

Czechoslovak Companies in the Chinese Market between the World Wars (Škoda Works and Sellier & Bellot Cases)

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Official Czechoslovak statistics attest to the fact that in the inter-war period China did not rank among countries with the largest share in Czechoslovak exports.¹ Yet inter-war China was not a marginal market for Czechoslovak industry and Czechoslovak export to China even achieved undeniable successes. China became an important customer of some Czechoslovak companies, which thus demonstrated that the chaotic situation in the Middle Kingdom was not an insurmountable barrier for them. The Chinese share in the total Czechoslovak export grew gradually and little by little did China become an increasingly important market for Czechoslovak companies. These facts appear in even more favourable light if we realize that it was export to a distant, exotic and destabilized country with very doubtful legal environment.

As is clear for instance from reports by Czechoslovak diplomats in China or from information from the Export Institute,² many a Czechoslovak company, most of which were from the Czech Lands, was interested in the possibility to export to China. They were not only large companies, but also smaller ones and even individuals. Chinese market attracted attention of companies of a large variety of products, including those producing very specific ones that is goods of marginal importance from the point of view of the total Czechoslovak export to China. Among those exploring their chances to sell their products in China were for instance companies making handbags, sweets or flypaper. In this context, we should also mention the fact that a considerably larger number of Czechoslovak companies was interested in the possibilities of exporting to China than in the products they could import from this region. At first sight, when looking at the agenda of the Shanghai office of the Czechoslovak Export Institute, it

1 The Chinese share in the Czechoslovak export culminated in 1938, reaching approximately 4%. For more information, see for instance *Zahraniční obchod republiky Československé, Series III (Zahraniční obchod, Period 1922–1937, State Statistical Institute, Prague 1923–1938; Zahraniční obchod bývalého Česko-Slovenska v roce 1938, Series III (Zahraniční obchod), State Statistical Office, Prague 1939.*

2 The Export Institute was established by the Czechoslovak government in 1934. This institution was to for instance mediate access to more distant market to Czechoslovak exporters. For more information on activities of the Export Institute, see T. JIRÁNEK, *Exportní ústav československý (1934–1944)*, in: *Hospodářské dějiny — Economic History, Vol. 20, 1992*, pp. 209–258.

may seem to an uninformed observer that a wide range of Czechoslovak products won their ways to the Chinese market. Quite on the contrary, most Czechoslovak companies, which explored the possibility of export to China, abandoned this intention — be it due to the high cost of such trade, risk arising from trade relations with unknown environment, fear of lack of information concerning the Far-East region or other reasons. In fact, the inter-war Czechoslovak export to China was distinguished by relatively narrow commodity diversification and among individual producers selling their products to China, two companies played decidedly a key role: Škoda Plzeň [Škoda Works in Plzeň]³ and Zbrojovka Brno [Brno Arms Factory].⁴

Škoda Works and the Brno Arms Factory were among the largest industrial companies of inter-war Czechoslovakia, whose activities and their very existence were strategically important for the Czechoslovak state. These two companies were also among the leading and long-term Czechoslovak exporters. Both companies exported to many countries and their results often markedly influenced the overall picture of the Czechoslovak foreign trade both as to its total volume and territorial or commodity structure. One of the countries, where Škoda Works' and Brno Arms Factory's products went to in the inter-war period, was China. Exports of the Brno Arms Factory and Škoda Works to China in the inter-war period logically show some obvious similarities but also some striking differences. Both companies first developed trade relations with northern China and only gradually — also due to the dramatic events in Manchuria — did they manage to strengthen trade relations with southern China (mainly the Guangzhou (Canton) government) and central China (primarily with the representatives of Chiang Kai-shek's Nanking regime). The "Chinese trade" of the Brno Arms Factory and Škoda Works also underwent similar cycles. The first expansion of the "Chinese trade" in both companies took place in the latter part of the 1920s and reached its peak in 1930. It was followed by a slump and stagnation, which were connected with the dramatic events in Manchuria and the beginning of the Great Depression — this stage roughly coincides with the first half of the 1930s. Approximately in the mid-1930s, the development turned — first with the Škoda Works (1934), then with the Brno Arms Factory (1936) — and a new boom in the "Chinese trade" began, reaching its peak in 1937. The start of the Japanese invasion into central and southern China in 1937 brought the Škoda Works' "Chinese trade" to a quick decline. In the case of the Brno Arms Factory, the fall was clearly slower. In 1937 and 1938, the Brno Arms Factory took advantage of the intensifying military activities and related high demand for arms from China to considerably expand its arms trade — similar reaction, albeit their export was on a smaller scale, came for instance from the Sellier & Bellot company. The Brno Arms Factory's supplies definitely collapsed after the formation of the Protectorate. Despite the above mentioned fluctuations, China's share in the total export of the Brno Arms Factory as well as Škoda Works was repeatedly large, despite the fact that it cannot be determined exactly — mainly due to the fact that the data in the available sources are not accurate and probably do not inform about all direct and indirect supplies to China.

3 Its official name was Joint-Stock Company, formerly Škoda Works in Plzeň.

4 Czechoslovak State Arms Factory, since 1924 called Czechoslovak Arms Factory, Joint-Stock Company in Brno.

In some respects, however, the form and course of the “Chinese trade” of Škoda Works and the Brno Arms Factory visibly differed. Firstly, the commodity structure of their supplies was different. Arms production clearly prevailed in the Brno Arms Factory, which almost exclusively sold arms, while the arms production of Škoda Works failed in China with the company having to rely on non-military supplies. Unlike the Brno Arms Factory, Škoda Works gained certain experience with the Chinese market before World War I. This fact played to a certain extent a positive role at the beginning of a new post-war stage of Škoda Works’ “Chinese trade”, although it undoubtedly had also negative impacts in the form of embarrassing negotiations concerning debts from the past. The co-operation of both companies in export to China was somewhat controversial. In some cases Škoda Works and the Brno Arms Factory managed to co-operate and split the profit from their activities in the Chinese market. In other cases, nevertheless, the behaviour of competing companies prevailed.

