UNIVERSITY OF STRATHCLYDE

Department of History

The China Coast: A Study of British Shipping in Chinese Waters

1842 - 1914

A Thesis submitted for the degree of Doctor of Philosophy

by Archibald Duncan Blue

Glasgow 1982

CONTENTS

		Page
Abstract		iii
Abbreviations for Footnotes		v
List of Tables		vii
Tables		x
List of Maps		lxxi
Maps		lxxii
List of Appendices		lxxviii
Chronological Table		lxxix
Currency and Weights		lxxxv
Glossary		lxxxvi
Preface		xci
Introduction		c
Chapter I	Early Ventures in the China Coast Trade	1
" 2	The Coast Trade, 1856-1883.	55
" 3	The Yangtze	155
" 4	The Coast Trade, 1884-1913.	235
" 5	The Deck Passenger Trade	301
" 6	Piracy on the China Coast	344
" 7	The Chinese Maritime Customs	381
" 8	The Great Hongs.	426
Conclusion		470
Appendix 1	List of Open Ports in China in 1913	479
" 2	The British China Consular Service.	483
" 3	Principal Treaties and Agreements of the Treaty Port System.	505

Appendix	4	Principal Features of the Treaty Port System.	508
"	5	Provisions of the Treaty of Nanking	510
"	6	Provisions of the Treaty of Hoomun-Chai.	514
"	7	Provisions of the Treaty of Tientsin and the Convention of Peking.	524
"	8	Scottish Shipbuilding and the China Trade	529

Principal Sources 543

Bibliography	Part I	Published Books	546
"	" 2	Unpublished Theses	559
"	" 3	Miscellaneous - Articles and Essays from Journals and Magazines.	560

NOTE: Footnotes are at end of each section.

ABSTRACT

This study describes the development of British shipping in Chinese waters in the first seven decades of the treaty port era, and compares its success with the comparative lack of success of other British industries concerned with the China trade. The advantages resulting from British supremacy in India, extending east to Singapore, Hong Kong, and finally Shanghai, are examined, and the unique circumstances in China which made British maritime predominance possible.

Cabotage - the reservation to a country of the maritime trade in its own waters - was denied China under the treaty port system, leading to international rivalry in shipping. In the backward state of China, the British companies developing the coast and river trade, had themselves to provide certain ancillary services such as dockyards, godowns, lighterage, insurance, etc. The principal British companies concerned, the China Navigation and Indo-China Steam Navigation Companies, accomplished this by drawing on the capital resources and expertise of their parent companies, John Swire and Sons and Jardine, Matheson and Company respectively. These powerful companies were able to negotiate favourable terms from their American and Chinese rivals on the most important coast and Yangtze services, and maintain their predominance when further competition came from subsidised German and Japanese shipping.

Another factor benefiting British shipping when the treaty port era began, was English, or pidgin English, being the lingua

franca on the coast; an additional factor resulting from naval operations during the Opium Wars, being greater knowledge of the coast and Yangtze. Then there was the immediate appointment of British Consuls to the newly opened treaty ports, whose knowledge of the language, culture, and history of China, was greatly superior to that of other foreign consuls. In association with the Customs Commissioners of the newly formed Chinese Maritime Customs, many of them British and some former members of the British China Consular Service, favourable conditions for the promotion of British shipping and commerce were created. In assessing these various factors, it appears that technical superiority played a comparatively minor role in British success on the China coast.

ABBREVIATIONS FOR FOOTNOTES

A.N. — The American Neptune, a quarterly journal published at Salem, Mass., the American equivalent of the British "The Mariner's Mirror".

B.P.P. — British Parliamentary Papers, which contain British Consular Reports from the Treaty Ports of China, and also Colonial Reports from Hong Kong, the Straits Settlements, etc.

Chronicles — The Chronicles of the East India Company trading to China, by H.B. Morse, 5 volumes (1926-1930)

C.M. — The China Mail, the earliest Hong Kong daily newspaper which, especially from the 1840s to the 1860s, was noted for its Shipping Intelligence.

