The M. Jebsen Shipping Company in Apenrade, Schleswig-Holstein: Coastal Shipping in Europe, 1878–1885

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Introduction

Coastal and short-sea shipping was crucial to global industrialisation and urbanisation of Europe and the United States from the late eighteenth to the mid-twentieth centuries. The coastal and fluvial transport of heavy, low-value cargoes but also of a whole variety of foodstuffs into the major urban centres by coasters was a vital factor in countries with long coastlines such as Britain, France, Italy, Norway, and Spain. With the application of steam technology to ships the sailing vessel was gradually replaced by the steam coaster which offered speedier journeys and a more reliable timetable. The British business historian John Armstrong has frequently pointed to the fact that the important role of the coaster within the Industrial Revolution has long been either ignored or played down by economic and business historians who instead emphasised the importance of the railway. Indeed, research has shown that even the construction and operation of railways depended on the transport of materials, including coal, on coastal ships. Even later, railways were never able to transport the mass of goods that were handled by coastal ships.\(^1\)

Given the importance of coastal shipping for the Industrial Revolution, it is astonishing that there are hardly any source-based studies on coastal shipping companies.

Although there are often detailed compendia on the merchant fleets of individual countries, as well as works on important shipping lines and important shipowners, there are practically no studies on small and medium-sized coastal shipping companies, which were little known. Hardly any company archives of these small companies have survived either. Given this paucity of surviving records, the archives of the M. Jebsen Shipping Company (in Danish: Rederi M. Jebsen, in German: Reederei M. Jebsen) is a fortunate exception. The archives survived because they are in Aabenraa, a small coastal town on the Baltic Sea, which was not directly affected by the two world wars. Although the town Aabenraa (German name: Apenrade) and the surrounding region of South Jutland (or northern Schleswig-Holstein) passed from Germany to Denmark in 1920 as a result of the Treaty of Versailles, it was spared any destruction or expulsion of its population. This is even more significant when one considers the fate of the archives of other shipping companies and trading firms in Baltic Sea ports or even of large businesses in German North Sea port cities such as Hamburg or Bremen, many of which were destroyed by air raids during the Second World War. Moreover, the M. Jebsen Shipping Company was owning ships until the late seventies of the twentieth century and the Jebsen and Jessen families, co-owners of Jebsen & Company Limited in Hong Kong, did not relinquish the shipping company’s former headquarters leaving almost the whole interior of the house intact. In 2005, Jebsen & Co. Ltd. decided to set up a proper company archive located close to the previous seat of the M. Jebsen Shipping Company. Since then, the private Jebsen and Jessen Historical Archives (JJHA) have kept the business and personal records of the shipping company dating back to the seventies and of Jebsen & Co. in Hong Kong dating back to the nineties of the nineteenth century. A major part of the voluminous records of the shipping company, mostly from before the First World War, is kept by the State Archives for South Jutland in Aabenraa. The business and private correspondences of the shipping company’s founder, Michael Jebsen (1835–99), alone comprise 53 so-called letter copy books of 500, in some cases even 1000 pages, written in the old German handwriting style. Just a little of this material was used by the Hamburg economic historian Ernst Hieke in 1953 for his pioneering study on the history of the M. Jebsen Shipping Company. Since 2003, the preserved letter copy books have been transcribed by the author of this article and used for academic

2 Jebsen & Co. was founded in Hong Kong in 1895 by Jacob Jebsen (1870–1941), the eldest son of Michael Jebsen, and his distant relative Heinrich Jessen (1865–1931). Having started as a shipping agency for the M. Jebsen Shipping Company and as general trading company, Jebsen & Co. evolved into a focused marketing and distribution organisation which soon occupied a leading position in the foreign trade of China and Hong Kong. For its history, see e. g., Adolf von Hänsich, Jebsen & Co. Hongkong: China-Handel im Wechsel der Zeiten 1895–1945 (Apenrade: Self-Published, 1970); Laura Miller and Arne Cornelius Wasmuth, The Three Mackerels: The Story of the Jebsen and Jessen Family Enterprise (Hong Kong: Hongkongnow.com, 2008).

publications in the English, German, and Danish languages. As far as other studies on the history of the M. Jebsen Shipping Company or related issues are concerned, there exist only a few works, each with a different focus. Most of them deal, in some detail, with the life and deeds of Michael Jebsen, the history of his family in Aabenraa or the operations of his shipping company in East Asia.

The letter copy books of the M. Jebsen Shipping Company make it possible to trace the firm’s early history (1878–1885) in European coastal and short-sea shipping, as well as the pioneering work of its founder and his networks. The extraordinary quantity and quality of the surviving documents gives enormous scope for exploring in a micro and macro perspective the operation of a medium-sized European shipping company and for closing a bit the wide gap in research on coastal and short-sea shipping in Europe. Therefore, this article focuses on network strategies Jebsen employed to keep his steamer fleet profitable in European waters, with a special emphasis on modes he used to instruct and direct his shipmasters, for which not yet published excerpts from his original letters were mostly used. Three central questions we shall discuss in the following article: First, what was the position of the Baltic port of Aabenraa in European shipping markets in the 19th century and how was this position affected by the transition from sail to steam; second, which strategies did Michael Jebsen adopt to establish a steam shipping company in his hometown Aabenraa which was the centre of sailing ships in Schleswig-Holstein; and third, which personal networks and business strategies Jebsen used to profitably operate his company from 1878 to 1885 when several of his ships sailed in European waters.


The Local Apenrade Investor Network

Figure 1. The port town of Aabenraa (Apenrade), Denmark, in the late eighteenth century
Source: Hans Schlaikier, Apenrader Schiffahrts-Chronik (Apenrade: Wohlenberg, 1929), [no page number].