ŠKODA WORKS

Škoda Works was already exporting to China before the World War I. Škoda Works also had a share in military-related deliveries, consisting not only of traditional artillery but also of the participation of Škoda Works in the construction of warships for China. Škoda Works reached a participation share of approximately 25% of the deliveries as part of the Austro-Hungarian loans to China between 1911–1914.⁵ Unlike other Czechoslovak companies (for instance the Brno Arms Factory), Škoda Works was able to use its pre-war experiences in the Chinese market. On the other hand, pre-war exports to China caused Škoda Works quite a few complications. In 1917, China declared war on the Austro-Hungarian Empire and stopped making payments on its Austro-Hungarian loans. This step noticeably affected Škoda Works as well. After the war ended, complicated negotiations ensued between Škoda Works, the representatives of Viennese banks and China to force China to at least partially pay back its pre-war loans. The course of these negotiations changed regularly, one of the possible solutions was a commitment by the Chinese to purchase other Škoda Works products, for instance locomotives, with the profits from the new business helping to at least mitigate the losses from the above-mentioned loans. This particular case and primarily its controversial effects seem to reflect the overall problematic nature of Czechoslovak-Chinese relations, which as already mentioned were naturally affected by a number of significant factors: the chaotic situation in China after the fall of the empire, the unwillingness of the Chinese to make payments on any debts to countries with which they were at a state of war during World War I, and the overall lack of interest in China by the Prague government. Italian diplomat Marc Rosenthal negotiated on behalf of Škoda Works,⁶ and

5 I. BAKEŠOVÁ, *Čína ve XX. století*, Part 1, Olomouc 2001, p. 40.

6 Regarding the activities of Rosenthal in the position of representative for Škoda Works in China, see Archiv Ministerstva zahraničních věcí České republiky (hereafter AMZV), Praha, IV. sekce národohospodářská (hereafter SN), karton 1208, Zpráva č. 1/IV-23 z Úřadu delegáta Republiky Československé v Pekingu ze dne 18. října 1923.

in 1922 he succeeded in negotiating a contract which solved the problems of the old debts. On the basis of this agreement on November 14, 1922, China was supposed to gradually make payments on its old obligations, and at the same time Škoda Works committed to cancel six contracts for deliveries of weapons to China from the period between August 1913 to April 1914.⁷ It was however merely a relative success, and considerable problems with the repayment of old obligations were to appear in later years.⁸

Year	1926	1927	1928
Orders received	6,355,724	12,606,140	38,732,918
Invoices issued	6,910,375	2,850,919	16,168,956
Year	1929	1930	1931
Orders received	36,413,618	62,697,155	9,668,906
Invoices issued	39,236,822	70,386,495	27,975,585

TABLE 1: Škoda Works' Deliveries to China During 1926–1931 (value in CZK)

Source: Archiv společnosti Škoda Plzeň, Annual statistics for Schneider (1915–1938), Statistiques 1926–1931, unclassified.

During the first few post-war years, the renewal of trade with China proceeded slowly and with modest results. China does not appear as an independent item in Škoda Works summary export statistics until 1923. The overall totals of invoiced deliveries to China was only CZK 27,991 and thus China had a very insignificant proportion of Škoda Works' overall exports.⁹ In the following year, 1924, the value of the invoiced deliveries fell to a negligible CZK 1695.¹⁰

7 For more information on the agreement, see V. KARLICKÝ, *Svět okřídleného šípů: Koncern Škoda Plzeň 1918–1945*, Plzeň 1999, pp. 77–79.

8 For more information on the payment of old debts, see I. BAKEŠOVÁ, *Československo–Čína 1918–1949*, [s. p.] 1997, pp. 80–81. Cf. the consolidation of old debts from Sept. 1925 *The China Year Book 1931*, London, Chicago, Shanghai 1931, p. 354. On the question of Austro-Hungarian loans and negotiations on the debts from the early post-war years, see also The National Archives, London (hereafter TNA), Foreign Office (hereafter FO) 371/8022, Realisation of Austrian issued bonds of Chinese government 6% loan (1912–1913) held by Administrator of Austrian Property, Department for Administration of Austrian Property (November 30th, 1922); *ibidem*, Consolidation of overdue Austrian loans to China, telegram from Mr. Clive, Peking (December 12th, 1922).

9 Approximately 0.003% of the total invoiced value (export and domestic orders together) CZK 807,227,925. China's share of the overall value of invoiced exports was approximately 0.008%. Archiv společnosti Škoda Plzeň (hereafter ASŠ), *Roční statistika pro Schneidera (1915–1938)*, Statistiques 1915–1923, unprocessed. The majority of the documentation in the Škoda Plzeň Archives containing data on exports to China in the inter-war period has not yet been processed nor filed, which complicates research.

10 ASŠ, *Roční statistika pro Schneidera (1915–1938)*, unprocessed. Statistics compiled for the French group Schneider et Cie, which was the majority owner of Škoda Works from September 1919 on.

In the mid-1920s, during the developing boom in Czechoslovakia, the “Chinese deliveries” underwent a considerable acceleration. In 1925, exports to China reached values in the millions — the total received orders for China was approximately 2.14 million crowns, and the invoiced amount of the “Chinese deliveries” approximately 1.26 million crowns.¹¹ Between 1926–1930, the value of Škoda Works exports to China grew by a factor of 10 (see Table I). In 1930, the “Chinese trade” reached its first peak, when Škoda Works accepted orders for over 62 million crowns, and the invoiced amount of “Chinese deliveries” came to more than 70 million crowns. The orders for China contributed almost 30% of the overall accepted foreign orders in 1930 and China was in this respect clearly first among foreign customers. The total amount of invoices issued for Chinese orders contributed approximately 17% of Škoda Works’ total invoiced exports — in this respect China was second only to Turkey.¹²

Regarding the commodity structure of the “Chinese deliveries”, during 1925–1927 it was primarily various deliveries for Chinese railroads — locomotive garnitures, tank engine gears, axles, boilers, motors, generators, tyres, etc. The majority of orders were destined for northern China, for instance in Harbin and Dalian (Dairen). Often it was comprised of deliveries for the Chinese Eastern Railway.¹³ In 1928, deliveries began for a newly constructed power plant in the Shanghai suburb Zhabei. The power plant in Zhabei, which began operating in 1930, was for Škoda Works a significant and in its own way prestigious order. During only the year 1928, Škoda Works registered orders for equipment for this power plant valued at approximately 18 million crowns.¹⁴ In addition to orders for the power plant in Zhabei placed in 1928, a few more of the orders for Chinese railways placed with Škoda Works are worth mentioning. Interest in China in locomotives from Škoda Works was growing, for instance in August and October 1928 a total of 5 Mikado locomotives were ordered for roughly CZK 5,550,000. There were also orders for Manchuria, for instance in January 1928 an order for four IDI locomotives for approximately CZK 4,700, 000. It was however not just for locomotives, more orders were to come from Harbin for various equipment (bridge construction elements, braces, etc.)¹⁵ for railway companies for several million crowns. In September 1928, one steam towboat and one cargo steamship were ordered for northern China from Škoda Works.¹⁶

11 Ibidem.

12 Ibidem; ASŠ, Statistiques 1926–1931, unprocessed.

13 More detailed information for example in ASŠ, Generální ředitelství, podfond Vrchní administrativní ředitelství — ROCHETTE (hereafter GŘ-VAŘ-ROCHETTE), folder: 10/114, China-Japan; ASŠ, GM-SAM-ROCHETTE, Chinese Eastern Railway, Harbin, without further specification.

