was known as the “Pagoda Pier” because of the pagoda-like structure at its end. I believe this pier had originally been built by the Germans. Another vivid memory was that of changing money on the street. One would go to one of the money lenders who daily set up portable shops on the sidewalks. They all had chalkboards on which were posted the hourly fluctuations in the exchange rate. Through my job I became



This German notegeld for 50 pfennig, dated April 1922, was issued by the city of Neustadt in Mecklinberg. It depicts a view of the German Club in Tsingtao on its reverse. The note was good for exchange up to one month after issue. The front of the note carries the impassioned plea "Give us our colonies back"!



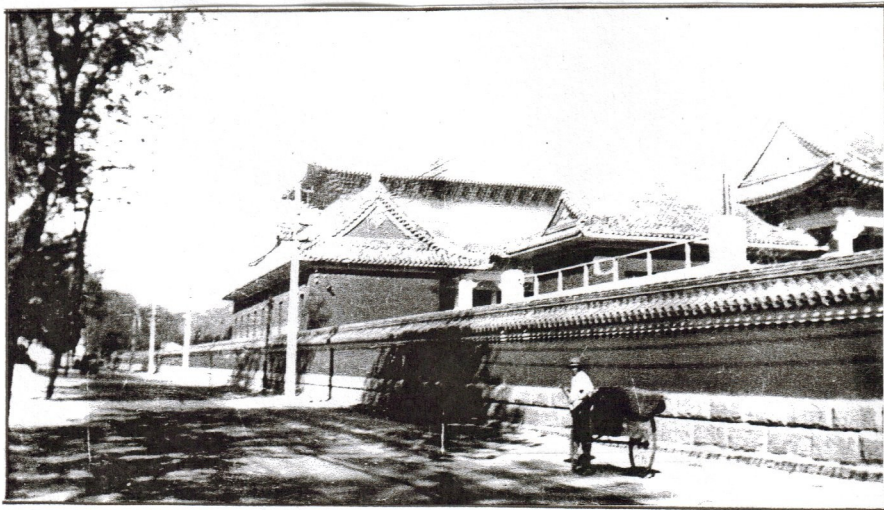
The author with the unit mascot “Salty”, Tsingtao, 1946.



Author (lower right) with fellow Marines accompanied by three local kids eager to have their picture taken.



The “egg man” en-route to Tsingtao market.



Tsingtao street scene, 1946.

familiar with Shanghai, Tientsin and Peking as well as Tsingtao. China was undergoing severe inflation at the time, so one had to be careful. If you bought all your “liberty” money in the morning say, at 1800 CN (Chinese Nationalist dollars) to an American dollar, you might find that you could have gotten 1850 later in the afternoon. Changing five dollars U.S. into CN caused a problem for the sailors with no pockets in their trousers as the wad one would receive was big enough to choke a horse! A few dollars exchanged would typically bring a bundle of Central Bank of China notes of varying denominations together with Bank of China, Farmers Bank of China, Bank of Communications, provincial bank notes and others which I had never seen. All seemed to be spendable, though, as I can never remember being refused when I offered them in payment.

After becoming interested in collecting paper money as a result of my travels I soon found myself in touch with Dr. Arnold Keller of Berlin. For years we carried on an active correspondence, and it was from him that I obtained the initial descriptions of German colonial paper money.

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A RARE NOTE SURFACES

In my article entitled *A Monetary History of the Former German Colony of Kiaochou*, which appeared in the June 2001 issue of the *NI Bulletin*, I mention the German made prisoner of war money which circulated in the Japanese prisoner of war camp at Bando. This camp housed German prisoners captured at Tsingtao after the fall of Kiaochou in November 1914.

I reported in the article that these notes could quite possibly be unique in that the only known surviving specimens were in the hands of a private collector in Germany.

Imagine my astonishment when one of these “Lagergeld” notes surfaced in a recent Hong Kong auction. The note is in German, is of 1 yen denomination, serial



number 131, and is dated 1 July 1918. The note bears the signature of Max Grill together with a Japanese authentication stamp at the lower right.

The face of the note contains the inscription “Gultig fur das Kriegsgefangenenlager Bando” (Good in Prisoner of War Camp Bando) and “Dieser Schein wird Jegerzeit vom Aussteller eingelost” (This note will be cashed at any time by the issuer.)

The notes reverse carries the annotation “Aushilfsschein zur Bemebung des Kliengeldmangels im Kriegsbefangenenlager Bando” (Emergency note issued to alleviate the shortage of small change in Prisoner of War Camp Bando.)

This exceedingly rare World War I prisoner of war note brought a hammer price of \$1600.