Until the middle of the nineteenth century, sailing ships were the most important means of transport in the Baltic Sea and on the world’s oceans. Large and small ports operated commercial shipping in the form of the traditional ship-owning partnership (in German: Partenreederei) where the ships were in the hands of many partners or co-shipowners, who were usually also involved in the shipping industry, i.e., shipbuilding or ship equipment. Many of these ships were sent on cargo voyages between foreign ports. In the middle of the nineteenth century, the port town of Aabenraa formed the leading shipping centre within Danish Schleswig-Holstein with the most intensive global connections. The large and fast full-rigged ships carried cargoes from Europe to East Asia and engaged in coastal shipping there; at times, a whole dozen ships from Aabenraa were moored in Hong Kong harbour at the same time. From about 1860 onwards, several Aabenraa schooners sailed on a profitable liner service with fixed freight and passenger traffic between the Cape of Good Hope, Mauritius, and Madagascar.⁶ Even during

the depression in the seventies, sailing ships still made good profits because of their free propulsion technology and their large capacity to carry coal and other bulk goods.7

When the first steamships were acquired in the nineteenth century, there were two options for them: either in the form of the traditional ship-owning partnership or in the form of the modern joint-stock companies. In the first case, ownership of each ship was divided into equal parts or shares which belonged to the ship-owning group of several partners or co-owners. Affairs were managed on behalf of them by the managing shipowner (in German: Korrespondenzreeder) who was also one of their partners as a co-owner. In the second case, this company needed both a professionally working management for the ships and a larger capitalisation, because dividends or losses were incurred for the whole company and not only for individual ship shares. Such companies were usually founded by well-funded and networked businessmen in larger port cities.8 In smaller coastal towns, on the other hand, complete unfamiliarity with the new corporate form of the joint-stock company often prevented the establishment of such firms. In addition, there were other reasons for the discussion of which Aabenraa will be cited as an example. As already mentioned, the town had been one of the bastions of sailing in Denmark since the middle of the nineteenth century. In 1874, the town (then located in Prussia-Germany), with 10,314 tonnes of registered sailing tonnage and not a single steamer,9 was clearly different from its main competitor, the neighbouring and much larger port city of Flensburg, where in the same year for the first time a higher steam tonnage than sailing tonnage was recorded. In Apenrade, as in many other smaller port towns on the German Baltic coast, in England and other northern European countries, the partnership still served as the most important form of financing for new ships in Apenrade: a closely connected network of merchants, master shipbuilders, craftsmen, captains, and other professional groups interested in shipping

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8 In Britain and Germany’s larger North Sea ports and some larger Baltic Sea Ports such as Flensburg, Kiel or Stettin, larger investor groups predominantly from the commerce and finance sectors put money into joint-stock companies to build and operate iron steamships. In Flensburg, the “Flensburger Dampfschifffahrt-Gesellschaft von 1869” was established in 1869, and Stettin followed the year after with the founding of “Baltischer Lloyd.” Hans-Friedrich Schütt and Emil Lorenzen, “Flensburg,” in: Schiffahrt und Häfen von Tondern bis Brunsbüttel, von Hadersleben bis Schleswig: Ein geschichtlicher Überblick von den Anfängen bis heute, ed. by Industrie- und Handelskammer zu Flensburg (Flensburg: Westphalen, 1971), 90–107, 125–126; Andrzej Mielcarek, Rozwój Floty Żeglugi Pruskich Portów Południowo-Wschodniego w Latach 1815–1914 (Szczecin: Uniwersytet Szczeciński, 1993), 216–218.
still participated in the building and equipping of sailing ships in which they invested their money.\textsuperscript{10}

For the complex network of investors in such a “seafaring region”,\textsuperscript{11} sailing was the tried and tested basis of their existence, which they had held on to in good times and bad. Even in the seventies, they still saw themselves in a favourable position in view of the profitable operation of the fast Apenrade sailing ships. In addition to the economic considerations, there was also the strong personal identification of these professional groups with their tradition, which they wanted to maintain and preserve. As a ship-owner, co-shipowner, or master shipbuilder, one was an independent entrepreneur and “one’s own master,” which strengthened the motivation and commitment to investing in shipbuilding. As most of the co-owners had parts in several sailing ships, the acquisition of a steamship would have put the other capital investments at risk. For this reason, it simply made no sense for most investors to put money into a venture that directly competed with the sailing vessels in which they had an interest as co-shipowners. In addition, if they had invested in steamers, a lot of money would have been invested in companies that did not contribute to the welfare of local shipyards for wooden vessels, either through construction or repairs. And finally, an important emotional element was added by the active captains, namely that they perceived the change to steamships as a “degrading exchange.”\textsuperscript{12} Because of this personally motivated scepticism, which went even further than purely economic interest, the local Apenrade investor network was not prepared to make the switch from sailing to steam shipping as in neighbouring Flensburg. As the Danish historian Ole Mørkegaard pointed out, they remained trapped in a vicious circle of rejection of steam technology: the builders of sailing ships and their suppliers rejected it for understandable reasons of principle, and the sailing ship captains were generally sceptical. This makes it understandable that the apparently anti-modernisation attitude of refusal in Apenrade can indeed “not simply be interpreted

\textsuperscript{10} A report in the semi-official journal “Norddeutsche Allgemeine Zeitung,” of 6 December 1884, stated that the ships were “predominantly in the hands of a large number of shipowners who make their living from shipping itself, from shipbuilding, from equipping the ships, etc.” Both retired and active captains formed the main investors in local sailing: “Entire occupational classes live from shipping and are exclusively dependent on earning their living from it in a direct or indirect way.” [the original text is in German; the translation is by the author].


\textsuperscript{12} Hans Schlaikier, a former captain of Jebsen from Aabenraa, described this attitude as follows: “With a certain disdain, the seaman of a sailing ship regarded the koljer or smokever [steamship], as the latter was fondly dubbed, soiled by coal dust and smoke.” Schlaikier, \textit{Apenrader Schifahrt-Chronik}, 39 [the original text is in German; the translation is by the author].
as an expression of irrational conservatism,” but is rather to be seen as a complex mixture of quite understandable short-term economic and emotional factors. In the medium and long term, however, this attitude had disastrous consequences for the Apenrade shipping industry. In fact, the history of the founding of the M. Jebsen Shipping Company in 1878 is an example of the difficulty of founding a steam shipping company in a town that traditionally lived from sailing ships.