14 Out of all of the items, particularly the two turbo-generators (each producing 12,000 kW), two three-phase transformers (each 12,500 kW), two double-bodied steam turbines (each 10,000 kW) and three vertical-tube boilers are worth mentioning. ASŠ, Orders over CZK 100,000 (1928), unfiled.

15 Interest in China at the time was also growing in boosters (which aid in boosting the towing capacity of locomotives) from Škoda Works. See J. VANĚK, *Boostery, zapomenutá kapitola*, in: Svět železnic, Vol. 1, Is. 4, 2002, pp. 6–8.

16 ASŠ, Orders over CZK 100,000 (1928), unfiled.

Not even in the later years, when the wave of orders from China was reaching its peak, did the basic character of the Chinese deliveries change much. Primarily it was purchases of locomotives, which in essence became the main pillar of the “Chinese trade” of this period, for instance in 1929, locomotives Mikado for Qiqihar or type “E” tender locomotives Harbin. In 1930, Škoda Works successfully concluded two key contracts: 24 IDI locomotives for the Chinese State Railway Shenyang (Mukden)-Hailin (contract concluded on March 11, 1930) for 28.3 million crowns and 16 Mikado locomotives for Qiqihar (ordered in June 1930) for 18.9 million crowns.¹⁷ In the summer of 1929, another three large steam towboats were ordered for northern China. New orders for power plant equipment also began to appear, for instance in 1930 three vertical-tube boilers including additional equipment for the power plant in Nantao in the Shanghai region for roughly 4 million crowns and a steam turbine (3000 kW), turbo-generator (3750 kW) and a vertical-tube boiler including additional equipment for Fuzhou for approximately 3.8 million crowns.¹⁸ Towards the end of the 1920s, Škoda Works, like the Brno Arms Factory, was interested in the Shenyang Arsenal, or rather in the possibility of deliveries, which would aid in the modernization and expansion of this plant. Škoda Works delivered water-tube boilers and other equipment to the Shenyang Arsenal.¹⁹ Nevertheless, these deliveries to the Shenyang Arsenal represented only a small part of the overall volume of Chinese orders. The construction of the bridge over the river Sungari in Manchuria in the late 1920s deserves special attention. The project for this 400-meter long railroad bridge with steel construction weighing 1375 tons was in its own way unique. Škoda Works placed special emphasis on this construction project and visibly presented the bridge as one of their greatest successes of the period.²⁰

“Chinese trade” grew into considerable proportions and China’s position in Škoda Works’ export strategy over the course of several years changed significantly. As of October 10, 1930, Škoda Works held receivables in China for roughly 100 million crowns, with over one half of this sum being formed by receivables for locomotives.²¹ In the following year however developments reversed direction. Several negative factors — the Great Depression, increasing competition in the Far East, the Japanese

17 ASŠ, Orders over CZK 100,000 (1929 and 1930), unfiled. Regarding the transport of locomotives through the port of Hamburg, see for instance AMZV, SN, file 505, Report no. 20176/30 (Locomotives and cars — export to China and Egypt) from the Consulate General of the Czechoslovak Republic in Hamburg dated October 27, 1930.

18 ASŠ, Orders over CZK 100,000 (1929 a 1930), unfiled. A listing of the deliveries to China during this period could naturally be much longer. The listed prices should be considered approximate, as often it is possible to find varying prices for specific deliveries in different places in the available archives. The prices were adjusted several times, and in some cases it is not entirely clear which of the listed prices was final.

19 ASŠ, GR-VAŘ-ROCHETTE, folder: 10/114, China-Japan; ASŠ, Orders over CZK 100,000 (1928), unfiled.

20 In this context, I would like to point out the rather extensive photo documentation on the bridge, which is stored in ASŠ, for instance the construction of the Sungari II bridge, album no. 409.

21 Other significant items included claims for power-plant equipment and the previously mentioned boats. ASŠ, GR-VAŘ-ROCHETTE, folder: 10/114, China-Japan.

invasion of Manchuria — all together led to the decline in Škoda Works' "Chinese trade." The events in Manchuria evidently had the greatest effect on this rapid decline. Up to then, northern China had clearly represented the most interesting territory from a trade perspective for Škoda Works, and the majority of Škoda Works' deliveries were headed for northern China, in particular to Manchuria. The Japanese invasion of Manchuria and the creation of the state of Manzhouguo basically led to Škoda Works being forced out of the region, and deliveries from Škoda Works were to be replaced primarily by Japanese firms. The assassination attempt on Ing. Tokaryevski, the director of the Shenyang division of Škoda Works, in November 1931 also corresponded with the dramatic situation in the north.²² Škoda Works was forced to redirect its activities to central and southern China, which caused quite a few difficulties. These factors led to a substantial change in the overall statistical results of the "Chinese trade". In 1931, Škoda Works issued invoices for "Chinese deliveries" for approximately 28 million crowns. New orders in the same year however did not even reach 10 million crowns, which was several times smaller in comparison with previous year 1930 (see Table I).

Škoda Works had to react quickly to the rapidly changing situation in China. Among other measures — taking into account the currently smaller volume, the importance of the "Chinese trade" and also the unclear perspectives — Škoda Works tried to analyze the costs of its representatives and offices in China in an attempt to achieve some savings. In this context, remunerations for certain workers of Škoda Works in China were re-determined, and an effort to lower expenditures for office equipment in individual offices is also evident. Savings were, however, not meant to be the only solution for the adverse situation, Škoda Works naturally sought out new prospective customers, and monitored the competition more compared to previous years.²³

In 1932, the results of the "Chinese trade" continued to worsen. From this period, it is worth mentioning the interesting story of the Zhabei power plant, in whose construction Škoda Works took a significant part. At the end of January 1932, Japanese forces landed in the Shanghai area and then in the Zhabei District fought with Chinese units (the so-called 19th Chinese Army). The suburbs of Zhabei were largely destroyed during the fighting, in large part due to the Japanese air force.²⁴ Confused

22 For more information concerning details on the assassination attempt, see ASS, GR-VAR-ROCHETTE, folder: 10/114, China-Japan. The name Tokaryevski also appears in the available materials in other transcripts.