C.M.C. — Publications of the Chinese Maritime Customs (or I.M.C Imperial Maritime Customs) published in Shanghai, many of these available at the British Library; but some of the most important are in Chinese.

C.R. — The 'organ of the free merchants in China', the full title being "The Canton Register and Price Current". Published in Canton from 1827 to 1843, by Jardine, Matheson and Company, and the first English language newspaper to be printed in China.

Ch.R. — The Chinese Repository, a monthly magazine published in Canton by the American and British missionary societies from 1831 to 1851. Of great historical importance for the period.

C.Y.B. — The China Year Book, published by the Peking and Tientsin Times until 1940.

D.S.C. — Daily Shipping and Commercial News, published in Shanghai.

Ec.H.R. — Economic History Review.

G.A. — Glasgow Archives; records and information relating to ships and shipbuilding on the Clyde. In Glasgow Records Office.

G.H. — The Glasgow Herald.

G.T. — The Greenock Telegraph.

H.K.D.N. — Hong Kong Daily News.

H.K.R. — Hong Kong Annual Reports, published by the Government of Hong Kong.

H.K.T. Hong Kong Telegraph.

H.U.P. Harvard University Press.

J.A. Jardine Archives. Papers and records relating to Jardine, Matheson and Company; in the Library of the University of Cambridge.

J.A.P.L.B. Private Letter Book of above.

L.C.T. London and China Telegraph.

L.R. Lloyds Register of Shipping.

M.M. The Mariner's Mirror, the International Journal of the Society for Nautical Research.

N.C.D.N. The North China Daily News, the principal Shanghai newspaper until 1941.

N.C.H. The North China Herald, the weekly edition of above; began publication in 1850.

O.C.M. The Overland China Mail, published in Hong Kong from 1845 to 1939.

P.H.R. Pacific Historical Review.

S.A. Swire Archives; papers and records of John Swire and Sons, Butterfield and Swire, and The China Navigation Company. In the Library of the School of Oriental and African Studies, University of London.

S.C.M.P. The South China Morning Post, the principal Hong Kong newspaper.

NOTE: Some confusion may arise in regard to the page numbers in British Parliamentary Papers, in volumes where these are not numbered consecutively from the beginning to the end of the volume. In such volumes which contain Colonial and British Commercial Reports, these are in separate individual reports bound into the large volume. In such cases the page number at the end of the footnote refers to the page number in that particular report. For example, in B.P.P. 1898 XCIV (Report No.3012) p.6, page 6 is the page number of the individual report of the British Consul at Hoihow for 1896. On the other hand, in B.P.P. 1830 V pp.295 - 312, the pages are numbered consecutively from beginning to end of the volume.

LIST OF TABLES

Table	Particulars	Page
1	Shipping and Trade particulars at Canton in 1754 and 1776.	
2a	Western Shipping at Canton, 1794-5, 1814-5 and 1833-4.	
2b	Western Trade at Canton in 1794-5, 1814-5, and 1833-4.	
3	Private Trade of Commanders and Officers of 34 East India Company ships trading at Canton in 1826.	
4	Summary of the Eight Regulations at Canton.	
5	Tea Imports from China, 1700 to 1808 (1,000 lbs.) at ten yearly intervals.	
6	Value in Sterling of the Haikuan Tael and Hong Kong Dollar between 1863 and 1914, and 1870 and 1914 respectively.	
7	Shipping Schedule at Canton in 1832.	
8	Shipping Statistics at Canton, Hong Kong, Amoy and Shanghai in 1848.	
9	Movements of British Shipping at Amoy in trade with Amoy in 1862.	
10	Return of British and Foreign Shipping at Swatow in 1863.	
11	Table of Shipping at Newchwang in 1874.	
12	Total Steamers and Sailing Vessels calling at Tientsin in 1883.	
13	Foreign Residents and Foreign Firms in the Treaty Ports in 1883.	
14	Shipping at Canton in 1884.	
15	Steamships operating on the Shanghai-Tientsin and Shanghai-Ningpo services in 1867 and 1872.	
16	Steamship Companies operating on the China coast between 1848 and 1883.	
17	Shipping entered and cleared in the Foreign and Coast Trade by different countries in 1884.	