Figure 2. The last sailing ship captains of Apenrade

**Establishing the M. Jebsen Shipping Company**

As a descendant of a long line of ancestors who had prospered in Aabenraa as local merchant shipowners, the young Michael Jebsen had also gone to sea in 1850 and worked the world’s oceans on sailing ships. In South America, for the first time, he became acquainted with steamships when managing a coastal steamship under the Chilean flag.

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Equipped with such knowledge, he succeeded in 1874 in becoming the manager of the fleet of the well-known Essen steelmaker Friedrich Krupp whose steamships were based in Vlissingen, The Netherlands, and later in Rotterdam. In order to import, from Spain, the low-phosphorus iron ore needed for the new Bessemer process of steel production, the company had built up its own steamship fleet, the management of which Jebsen took over. His position can be described as a preliminary stage to becoming an independent shipowner, which allowed him to gain diverse knowledge in the logistics of a steamship fleet and in the shipbroking and transport businesses. In 1878, when Jebsen decided to establish a steam shipping company in his hometown Apenrade, his most important reason was his strive for professional independence. His most important goals were both economic-rational and personal-emotional, namely first and foremost to build up a profitable shipping company in order to secure his own and his family’s existence, and secondly to return to his hometown of Apenrade, which was full of positive feelings and where many family members and friends lived.\(^\text{14}\)

When Jebsen decided to acquire the “Signal” (514 gross register tonnes, GRT, or 397 net register tonnes, NRT), a newly built small iron steamer, at a shipyard in Flensburg in order to establish the first steam shipping company in Apenrade, he reverted to the tried and tested form of the ship-owning partnership. For a joint-stock company, he lacked equity capital and suitable local business partners. Despite preliminary talks with potential local investors (mainly owners of shipyards for wooden vessels) no one had shown willingness to financially support the idea and found a ship-owning partnership for steamers. For the financing of his first ship, Jebsen decided to divide the purchase sum into fifty shares, certainly bearing in mind the difficulty of finding interested owners of shares in a steamship in Apenrade at all. However, no significant local investor was willing to invest in the “Signal” due to the vicious circle of rejection described earlier. And that was not all: because of the oversupply of new steamers caused by the global depression of the seventies, and the resulting decline in freight rates, Jebsen needed a great deal of optimism and, above all, the trust and support of his personal friends to find enough investors to finance his first ship. Of the total of fifty shares at four thousand marks each, Jebsen and his brother-in-law Jes Nicolai Jessen each took over six, making a total of twelve shares. Most shares were bought by Jebsen’s personal friends, Alfred Longsdon, the London representative of Krupp (thirteen shares), and Jacob Diederichsen, a former engine inspector in Hamburg (ten shares). J. G. Lund, chairman of the German Nautical Association in Hamburg, took over another five shares, and Jebsen’s business friends Ruys in Rotterdam and Marshall in Vlissingen acquired four and three shares respectively. The remaining three shares were bought

by Captain Heinrich Evers from Kiel, who was later captain of the “Signal.” This example shows that Jebsen alone was too weak in capital and had no local business partners to set up a ship-owning partnership. The only way left was to establish a company in which he himself, a family member and a few friends took over the main part of the shares. With the payment of the first instalment on 23 November 1878, the “M. Jebsen Shipping Company” (in German: Partenreederei M. Jebsen) began operating the “Signal.”

A comprehensive review of Michael Jebsen’s business and private correspondences written in the period between 1878 and 1899 (the year in which he died) makes evident that it was Jebsen’s primary goal to make and keep his shipping company profitable in order to expand his business and maintain his professional independence. The most important means he used to achieve these goals were his nautical-technical expertise and his good business skills, which he brought to his work as a managing shipowner, his own financial capital to acquire ship shares and, thus, to build more steamships.

Figure 3. Steamer “Vorwärts” (II) (1027 GRT, 643 NRT) of the M. Jebsen Shipping Company, delivered by Howaldt, Kiel, in 1895


and the permanent maintenance of informal and interpersonal networks. The networks Jebsen had at his disposal as an entrepreneur and the functions they fulfilled for him\(^{16}\) will be briefly explained: the earliest and most important interpersonal network was a group of close business friends and co-shipowners, from the Netherlands and Belgium (Vlissingen, Rotterdam, and Antwerp) and Germany (Hamburg, Essen, Kiel, Apenrade, and Sonderburg), some of whom were also connected by family ties. As mentioned earlier, the initial great resistance to the introduction of steam technology in his home town led to the phenomenon that most of the co-shipowners had to be recruited from outside Apenrade. As dividends were paid out every six months or sometimes not at all,\(^ {17}\) Jebsen, as managing shipowner, had to be in close and constant contact with the co-shipowners in order to explain his business strategies and prepare new shipbuilding. Within this group, the main co-shipowners Jacob Diederichsen (Jebsen’s close friend), and Carl and Gustav Diederichsen (wealthy Hamburg coffee merchants) stand out, who, along with Jebsen, had the strongest share in the financing of his shipping company. Due to this decisive position, they were able to turn the shipbuilding business of their relatives, Georg, Bernhard, and Hermann Howaldt in Kiel, into Jebsen’s house shipyard.\(^ {18}\)


\(^{17}\) On the first-ever dividend of “Signal” which proved to be excellent, Jebsen informed one of his co-shipowners as follows: “I have much pleasure in handing you per enclosed the first half quarterly dividend of 9% on your 13/50 shares [of] S. S. [Steamship] “Signal” amounting to M. [German Mark] 4680.” Jebsen and Jessen Historical Archives (hereinafter: JJHA), A: Firmenarchiv [Company Archives] (hereinafter: A); A01-01-287, letter from Michael Jebsen (Apenrade) to Alfred Longsd on (London), 7 June 1879 [the original letter is in English]. As managing shipowner, Jebsen received a remuneration of one percent of the gross freight, which he used to finance his office and staff. His main income, however, consisted of dividends, which he received from his shares in the shipping company’s vessels. JJHA, A01-01-315, letter from Michael Jebsen (Apenrade) to J. W. Kuntze (Kiel), 29 November 1889.