23 More information in ASS, GR-VAR-ROCHETTE, folder: 10/114, China-Japan.

24 There was a considerable difference in the atmosphere in areas with concentrations of foreigners (international settlement and French concession) and the situation in the remainder of Shanghai. While the Chinese sectors lived in fear, many of the foreigners acted as if the entire conflict did not affect them. This phenomenon was confirmed by correspondence (both official and semi-official) between the office of the General Inspector of the Chinese Maritime Customs Service and the individual customs offices during this period, where very little attention is paid to the bloody fighting in Shanghai. For instance, The Second Historical Archives of China, Nanjing, The Maritime Customs Service Archive (further only SHAC-MCSA), Part Three: Semi-Official Correspondence with Selected Ports, Reel 116, 679 (1) 32226, Letter from L. H. Lawford to Frederick Maze (11th Feb-

reports of the direct threats to Czechoslovak citizens living in Shanghai, in particular to employees of the power plant in question, appeared in the Czechoslovak press. According to the inaccurate information in the reports, fire from Japanese artillery was supposed to have completely destroyed the complex. Fortunately for the power plant, the Japanese apparently were not interested in its destruction.²⁵ This could be partly due to the fact that at the request of Škoda Works, the Czechoslovak legation in Shanghai on January 28 issued a “*certification that the power plant’s equipment was the property of Škoda Works, and that the director is authorized to fly the Czechoslovak flag in the defence of this property*” to the director of the power plant.²⁶ During these dramatic weeks, Škoda Works had to face further problems. Towards the end of February 1932, news reports appeared in China that the Japanese had purchased ammunition with poison gas from Škoda Works. After consulting with the Czechoslovak legation in Shanghai, Škoda Works’ representatives officially denied this false information and at the same time, at the initiative of the Czechoslovak diplomatic mission, articles denying such deliveries were published in several of the most important Chinese and foreign-owned newspapers (for instance the American Shanghai Evening Post and the British The North China Daily News and The Shanghai Times).²⁷

In 1933, the value of Chinese deliveries remained at a level several times smaller in comparison with the boom between 1928–1930. In December 1933, Škoda Works succeeded in negotiating a new contract for the construction of a sugar refinery and distillery in the Guangzhou province (the contract is usually marked as “C. Antonio /Sze-Tow/” in the available archive materials).²⁸ This contract in effect became the starting point for a new more successful period. In 1934, Škoda Works succeeded in an agreement to build a new sugar refinery in southern China, (usually marked as “San Pedro /Shuntak/”).²⁹ It was however not all sugar refineries. Škoda Works also

ruary 1932); *ibidem*, Letter from Frederick Maze to L. H. Lawford (16th February 1932). On the other hand, the decision by the general inspector to provide a financial contribution to employees forced to evacuate their homes, for instance in Zhabei, was a nice gesture. For more information, see SHAC-MCSA, Part Six: The Sino-Japanese War and its Aftermath, 1931–1949, Reel 283, 679 (1) 14856, Chief Secretary’s Memo. No. 3699 (17 February 1932).

- ²⁵ V Šanghaji ze čtyř milionů obyvatel je 175 Čechoslováků, in: *Moravské Slovo (Brno)*, February 26, 1932 (no author listed).
- ²⁶ AMZV, Politické zprávy (hereafter PZ), Shanghai, Report on the political situation and on the Japanese military operation in Shanghai dated February 4, 1932, compiled by Ambassador Robert Feitscher.
- ²⁷ AMZV, PZ, Shanghai, Report on the political situation and on the Japanese military operation in Shanghai dated March 1, 1932, compiled by Ambassador Robert Feitscher.
- ²⁸ The official agreement was not signed until March 1934. See further ASŠ, China agreements 1933–46, unfiled, temporary box number (t. b. no.) 690 51. This order was however already registered in January 1934 — with a total sales price of 16.8 million crowns (or 18.5 million crowns). For more information, see ASŠ, Orders over CZK 100,000 (1934), unfiled. Here I must also point out the fact that the labelling of orders was in places confusing. In some cases the same order was listed in different places in the relevant documents under different labels possibly incorrectly copied.
- ²⁹ The official contract for this sugar refinery was not signed until March 1935. The grand opening was held on January 2, 1936. ASŠ, Chinese contracts 1933–46, unfiled, t. b. no. 690 51.

registered new orders for locomotives (for instance 10 locomotives for Shanghai for almost 5 million crowns), for locomotive boilers or even an order for a coal facility for Nanjing (Nanking). They also built on their previous deliveries of power plant equipment to Shanghai.³⁰ The overall value of the “Chinese orders” once again in 1934 was already in the tens of millions of crowns. On the other hand, in view of the unfavourable situation in northern China, the offices in Dalian (Dairen) were shut down in 1934.³¹

The boom in the “Chinese trade” continued in 1935 as well. In comparison to the end of the 1920s, the share of locomotives in the Chinese deliveries was reduced, while Škoda Works’ activities in the construction of new industrial plants in China increased. With respect to the previously mentioned objective circumstances, Škoda Works strengthened business ties primarily with southern China. It continued with deliveries for the “C. Antonio” sugar refinery (for instance the delivery of back-pressure steam turbines 600 kW) and in the construction of the previously mentioned “San Pedro” sugar refinery.³² In March 1935, Škoda Works signed a contract with the Guangzhou government for the construction of another sugar refinery (usually marked as “Santa Ana /Tung Koon/”).³³ Another significant order for the Cantonese government was the contract for the construction of a power plant for a paper mill, signed on February 18, 1935. After conversion, Škoda Works required roughly 8 million crowns for construction work and deliveries in this project alone in 1935. The delivery was officially handed over to the Chinese in October, 1936.³⁴

Škoda Works however did not limit its interest only to southern China, it also continued making deliveries to Shanghai and penetrated further to the west, into the interior, for instance into the Sichuan province. In the case of Shanghai, it was primarily equipment for power plants (for instance boilers and tubing for the power plant in Zhabei for approximately 5 million crowns and a boiler aggregate with accessories for the power plant in Nantao for roughly 3 million crowns). Orders for steelworks came for instance from the Sichuan province (specifically for vertical-tube boilers and an evaporation station).³⁵ In the fall of 1935, a contract was concluded for the delivery of two boilers with accessories for the power plant in the Hunan province valued at over 2 million crowns.³⁶ As was earlier indicated, in comparison with the end of the 1920s, business with northern China had generally weakened. Even so, business with northern China was not completely interrupted. Among the most interesting orders

30 The delivery of 2000 kW turbines in 1934. ASŠ, Orders over CZK 100,000 (1934), unfiled.

31 In 1936, the office of Škoda Works in Shenyang was closed. For more information on the representation of Škoda Works in China, see BAKEŠOVÁ, *Československo-Čína 1918–1949*, pp. 81, 84.

32 ASŠ, Orders over CZK 100,000 (1935), unfiled.

33 ASŠ, Chinese contracts 1933–46, unfiled, t. b. no. 690 51.

34 ASŠ, Chinese contracts 1933–46, unfiled t. b. no. 690 51. For information on the other activities of Škoda Works in the Chinese market in 1935, see for instance AMZV, SN, file 657, letter from the Joint-Stock Company, formerly Škoda Works addressed to the Ministry of Foreign Affairs dated December 17, 1935.

35 ASŠ, Orders over CZK 100,000 (1935), unfiled.

36 ASŠ, Chinese contracts 1933–46, unfiled, t. b. no. 690 51.

in 1935, the delivery of 10 locomotives for Beijing valued at approximately 9 million crowns is particularly worth mentioning.³⁷

The trade with China continued to develop positively in 1936, when the overall volume of the “Chinese trade” roughly matched that of the previous year. The commodity and territorial structure of the “Chinese trade” remained practically the same in its basic features. Guangzhou remained one of the main targets of Chinese deliveries, which in 1936 for instance ordered Pacific locomotives from Škoda Works. Additional locomotives of type Mikado were headed to Nanjing. In central China, Škoda Works had some success with cranes. Škoda Works even registered some smaller orders from Manzhouguo.³⁸ The contract with the Cantonese government for the expansion of the “C. Antonio” sugar refinery became a key order. The Chinese were supposed to pay after conversion approximately 25 million crowns for the expansion, which represented roughly one half of the overall value of the “Chinese trade” negotiated in 1936. Here we need to comment on the further fate of the “C. Antonio” sugar refinery. Škoda Works’ work on the project, contrary to the original plan, continued into the summer of 1937, when the Japanese invasion into central and southern China began. According to available records, Škoda Works completed work on the sugar refinery, but the work was never officially accepted by the Chinese, since the region suffered from the attack by the Japanese army.³⁹

The year 1937 brought Škoda Works a record volume of orders from China. First of all were the sale of locomotives. Of them, the order from one of the Shanghai companies for 22 locomotives of type Mikado with spare parts and the order of the Nanking government for 20 locomotives of the same type were particularly important. For only these two orders, Škoda Works was supposed to receive approximately 40 million crowns after conversion.⁴⁰ Deliveries of power plant equipment also showed a marked boom, primarily contracts with representatives of the Nanking government. At the beginning of 1937 Škoda Works agreed to construct a power plant in the Hunan province. In April, a contract was signed for the delivery of complete equipment for two power plants in Fujian. Significant orders for power plant equipment also came from the Nanking government even during the period when the Japanese invasion of central and southern China had been under way for several months.⁴¹

After the start of the above-mentioned Japanese invasion in July 1937, Škoda Works’ prospects for further successes in China rapidly shrunk. As was already indicated, the Chinese in the second half of 1937 expressed interest in business with Škoda Works. The situation of the Chiang Kai-shek’s government was however rapidly worsening and the probability that it would be able to realize similar business fell. In December 1937, Chiang Kai-shek’s government was forced to leave Nanjing, which was shortly thereafter captured by the Japanese. The prospects were similarly

37 ASŠ, Orders over CZK 100,000 (1935), unfiled.

38 For instance the order of 60 injectors from Harbin, Manzhouguo. ASŠ, Orders over CZK 100,000 (1936), unfiled.

39 ASŠ, Chinese contracts 1933–46, unfiled, t. b. no. 690 51.

40 Ibidem. Both contracts were signed in the spring of 1937.

41 Ibidem. For details, see for instance the contract from October 1937 for the purchase of all necessary equipment for two power plants for a total sales price of USD 225,900.

bleak for potential transactions with other Chinese customers. In August 1937, several weeks after the start of the invasion, an agreement was concluded between Škoda Works and Chiang Kai-shek's government (document signed by Finance Minister H. H. Kung), in which an enormous loan for 10 million British pounds was negotiated for the Chinese party for the purchase of products from the Škoda Works concern. In Czechoslovakia, the agreement was presented as a great success, which would bring important orders, and not only for Škoda Works. However, the idea was in error. One of the conditions of the entire project, which in fact made the realization of the agreement in August 1937 impossible, was the end of the Sino-Japanese war.⁴²

And thus the "Chinese trade" in Škoda Works suddenly collapsed. In the following years 1938 and 1939, deliveries to China continued only to a limited extent, and the total value of newly signed contracts represented merely a fraction of the value of orders from the period before the start of the Japanese invasion. Extensive military operations in China also caused Škoda Works other problems. Available materials also show the fears of Škoda Works that at a minimum some of the equipment earlier delivered to China could be destroyed during fighting before being fully paid for by the Chinese. On the basis of requests by the Plzeň-based company in 1937 and 1938, the Ministry of Foreign Affairs repeatedly by way of the legation in Shanghai intervened with Japanese diplomatic missions regarding the protection of the property of Škoda Works in China, which formally included equipment, for which it had not yet been fully paid.⁴³

Starting in the summer and autumn of 1937, during the period when the Sino-Japanese battle of Shanghai was under way, the Czechoslovak legation appealed to Japanese authorities in an attempt to protect the property of Škoda Works in the power plants in Zhabei and Nantao.⁴⁴ The Japanese army however did not pay much attention to the Czechoslovak appeals, and for the most part ignored them. In particular the power plant in Zhabei suffered the most, being heavily damaged during the Japanese attack. While speaking with a representative of the Czechoslovak legation on October 18, the Japanese Consul General declared that concerning the above-mentioned power plants, "*The Japanese consider them to be Chinese property and may therefore be seized*".⁴⁵ From the perspective of Škoda Works' interests, the situation in

42 Agreement text, see ASS, GRŮVARŮ-ROCHETTE, folder: 10/114, China-Japan. Commentary on the agreement see BAKEŠOVÁ, *Československo-Čína 1918-1949*, p. 91.