\(^{18}\) Only after one year of operating the “Signal,” which had delivered a very good result, Jebsen decided to have more vessels built: the “Vorwärts” (I) (780 GRT, 611 NRT), delivered in 1879, the “Triumph” (869 GRT, 675 NRT) and the small steamer “Alwine” (511 GRT, 400 NRT), both completed at Howaldt in 1881. In the next year, the big steamers “Clara” (866 GRT, 675 NRT) and “Doris” (1025 GRT, 808 NRT) were added to the fleet. In 1885, after all ships had been transferred to Hong Kong, the fleet numbered eight; in 1903–04, the company reached its peak with 17 ships, and by 1913, it had 11 ships. The Jebsen steamers were mostly destroyed in war-related incidents or were confiscated during the conflict, and the company did not recover from these losses: in East Asia in the 1920s, the M. Jebsen Shipping Company operated only five vessels under the Danish and German flags, less than half the size of its pre-war fleet. After the Second World War, the company had only two ships. Hieke, *Die Reederei M. Jebsen A.G. Apenrade,* 27–30, 219–245: List of Ships; Christian Ostersehlte, *Von Howaldt zu HDW: 165 Jahre Entwicklung von einer Kieler Eisengießerei zum weltweit operierenden Schiffbau- und*
Because the shipowner, nevertheless, managed to involve the Blohm & Voss shipyard in Hamburg, which he held in high esteem, in his newbuilding programme, this was not a one-sided relationship of dependence, but a compromise between his interests as a shipowner and those of the Diederichsens as investors. The triangular network of Apenrade, Hamburg and Kiel, thus the connection between Jebsen and the Diederichsens and Howaldts, formed the pivotal point in the financing and construction of new steamships. The network partners maintained constant personal and written contact to keep each other frequently informed about developments on the freight markets and in the shipping industry, which were largely financed by the brothers Diederichsen and built by the brothers Howaldt. One can justifiably speak of a well-functioning interpersonal triangular network between Apenrade, Hamburg, and Kiel from which all three sides benefitted for years and which contributed decisively to the success of the M. Jebsen Shipping Company.

### Operating Coasters in European Waters

In most European countries in the nineteenth and twentieth centuries, coastal shipping or cabotage was basically understood as the transport of goods from one domestic seaport to another. Thereafter, coastal shipping meant the same as internal trade, including in Britain, where “coastal shipping” is synonymous with “cabotage” or “internal trade.” The term “short-sea shipping,” on the other hand, refers to British maritime trade in continental waters, i.e., voyages to the European continent, the Mediterranean and the Baltic Sea. In France, a distinction is made between “petit cabotage,” trade along the same coast, such as the Mediterranean or Atlantic or Channel coasts, and “grand cabotage,” cargo voyages between those seas. In some countries, such as Britain or Denmark, the term “home trade” is also used, which includes both domestic trade and journeys to neighbouring foreign coasts. However, most European countries, including Germany, understand coastal shipping or cabotage to mean only maritime trade that takes place on their own coasts. Since the steamers of the M. Jebsen Shipping Company operated along and between several European coasts, the term “coastal and short-sea shipping” seems most appropriate to determine the kind and the scope of the firm’s maritime operations.

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When industrialisation in the late nineteenth century led to an increasing demand for transport services, trade and shipping flourished in Europe, admittedly with fierce competition between shipping companies. To bring heavy and cheap bulk goods, including foodstuffs, to the explosively growing urban centres, coastal ships were used especially in countries with long sea coasts, i.e., in north-western and southern Europe, in the Scandinavian states and along the North Sea and southern Baltic coasts up to northern Russia. When, during the eighties, the number of sailing ships in the more industrialised states of Europe – Britain, Belgium, Germany, and the Netherlands – steadily declined and by 1890 had fallen behind the number of steamships, a true transport revolution took place in the maritime regions of these countries. In scope and importance, it was undoubtedly comparable to the inland transport revolution triggered by railway construction, which also took place primarily in the more industrialised regions of Europe. Instead of sailing ships, heavy and bulk goods were increasingly transported on coastal and river steamers, which generally enabled faster and, above all, more reliable and weather-independent journeys according to a fixed timetable. Unlike the railways, whose route network was still largely under construction, cargo steamers served as flexible and direct suppliers of bulk goods from the agricultural regions of Europe, thus ensuring part of the supply of cheap food for Europe’s growing population. In this way, a tightly woven network of shipowners, shipbrokers and charterers emerged who had goods transported from one end of the subcontinent to the other on steamships and, for a long time, on sailing ships, thus giving further impetus to European and global economic development.

During this period, from late 1878 to early 1885, the M. Jebsen Shipping Company operated eight small and medium-sized steam coasters in the maritime region between northern Russia and southern Spain. In all cases, it was tramp trade or irregular “wild” shipping depending on the offer and the freight contract showing a relative-


23 As Michael M. Miller pointed out, “tramping was a constant struggle to position ships where freight was abundant and competitors’ ships were not, where rates therefore were high not low, where voyages contracted would not undercut arrival in time for seasonal trades, where going for a «spot loading» was better than fixing a cargo in advance, where cargoes were quick loads or discharges (…), where
ly uniform pattern of cargo transports. In the summer months, numerous voyages took place in the North and Baltic Seas. For example, on its maiden voyage, in December 1878, the “Signal” transported a grain freight of 673 tonnes from Flensburg, Schleswig-Holstein, to Stettin, Pomerania, loaded a similar quantity of unknown freight for Leith (a port city near Edinburgh), as well as 60 tonnes of bunker coal for its own consumption, and returned from Scotland to Flensburg with a coal cargo. In autumn, there were frequent profitable grain cargoes from the Russian-Baltic ports of Reval [Tallinn] and Riga to Western Europe. The Imperial City of Riga (as it was officially called) was the most important maritime port city of the Tsarist Empire next to the Russian capital St. Petersburg. Through the extensive inland shipping on the rivers Duna and Volga, which related to various canals in the interior, the products of the whole of central Russia came to the port city. Jebsen regularly entrusted the local shipbrokers Helmsing & Grimm with the brokerage of cargoes. In autumn 1883, for example, the “Signal” received a charter for a cargo of sands, flax, and oats from Riga to Ghent, Belgium. The extent to which his cargo steamer fleet traversed European waters becomes evident from a letter of Jebsen to one of his shipmasters: Captain Friedrich Will was about to enter Schiedam (a trading and port town west of Rotterdam, The Netherlands), with the “Clara” in November 1882, shipping bulk goods from Riga via Copenhagen, Denmark. Jebsen informed him of the movements of the other ships:

I received your pleasing lines from Riga and Copenhagen and hope that by now you have arrived happily in Schiedam, from where the “Clara” will go back to Riga, i.e., Bolderaa [Bolderāja, outport for Riga] or Libau [important port town in Russian Kurland], to make the last voyage for Messrs. Helmsing & Grimm. (...) The “Doris” & the “Triumph” passed

ballast voyages were kept to the bare minimum, and where destination ports were equally good loads.” Miller, *Europe and the Maritime World*, 95–96. See also *The Oxford Companion to Ships and the Sea*, ed. by Ian Dear (Oxford: Oxford University Press, 2006), 591; Gerhard Westphal, *Lexikon der Schiffahrt* (Reinbek: Rowohlt, 1981), 195.

24 JJHA, A01-01-287, letter from Michael Jebsen (Rotterdam) to Alfred Longsdon (Essen), 16 December 1878 [the original letter is in English]. A remarkable feature of the captain’s final freight accounts (in German: *Kapitänsabrechnungen*), which are also preserved in the company archives, is that they contain only statements about earnings (from freight) and spending (on crew salaries, coal, and other costs) but they offer no indication of the volume of freight. Jebsen once admitted that he had no information about such figures. JJHA, A01-01-314, letter from Michael Jebsen (Apenrade) to the Flensburg Chamber of Trade, 4 May 1897. It is, therefore, impossible to provide reliable figures for commodities nor can growth rates be established. So, the only evidence about the kinds of cargoes the Jebsen coasters carried are occasional remarks in his or his captain’s letters.

25 As the maritime journal “Hansa” reported on 4 August 1878, a German captain had submitted a letter to them pointing to the fact that such a lively trade movement developed in Riga during the summer “that even someone already acquainted with the conditions can still be filled with amazement and admiration”. [the original text is in German; the translation is by the author].

26 JJHA, A01-01-211, letter from Michael Jebsen (Apenrade) to Captain T. Bergemann (Stettin), 12 October 1883 [the original letter is in German; the translation is by the author]. Bergemann’s full first name could not be identified from the files.
Copenhagen today, the former destined for Rouen and the latter for Dunkirk, after which the “Doris” will make two voyages to Spain and back; where the “Triumph” is going is yet uncertain. The “Signal” lies loaded in Newcastle [on Tyne: important English industrial and port city with a large coal export] destined for Flensburg, has taken a long time for the round trip to Sweden (...).  

In May 1883, Jebsen sent the following letter to Turner, Brightman & Co., a London-based shipping company and shipbroker, which had temporarily chartered the “Signal” for shipping bulk goods from northern Russia to Britain:

In exchange with my yesterday’s respects I received your telegrams reading 1st “Would you give option discharging [at Kingston upon] Hull [an English port city up on the River Hull in Yorkshire], with “Signal” to which I replied by wire “Agree to option Hull;” 2nd “Presume if merchants load wood cargo paying you five eighty pounds for London or east coast you pay for loading stowing and discharging cargo” and confirm my wire reply to same “Yes, provided time and expenses not exceed such for grain cargoes.” I think loading and discharging can be done in almost the same time, but loading and discharging wood incurs considerably more expense, but this could all be arranged amicably when the “Signal” comes to London, as I have the vouchers at hand for loading & discharging grain cargoes, which I would send you to facilitate the arrangement. Trusting you will soon decide when to send the “Signal” on return from Archangel [Arkhangelsk, a Russian port city on both banks of the Northern Dvina near its mouth into the White Sea] so as to make me to inform the captain whom to apply to at that place.  

**Frequently Corresponding with Captains**

British maritime historian Adam W. Kirkaldy once pointed out that the first qualification required by a managing shipowner was “a knowledge of men, an unerring judgment, and a genius for selecting the right man for a given position.” For Michael Jebsen, the captains of his ships formed another crucial network in which he was a kind of spider in the web. Networks exercised significant regulatory functions, whereby in the shipping business it was primarily a matter of the multifaceted interaction between the locally based shipowner and the captains sailing far away, but also of the systems of rules on the ships, i.e., the relationship between the captain, the officers, and the rest of the crew. The intensive evaluation of Jebsen’s extensive correspondence made it possible...

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27 JJHA, A01-01-321, letter from Michael Jebsen (Apenrade) to Captain Friedrich Will (Schiedam), 4 December 1882 [the original letter is in German; the translation is by the author].

28 JJHA, A01-01-321, letter from Michael Jebsen (Apenrade) to Turner, Brightman & Co. (London), 30 May 1883 [the original letter is in English].

29 Kirkaldy, *British Shipping*, 152.
to systematically examine these rules and norms of the network economy for a shipping company operating European coastal and short-sea shipping, as well as to present and analyse the complex functioning (and occasional non-functioning) based on case studies. Starting with the hiring of the captain and the machinists, Jebsen was involved in virtually all aspects of the ship’s operation, including complicated technical issues, the local cargo business, and the procurement of coal for firing the steam engines. His main task was to set standards and rules for economically efficient operation, whose compliance he strictly monitored and whose non-compliance he sanctioned. The system of rules he introduced in the network with the captains of his steamships forms one of the most interesting aspects of his activity.