43 On the interventions, for instance AMZV, SN, file 372, letter from the Joint-Stock Company, formerly Škoda Works in Plzeň addressed to the Ministry of Foreign Affairs dated November 11, 1938.

44 In reality only a small part of the mentioned power plants were owned by Škoda Works. The Chinese administration owed Škoda Works smaller sums for earlier deliveries of boilers and other components. AMZV, SN, file 372, Report no. 1690/38 (Škoda Works — damages in China) from the Legation of the Czechoslovak Republic in China dated September 29, 1938, p. 1. A compelling description of the dramatic fighting on the suburb of Nantao given by AMZV, PZ, Shanghai, Report no. 237/conf. From the Legation of the Czechoslovak Republic in China dated November 16, 1937.

45 His cynical remark must have seemed extremely absurd, when he complained "*that Chinese forces have high quality Czechoslovak machine guns, which greatly hinders the Japanese advance in Shanghai*". AMZV, SN, file 372, Report no. 1690/38 (Škoda Works — damages in

southern China was considerably worse. In 1938, Japanese air raids in the Guangzhou region even affected the sugar refineries, in whose construction Škoda Works took a significant part and where there was equipment that had not yet been paid for. According to a report from the Shanghai legation, the air raids ceased only after the sugar refineries were marked with Czechoslovak flags.⁴⁶ Škoda Works' largest concerns were from the attack on the C. Antonio /Sze-Tow/ sugar refinery, which caused the most damage. Furthermore, as was already mentioned, just before the Japanese invasion this sugar refinery had been significantly expanded, for which Škoda Works held considerable receivables. The rapid renewal of production and even the payment of some of the registered receivables brought a certain amount of hope for Škoda Works' prospects. The Plzeň-based company however soon recognized, that it was just a temporary phenomenon. Further payments were stopped, and the Japanese made it clear to Škoda Works that they were not considering making any reparations for damages caused during military operations. In justifying this stance, they also accused Škoda Works of supplying the Chinese with military equipment.⁴⁷

Developments in the Far East and then later in Europe accelerated the collapse of the "Chinese trade" and in this new situation, the difficult collection of debts, just as for Brno Arms Factory, logically became a priority in the relations between Škoda Works and China. After the establishment of the Protectorate and the outbreak of war in Europe, the Chinese expressed practically no interest in solving the problem of debts. According to a record of claims compiled in November 1942, Škoda Works held claims totalling over 300,000 British pounds in China. Among the largest claims were the debts from the construction and expansion of sugar refineries in China.⁴⁸ The problem of debts thus remained an open issue.

Finally, I would like to at least briefly mention the problem of deliveries of military equipment to China in the inter-war period. The question of military trade represents an independent chapter in the activities of Škoda Works in China, which remains to this day and likely will remain into the future clouded by classified circumstances. From research conducted up to the now into this area, the works of Ivana Bakešová especially deserve attention, claiming that Škoda Works did not realize any larger deliveries of military equipment to China in the inter-war period.⁴⁹ I can merely confirm this conclusion. I also did not find in the source materials

China) from the Legation of the Czechoslovak Republic in China dated September 29, 1938, p. 2.

⁴⁶ Ibidem, p. 4. It is however somewhat disputed whether this measure was the main reason that the Japanese ceased their air raids on the mentioned buildings.

⁴⁷ This contrived accusation did not in fact play a significant role. Even in the case that it had not occurred, Škoda Works' chances for reparations were negligible. Ibidem, p. 5.

⁴⁸ This had to do with the previously mentioned sugar refineries, C. Antonio /Sze-Tow/, Santa Ana /Tung Koon/ and San Pedro /Shuntak/. For information on the debts, see ASŠ, GŘ-Skřivánek, folder: 0058/0381; ibidem, folder: 0057/0379; ASŠ, GŘ-právní oddělení, folder: 0106/1080.

⁴⁹ I. BAKEŠOVÁ, *Československé zbrojní dodávky do Číny v době mezi dvěma světovými válkami*, in: *Historie a vojenství*, Vol. 41, Is. 4, 1992, p. 37; BAKEŠOVÁ, *Čína ve XX. století*, Part 1, p. 58; BAKEŠOVÁ, *Československo-Čína 1918-1949*, p. 92.

anything, which would have proved the existence of significant military deliveries to China.⁵⁰ Škoda Works paid intensive attention to this area and in the 1930s evidently attempted to persuade the Nanjing government to purchase their weapons — at times likely by bribes, which were evidently paid to various representatives of the Chiang Kai-shek regime.⁵¹ The available documentation also shows that the long-term unsuccessful activities in the area of the arms trade evoked strong negative, at times extremely emotional reactions in Škoda Works. It was reflected in the communication between Škoda Works and the Ministry of Foreign Affairs or the Czechoslovak diplomatic authorities in China. For instance after one particular failure, when at the beginning of 1935 Škoda Works did not win a government contract, the Plzeň-based company, through its representative Anatol Obolský, inappropriately requested the Czechoslovak legation in Shanghai to lodge a strong protest with the Chiang Kai-shek government. Ambassador Feitscher commented on this situation in his report for the Ministry of Foreign Affairs, saying: “*I bluntly informed Obolský that I was greatly surprised by his request, and that in the given situation I cannot consider lodging a protest and that I am forced to reject his suggestion as extremely inappropriate.*”⁵²

On the other hand, I cannot completely agree with the reasoning for the Škoda Works’ lack of success presented by Ivana Bakešová. In conjunction with Škoda Works’ unrealized arms trade, Bakešová also writes, that the “*Heavy German competition was a primary cause. Germany gained dominance in the Chinese arms trade thanks to the fact that it was the first European country to sign a bilateral treaty immediately after the peace conference in Paris on a basis as equals.*”⁵³ Undoubtedly the strong German competition played a role in Škoda Works’ unsuccessful negotiations in the arms trade. In connection with this, it is important to mention the activities of German advisors, who convinced Chang Kai-shek of the advantageousness of purchasing weapons from German companies.⁵⁴ The above-mentioned German-Chinese bilateral treaty however had only a small influence on the German sale of arms to China. As experience showed, individual militarists purchasing foreign arms were mostly

50 Škoda Works was at the time often repeatedly mistakenly presented, in the foreign press for instance, as an important supplier of arms for the Chinese market. Cf. British commentary on the “cessation” of arms shipments to China after the establishment of the Protectorate. TNA, FO 371/23427, Supply of Czechoslovak arms for China (March 13th, 1939).