Confidence in a shipmaster was so important because in the longer-distance trades he had to be a person who could be relied upon to handle both navigational and commercial functions. As soon as the ship left home, the captain was a person with almost omnipotent power or “master next to god” (in French: “le seul maître après Dieu”). The great independence of the shipmaster made a reliable relationship between shipowner and captain indispensable.30 Since confidence in a person was usually enhanced through personal acquaintance, it is not surprising that most of the masters of Jebsen’s ships came

30 In order to regulate the relationship between managing shipowners and captains, binding legal norms were laid down in Imperial Germany’s Commercial Code (in German: Handelsgesetzbuch). The managing shipowner was authorised to employ and dismiss the captain, to agree with him the nature of the remuneration and other material benefits, to delegate to him certain powers with regard to the crew, the ship and the cargo, and to instruct him in all technical and economic matters of the ship’s management. Jann Markus Witt, Master next God? Der nordeuropäische Handelsschiffskapitän vom 17. bis zum 19. Jahrhundert (Hamburg: Convent, 2001), 85–98.
from his hometown of Apenrade or the neighbouring regions in Schleswig-Holstein. Many of them bought shares in his shipping company and thus became co-owners. Some had previously been masters of sailing or steam ships elsewhere, but most began their service as mates on board a Jebsen steamer and were later appointed captain when a vacancy arose. From his Apenrade office, the shipowner was in regular contact with his captains by letter and telegram, dealing not only with technical matters and personnel, but also with the procurement of lucrative freight orders, often, but not always, in cooperation with brokerage houses in the port cities. Intensive regular correspondence was necessary, as it is evident in Jebsen’s numerous correspondences with masters.

This functioning of this system becomes clearer when presenting some quotes from Jebsen’s letters. In November 1882, he strongly advised Jochen Schuldt, temporarily the captain of the “Signal”, to hire a better crew and to care for more economy on board. This came with the warning that he might be dismissed as captain:

If the “Signal” goes to Danzig [Gdansk] or another German port, then I would like to recommend that you finally get the muster roll [a list of sailors in a ship’s crew] in order, or rather, that the men be signed off and signed on from time to time, so that they cannot slip through your fingers in any port. In general, I must ask you again to take more care of your ship, because if you continue as before, then [your] advancement to a larger ship is out of the question, and I will not even be able to justify it to my co-shipowners to keep you in service any longer. You are on the blacklist of all co-shipowners, both in Apenrade and Hamburg, and I am often asked whether I still want to leave you in command of the ship, etc. If I had not taken an interest in you all along, which I do not need to assure you of, then you would have been replaced in the “Signal” by another captain long ago, but in the end my patience can wear thin.\(^{31}\)

In another case, Jebsen finally dismissed the master because of repeated economic damage to the shipping company. Captain T. Bergemann, who was captain of the “Signal” in 1883,\(^ {32}\) had let the steamer fall into such disrepair that expensive engine and ship repairs were constantly necessary. Jebsen informed him in September that he expected “you to take more care of your ship from now on and, in good agreement with your officers and machinists, to do your utmost to finally earn something for the shipping company.” Because Bergemann, in his opinion, spent too little time on board during lay days, he urged him: “With such a small steamer, the captain must be “au fait”

\(^{31}\) JJHA, A01-01-291, letter from Michael Jebsen (Apenrade) to Captain Jochen Schuldt (Newcastle upon Tyne), 18 November 1882 [the original letter is in German; the translation is by the author].

\(^{32}\) Captain T. Bergemann, whose full first name is not evident from the files, had apparently been appointed as a temporary replacement for Captain Carl August Hundewadt, regular master of the “Signal” from 1880 to 1886. Therefore, Bergemann’s name is not in the captains’ list of the “Signal,” see Hieke, Die Reederei M. Jebsen A.G. Apenrade, 246. Since Bergemann probably came from Grabow on the Oder (Grabowo), a town in Pomerania north of Stettin (Szczecin), he did not belong to the group of most captains of Jebsen from northern Schleswig-Holstein.
[in the picture] everywhere, his presence on board is just as necessary in port as at sea.” Although he had given him a clear reprimand with the remark “playing at the big gentleman, nothing comes of it,” \(^{33}\) he had to discover some days later that the shipmaster had purchased accessories for the “Signal’s” anchor capstan in Flensburg, although he already had ordered such utensils from an English company beforehand. Jebsen was outraged by the expensive double purchase:

> If you continue to dispose of things in this way, I will eventually have to replace you in command of the “Signal” with another captain, as sorry as I am for you. You are definitely lacking the necessary calm, objective consideration, which [I] have already reproached you with on several occasions, and this has already cost the shipping company of the steamer a lot of money.\(^{34}\)

A little while later, Jebsen had no patience anymore. After the “Signal” tilted heavily in the port of Stettin in mid-October 1883 while unloading cargo, Bergemann had the forward water tank filled to stabilise it, causing a pipe to break, water to enter the forward hold and damage the rye cargo. The stunned Jebsen told the captain that he could only wonder “that you [had] let water in without first making sure that the tanks were tight. If you had the shipping company’s best interests at heart, you would have to know about it on board the “Signal.”\(^{35}\) Through the mediation of his Stettin shipbroker Gustav Metzler, Jebsen finally reached a compromise with the charterer, so that the latter’s claim for damages could be limited to 1400 marks.\(^{36}\) However, with the “Stettin disaster” (in German: “Stettiner Katastrophe”), as he called it, his patience with Bergemann was at an end. The captain was ordered to hand over the ship’s command to another shipmaster dispatched by Jebsen. Although Bergemann objected to the decision soon later, Jebsen did not enter any discussion and wished the captain “to soon get another ship to lead, with which you may then have more luck than with the “Signal.”\(^{37}\) Bergemann’s firing on the spot caused a stir among the other captains of his shipping company after Jebsen had informed them of the incident by circular letter with clear admonitions. In response to a question, the shipowner made it clear that it was his duty

\(^{33}\) JJHA, A01-01-307, letter from Michael Jebsen (Kissingen) to Captain T. Bergemann (Kronstadt), 14 September 1883 [the original letter is in German; the translation is by the author].

\(^{34}\) JJHA, A01-01-307, letter from Michael Jebsen (Kissingen) to Captain T. Bergemann (Stettin), 18 September 1883 [the original letter is in German; the translation is by the author].

\(^{35}\) JJHA, A01-01-211, letter from Michael Jebsen (Apenrade) to Captain T. Bergemann (Riga), 18 October 1883 [the original letter is in German; the translation is by the author].

\(^{36}\) JJHA, A01-01-211, letter from Michael Jebsen (Apenrade) to Gustav Metzler (Stettin), 19 October 1883, 21 October 1883 and 24 October 1883; telegram from Michael Jebsen to Gustav Metzler (no places and dates [25. or 26 October 1883]) [the original correspondence is in German; the translation is by the author].

\(^{37}\) JJHA, A01-01-307, letter from Michael Jebsen (Apenrade) to Captain T. Bergemann (Ghent), 30 October 1883; JJHA, A01-01-211, letter from Michael Jebsen (Apenrade) to Captain T. Bergemann (Grabow on the Oder), 15 November 1883 [the original letter is in German; the translation is by the author].
to “act vigorously to prevent such repetitions, which are an embarrassment for our shipping company.”38 With this precedent, every captain was clearly faced with the danger of losing his position if he ran his ship uneconomically for a prolonged period and even caused damages that significantly reduced dividends for the co-owners of the vessel. Because Jebsen, as the managing shipowner, was responsible to his partners for operating the steamers as efficiently as possible, he did everything he could to instruct the captains accordingly. Thus, running the ship as economically as possible was a constant theme in his letters to the captains, even when they sailed in Asian waters: “Order and thrift are qualities that can never be practised too much, and I consider it my duty as a correspondent shipowner to draw the attention of the captains of my shipping company to this, may it be pleasant for you or not. But stingy and thrifty are two very different qualities, which may well be kept separate.”39 What he was concerned with was “thrift well applied,”40 thus not saving as an end in itself and without thought, but a balanced and flexible economic management on board. Especially when freight rates were low, Jebsen sent out his appeals for thrift.

Conclusion

The strong affiliation to sailing ships in most German Baltic ports in the last quarter of the nineteenth century, and the sluggish and inflexible form of the ship-owning partnership, can be regarded as the major reason for the gradual decline of the shipping industry in this region. However, the general lack of well-funded investors not connected with local shipping interests also points to the structural disadvantages of the Baltic Sea when compared with the North Sea. Most Baltic ports were situated in predominantly agricultural regions, with relatively underdeveloped heavy industries and lacked both the technological base to develop modern steamship yards and the financially powerful investment groups who might be prepared to put their money into steamships. To these factors added important rational and emotional reasons, as demonstrated in the case study of Apenrade (Aabenraa), the centre of sail shipping in Schleswig-Holstein, whose local investor network was unable and unwilling to switch from sail to steam. The case of Michael Jebsen demonstrates the difficult process of establishing a steamship company in an economic setting which had comprehensible reasons to hold on to the sail.

38 JJHA, A01-01-307, letter from Michael Jebsen (Apenrade) to Captain Friedrich Will (Schiedam), 21 November 1883 [the original letter is in German; the translation is by the author].
39 JJHA, A01-01-214, letter from Michael Jebsen (Apenrade) to Captain Friedrich Boysen (Hong Kong), 20 July 1884 [the original letter is in German; the translation is by the author].
40 JJHA, A01-01-310, letter from Michael Jebsen (Apenrade) to Captain Jacob Petersen (Singapore), 10 November 1897 [the original letter is in German; the translation is by the author].
The strategies Jebsen adopted to find investors for his steamship company was to mainly rely on befriended business partners outside his hometown, especially on the brothers Diederichsen in Hamburg who had the far-sightedness and the capital for investing into modern steam technology and the self-interest to support the shipyard of their relatives, the brothers Howaldt in Kiel, with shipbuilding orders from Apenrade. This well-functioning triangular network formed the backbone of the M. Jebsen Shipping Company until 1911 when the traditional ship-owning partnership was converted into a joint-stock company. But even after Jebsen’s death (1899), his son had almost all the ships built by Howaldt in Kiel (until 1930) which demonstrated the deep-rooted trust between the two companies. The business strategies Michael Jebsen used to operate his steamers in European waters, from 1878 to 1885, ranged from the economically sensible, thus mostly economical use of crews and ships to the adaptation to special wishes of brokers. With the help of the correct application of such strategies, Jebsen succeeded in keeping his fleet profitable overall (even if individual ships made losses at times), successively expanding the steamer fleet through new shipbuilding, and regularly paying dividends to his co-shipowners. As the letters to his captains demonstrate, Jebsen was highly critical with the conduct of his masters whether it was in navigational-technical or financial-commercial matters. In times of depression and lower freight rates the shipowner constantly appealed to masters to employ thriftiness in order to save costs and keep the ships profitable. Such comprehensive and flexible strategies which were developed in order to be able to hold one’s own in the market are impressively reflected in his letters. With these letters it is possible to describe and evaluate both the general and specific conditions which influenced the shipping company and to demonstrate the modes by which the managing shipowner could instruct and control shipmasters and agents. Considering the paucity of surviving records for other firms and individuals involved in coastal and short-sea shipping worldwide, the material preserved is still extraordinary.