51 The question of Škoda Works’ arms trade in the archive materials was often only hinted at. For details, see for instance the correspondence of Director Fried with the representative of Škoda Works in Shanghai Ing. Fremr. ASS, GR, folder: 22/264, Correspondence of Director Fried with foreign representatives in various countries (between 1934–1937).

52 AMZV, SN, file 480, Report no. 48/conf. (Škoda Works — delivery of military equipment to China) from the Legation of the Czechoslovak Republic in China dated February 11, 1935. On the efforts of Škoda Works to win a more significant contract for the delivery of weapons, see further BAKEŠOVÁ, *Československo-Čína 1918–1949*, pp. 86–88.

53 BAKEŠOVÁ, *Československé zbrojní dodávky*, p. 37.

54 For more information on the activities of German advisors, see D. SUTTON, *German Advice and Residual Warlordism in the Nanking Decade: Influences on Nationalist Military Training and Strategy*, in: *The China Quarterly*, No. 91, 1982, pp. 386–410.

not too concerned about similar treaties and did not take them into account when choosing suppliers. Even companies from countries that did not sign such a bilateral agreement with China successfully exported arms there, an example of which was the Brno Arms Factory and its profitable sale of arms to Zhang Zuolin during 1927–1928. Naturally, sale of arms to inter-war China is much more complicated than has been indicated. Negative results in Škoda Works' planned arms trade were affected by other factors. Taking into account objective circumstances, in particular a lack of trustworthy and exact information, I presume that we will never be able to completely resolve the causes of Škoda Works' lack of success.⁵⁵

SELLIER & BELLOT⁵⁶

Sellier & Bellot, a company in Prague, was one of two ammunition factories that were inherited by Czechoslovakia in 1918.⁵⁷ Sellier & Bellot had a long tradition and in the inter-war period became an important supplier of ammunition for the Czechoslovak army and police. The move of production into a new larger factory in Vlašim in 1936 became a significant stimulus for further expansion of the company. Sellier & Bellot was also a successful exporter, whose exports grew particularly in the period of the arms boom in the 1930s. During 1934–1938, the value of the yearly exports for Sellier & Bellot grew by a factor of almost eight from 7 to 53 million crowns. Sellier & Bellot supplied ammunition to a number of countries. In addition to China, its primary target markets were Bolivia, Mexico, Estonia and the Soviet Union.⁵⁸

Sellier & Bellot did not begin to take a more serious interest in the Chinese market until the 1930s, however in a very short time China became one of its most important foreign customers (for a summary of deliveries to China between 1933–1938, see table II). Taking into account the expanding “Chinese trade,” Sellier & Bellot in the mid 1930s decided to establish direct representation in China, and in the autumn of 1935, it concluded a contract for representation in the territory of China with Shanghai company Lilling & Co. According to this agreement, the Shanghai company was to receive a 2% commission and, if the sale of goods from Sellier & Bellot in China was to be realized by some other company, Lilling & Co. was to receive “reparations” equal to a 1% commission. In return, Lilling & Co. agreed to not represent competing firms.⁵⁹

55 Cf. SUTTON, *German Advice*, pp. 386–410.

56 The official name of the company during the inter-war period was at first “Matches and Ammunition Factory, formerly Sellier & Bellot,” later “Ammunition Factory, formerly Sellier & Bellot”.

57 The second was Roth in Bratislava.

58 For more information, see J. HÝKEL — V. KARLICKÝ, *Dějiny firmy Sellier & Bellot*, Praha 2006, pp. 173–176.

59 Copy of the contract placed in the Archiv a.s. Sellier & Bellot, Vlašim (hereafter ASB), Archive Fund No. 1 (hereafter AF no. 1), Sellier & Bellot, Box No. 17, serial number (further only ser. no.) 158–167.

Ordered by	Quantity	Order date	Shipping date
Representative in Hamburg	1,500,000	Feb. 4, 1933	Feb. 21, 1933
Representative in Hamburg	200,000	Jan. 25, 1933	Feb. 27, 1933
Representative in Hamburg	5,000,000	Feb. 14, 1933	Mar. 21, 1933
Representative in Hamburg	3,000,000	Feb. 23, 1933	Apr. 6, 1933
Representative in Hamburg	3,000	Feb. 22, 1933	Apr. 6, 1933
Representative in Hamburg	200,000	Mar. 23, 1933	Apr. 6, 1933
Representative in Hamburg	1,000,000	Apr. 20, 1933	June 14, 1933
Representative in Hamburg	500,000	Sep. 1, 1933	Sep. 8, 1933
Exporter in Hamburg	1,000,000	Jan. 27, 1934	Feb. 20, 1934
Representative in Hamburg	2,500,000	Nov. 16, 1934	Jan. 11, 1935
Representative in Hamburg	300,000	Nov. 17, 1934	Jan. 11, 1935
Czechoslovak Brno Arms Factory	300,000	Feb. 27, 1935	Mar. 5, 1935
Exporter in Hamburg	1,000,000	Feb. 13, 1935	Mar. 5, 1935
Czechoslovak Brno Arms Factory	100,000	Mar. 15, 1935	Mar. 19, 1935
Czechoslovak Brno Arms Factory	2,000,000	June 6, 1935	Aug. 17, 1935
Czechoslovak Brno Arms Factory	200,000	Sep. 6, 1935	Sep. 26, 1935
Central Trust of China, Hong Kong	50,000,000	Jan. 19, 1938	Feb. 23 – June 3, 1938
Total	68,803,000		

TABLE 2: Sellier & Bellot's ammunition deliveries to China during 1933–1938 (sorted chronologically by shipping date)

Source: ASB, AF no. 1, Sellier & Bellot, Box 39, Items 539–543, Production statement — infantry ammunition for foreign military purposes.

Note: It was in all cases deliveries of ammunition for Mauser, calibre 7.92 mm. In the “for whom” column, either the Chinese government or the more general “export to China” was marked as the final customer. Taking into account the specific nature of the arms trade, we cannot rule out the possibility that in the same time period more ammunition from Sellier & Bellot could have somehow made it to China.