With the gradual shift of the fleet to Hong Kong from 1881, where higher profits could be generated, many contacts of Michael Jebsen in Europe fell asleep. In 1895, the managing shipowner stated that he had “partially lost business relations with the European houses” because “all my steamships have already been sailing along the coast of China for some time.” Only the “friendly companies in Holland, England and Belgium” he also mentioned remained as contacts because their owners or executives were involved

41 The steady decline of freight rates in European waters from the end of 1880, for which several factors were responsible, proved to be the strongest pull-factor for Jebsen and other medium-sized European shipping companies to dispatch their fleets either partly or entirely to the Far East. The East Asian market with its huge capacity for shipping and trading offered fresh opportunities for European merchant vessels to find profitable employment for as long as China, Japan and other countries in the region did not possess their own modern merchant marines. Becker, “Coastal Shipping in East Asia in the Late Nineteenth Century,” 254–257.
in his company as co-shipowners.42 Usually, after the Jebsen steamers were built in Kiel or Hamburg, they had a short test run in Europe before sailing off to Hong Kong via the Suez Canal and the Indian Ocean. The ships only returned to Europe for larger repairs or when being sold. Until the First World War, and even thereafter, this British crown colony used to be the home base for the entire fleet of the M. Jebsen Shipping Company, whose headquarters remained in Apenrade (Aabenraa) until the last ship was relinquished in the late 1970s.

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**SUMMARY**

The article looks at the transport revolution of the nineteenth century, focusing on coastal and short-sea shipping. It points out that despite their crucial role in the Industrial Revolution in Europe and the United States, steam-driven coasters have been either ignored or downplayed by historians. This may be due to the paucity of surviving records. A fortunate exception is the archive of the M. Jebsen Shipping Company in Aabenraa, Denmark. The preserved letter copy books make it possible to trace the early history of the company in European coastal and short-sea shipping, as well as the work of its founder Michael Jebsen and his networks. The article examines the general position of the Baltic port of Aabenraa (or Apenrade), a bulwark of sailing ships in Schleswig-Holstein in Denmark (later in Prussia, Germany), and the attitudes of the local network of investors, who, for rational and emotional reasons, proved unwilling to switch from sail to steam. Jebsen’s only option was to set up a ship-owning partnership in which he himself, a family member, and a few business friends from outside his hometown, including the Diederichsen brothers in Hamburg, took over most shares. The brothers were able to turn the shipbuilding business of their relatives, Georg, Bernhard, and Hermann Howaldt in Kiel, into Jebsen’s house shipyard which built until 1930 most of his company’s vessels. This triangular financing and shipbuilding network ensured the success of Jebsen’s business in European waters from 1878 to 1885 and even in East Asia. Another crucial factor was his network of shipmasters sailing in the maritime region between northern Russia and southern Spain. From his office in Aabenraa, Jebsen kept his captains constantly and intensively informed by letter and telegram about technical and personnel matters, as well as about lucrative freight contracts. This correspondence, preserved in the company’s archives, also shows the system of rules that Jebsen strictly monitored and sanctioned. Running the ship as economically as possible was a constant theme in his letters to the captains. The article attempts to combine the macro and micro perspectives in the description and analysis of the background and early history of a European steam shipping company operating small and medium-sized merchant vessels in the late seventies and early eighties of the nineteenth century.
M. Jebsen Shipping Company w Apenrade, Szlezwik-Holsztyn: Żegluga przybrzeżna w Europie, 1878–1885

Słowa kluczowe: rewolucja w transporcie, Morze Bałtyckie, żegluga przybrzeżna, przedsiębiorstwa żeglugi parowej, armator, kapitanowie

STRESZCZENIE

Artykuł analizuje rewolucję transportową XIX wieku, koncentrując się na żeglugę przybrzeżną i morskiej bliskiego zasięgu. Wskazuje, że pomimo kluczowej roli, jaką odegrały w rewolucji przemysłowej w Europie i Stanach Zjednoczonych, statki żeglugi przybrzeżnej napędzane parą były albo ignorowane, albo bagatelizowane przez historyków. Może to wynikać z niedostatku zachowanych zapisów. Szczególnym wyjątkiem jest archiwum M. Jebsen Shipping Company w Aabenraa w Danii. Zachowane kopie listów pozwalają prześledzić wczesną historię firmy w europejskiej żegludze przybrzeżnej i bliskiego zasięgu, a także pracę jej założyciela Michaela Jebsena i jego sieci. Artykuł analizuje ogólną pozycję bałtyckiego portu Aabenraa (lub Apenrade), bastionu żaglowców w Szlezwiku-Holsztynie w Danii (później w Prusach w Niemczech) oraz postawy lokalnej sieci inwestorów, którzy z racjonalnych i emocjonalnych powodów okazali się niechętni przejściu z żagli na parę. Jedynym wyjściem dla Jebsena było założenie spółki armatorskiej, w której większość udziałów przejął on sam, członek rodziny i kilku przyjaciół biznesowych spoza jego rodzinnego miasta, w tym bracia Diederichsen z Hamburga. Bracia byli w stanie przekształcić firmę stoczniową swoich krewnych, Georga, Bernharda i Hermanna Howaldtów w Kilonii, w stocznię domową Jebsena, która do 1930 r. budowała większość statków jego firmy. Ta trójstronna sieć finansowania i budowy statków zapewniła sukces działalności Jebsena na wodach europejskich w latach 1878–1885, a nawet w Azji Wschodniej. Kolejnym kluczowym czynnikiem była sieć kapitanów żeglugujących w regionie morskim między północną Rosją a południową Hiszpanią. Ze swojego biura w Aabenraa Jebsen stale i intensywnie informował swoich kapitanów listownie i telegramami o sprawach technicznych i personalnych, a także o lukratywnych kontraktach frachtowych. Ta korespondencja, zachowana w archiwach firmy, pokazuje również system zasad, które Jebsen ściśle monitorował i sankcjonował. Prowadzenie statku w sposób jak najbardziej ekonomiczny było stałym tematem jego listów do kapitanów. W artykule podjęto próby połączenia perspektywy makro i mikro w opisie i analizie tła i wczesnej historii europejskiego przedsiębiorstwa żeglugi parowej obsługującego małe i średnie statki handlowe na przełomie lat siedemdziesiątych i osiemdziesiątych XIX wieku.

Citation