In 1937, negotiations were held on a very large order for the delivery of 200 million rounds of ammunition to China.⁶⁰ Available documents from Sellier & Bellot's archives do not indicate whether this order was eventually completely fulfilled. On September 17, 1937, the Ministry of National Defence gave its approval for negotiations with the Chinese government for the delivery of 100 million rounds of ammunition. The Ministry of National Defence clearly indicated, just as in the case of other export applications, that the sale would be approved only if the new Chinese order would not interrupt deliveries for the Czechoslovak army. The above-mentioned document from September 17, 1937, also clearly stipulated that the Ministry of National Defence would allow the sale only in the case that it would be an arms delivery directly to Chang Kai-shek's Nanjing government. The ministry required that an original confir-

⁶⁰ Sellier & Bellot expected that the total cost for these rounds would exceed 1 million British pounds. ASB, AF No. 1, Sellier & Bellot, Box No. 17, ser. no. 158–167. More on the order AMZV, SN, file 480, letter from Sellier & Bellot addressed to the Ministry of Foreign Affairs dated December 4, 1937.

mation from the Nanjing government that the delivery was for the exclusive use of its army be attached to the export application. The Ministry of National Defence's strict policy was likely a reaction to the changing situation in China, where large-scale military actions were taking place after the start of the Japanese invasion into central and southern China in July 1937. Additionally taking into account the possibility of a negative reaction by the international community, the Ministry of National Defence during this period of dramatic events in China did not desire for ammunition from Czechoslovakia to get into the hands of any other parties than the Nanjing government, which was recognized by the majority of other nations as the sole legal representative of China (including Manzhouguo).⁶¹

Out of the originally planned volume of 200 million rounds of ammunition, "only" 50 million had been delivered to China, based on a contract from January 1938. Even so, this order unambiguously became the most important Chinese contract of Sellier & Bellot. Between February and June 1938, the rounds were gradually shipped in six shipments from the port of Hamburg to China.⁶² Central Trust of China paid 250,625 British pounds for the above-mentioned 50 million rounds. Approximately 30,000 pounds from this amount was written off as "*payment of confidential expenditures abroad in conjunction with winning the contract*". Most likely it represented bribes, which were in small part paid from the commission of Leo Lilling, and mostly paid from the profits of Sellier & Bellot.⁶³

For several months after the establishment of the Protectorate, reports continued to be received from China on how Lilling & Co. was trying to win new contracts and also on the activities of competing companies in China. The creation of a list of code words which were later used in telegrams sent from China to Czechoslovakia became an interesting phenomenon. After war broke out in Europe, communications between Sellier & Bellot and Lilling & Co. were sporadic. On the other hand, as evidenced by available sources from the period of the second world war, Sellier & Bellot did not have any unpaid debts⁶⁴ — unlike the Plzeň Škoda Works and the Brno Arms Factory.

61 With regards to the given facts, it is worth mentioning that in the past Sellier & Bellot supplied ammunition to Chang Kai-shek's enemies. In September 1934, 200,000 rounds were expedited to the Manchuria government, the puppet regime controlled by the Japanese, which Chang Kai-shek refused to recognize. ASB, AF No. 1, Sellier & Bellot, Box No. 39, ser. no. 539–543, Listing of production — infantry ammunition for military purposes intended for foreign sale.

62 The first half of this order, 25 million rounds, was approved by the Ministry of National Defence on February 1, 1938, the second half on April 27, 1938. ASB, AF No. 1, Sellier & Bellot, Box No. 39, ser. no. 539–543, Listing of production — infantry ammunition for military purposes intended for foreign sale.

63 ASB, AF No. 1, Sellier & Bellot, Box No. 17, ser. no. 158–167, Contract between the Central Trust of China and Sellier & Bellot represented by Mr. Leo Lilling; *ibidem*, Request for the approval of payment of confidential expenditures abroad (addressed to the Czechoslovak National Bank).

64 ASB, AF No. 1, Sellier & Bellot, Box No. 17, ser. no. 158–167, Statement appended to the request for approval of payment (addressed to the exchange department of the National Bank for Bohemia and Moravia in Prague) dated February 13, 1942.

CONCLUSION

The stories of Škoda Works and Sellier & Bellot in the Chinese market were logically to a certain extent similar, but in certain aspects differed. Both companies met with considerable problems and obstacles which for instance had to do with the very specific (exotic) nature of the Chinese market, but also with the great geographical distance between Central Europe and China. Both companies for instance very likely used bribery in an attempt to gain contracts in the Chinese market, although clear direct evidence does not exist.

In comparison with Sellier & Bellot, Škoda Works at least in some respects naturally had better objective conditions for expansion into the Chinese market. It was a larger company which clearly had access to sufficient finances necessary for expansion into important and distant markets. Škoda Works could also take advantage of relatively intensive co-operation with important foreign companies. Unlike Škoda Works, Sellier & Bellot did not establish themselves in the Chinese market until the 1930s. Clearly, Sellier & Bellot realized its largest deal with China shortly before the disintegration of Czechoslovakia. The striking difference between both companies can be observed in the commodity structure of deliveries headed to China. Taking into account its production programme and certain other factors, Sellier & Bellot basically exported only ammunition to China, primarily in the period of escalation of the Sino-Japanese conflict. On the other hand, Škoda Works' exports to China included a relatively wide range of products, from locomotives to power-plant equipment or even various deliveries for sugar refineries. In comparison with Sellier & Bellot, Škoda Works' deliveries were missing items of a military character. Škoda Works made repeated attempts at exporting military equipment, but unsuccessfully and never gained a more significant order for the delivery of arms to China.

ABSTRACT

As the basic statistical summaries prove, during the inter-war period China did not belong among the main business partners of Czechoslovakia. On the other hand, the Chinese market played an important role in the sales strategy of certain Czechoslovak companies, including those which held a significant position in Czechoslovak industry. Škoda Works and Sellier & Bellot are included among the relatively narrow group of companies which were able to find success in the Chinese market. Their "Chinese trades" were in some respects similar, but in others fundamentally different. Both companies had to face problems which for instance arose from the very specific nature of the unstable and from the Czechoslovak point of view extremely exotic market. On the other hand, the reasons for their successes in the Chinese market were somewhat different.

KEYWORDS:

Czechoslovakia; China; International Trade; Economic History

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