LIST OF TABLES (contd)

Table	Particulars	Page
18	Relative Success of Twelve Prominent Chinese Joint Stock Companies in 1884.	
19	Steamships regularly operating on the Yangtze in 1864.	
20	Steamships operating on the Yangtze in 1872 and 1874.	
21	Departures from Shanghai for Hankow and Lower Yangtze ports between December 27, 1883, and January 7, 1884.	
22	Shipping Statistics for Hong Kong and the Eight Most Important Treaty Ports in 1863 and 1883.	
23	Shipping Statistics for the Eight Most Important Open Ports in China in 1913, and also for Hong Kong and Singapore.	
24	Summary of Trade and Shipping at Shanghai for years 1858 to 1862.	
25	Departures from Shanghai for Hankow and Lower Yangtze ports, July 2 - July 7, 1914.	
26	Duration of Voyages of Regular Steamships on the Lower Yangtze in 1914.	
27	Expansion of the Fleets of the China Navigation, Indo-China Steam, and China Merchants Steam Navigation Companies between 1884 and 1914.	
28	Division of Shipping entering and clearing Chinese Open Ports in 1913, into foreign and coast shipping, showing share taken by Principal Countries concerned.	
29	Financial Results of the China Navigation Company 1873-1913.	
30	Financial Results of the Indo-China Steam Navigation Company from 1882 to 1913.	
31	China Navigation Company Sailings from Hong Kong from 6th to 13th October, 1914.	
32	Indo-China Steam Navigation Company Sailings from Hong Kong from 6th to 17th October, 1914.	
33	Departures from Shanghai by coast ships to the Northern Open ports between June 24 and July 4, 1914.	

LIST OF TABLES (contd)

Table	Particulars	Page
34	Departures by Coast Ships from Shanghai for Hong Kong and intermediate ports between June 24 and July 7, 1914.	
35	Steamships of all Nationalities operating on the Lower Yangtze in 1914.	
36	British Steamship Companies operating mainly in Chinese and adjacent waters in 1914.	
37	Estimated Foreign Population of China in 1913.	
38	Distances between the Principal Ports on the China Coast and to the Principal Japanese and South-east Asian ports.	
39	List of Companies in which Jardine, Matheson and Company held a substantial holding in 1914.	
40	List of Butterfield and Swire's major interests in China in 1914.	

TABLE No.1

Shipping and some Trade Particulars at Canton in 1754 and 1776.

1754

Nationality	Ships	Tons	Silver Imports	New Exports, lbs.	New Silk Exports, lbs.
East India Co.	6 [1]	2,994 [2]	n.a.	n.a.	n.a.
Country Ships	1	n.a.	"	"	"
French	1	"	"	"	"
Dutch	6	"	"	"	"
Danish	1	"	"	"	"
Prussian	1	"	"	"	"
	16	2,994 plus		"	"

Source of above, Morse, Chronicles V.pp.46 and 200 - 1.

n.a. Not available.

1 Includes one ship at Ningpo.

2 Until 1773 all East India Company ships recorded as of 499 tons. Assuming foreign ships of similar tonnage to Company ships, British shipping was 37.5 per cent of total in 1754.

1776

Nationality	Ships	Tons	Silver Imports	New Exports, lbs.	New Silk Exports, lbs.
East India Co.	8	5,340	150 chests	5,574,606	n.a.
Country ships	16	n.a.	17 "	97,442	128,634
French	5	"	132 "	5,840,633	76,780
Dutch	4	"	148 "	4,855,719	34,524
Swedish	2	"	70 "	3,048,304	2,133
Danish	3	"	80 "	2,496,709	5,998
	38	5,340	597 "	19,416,704	248,068

Source of above, Morse, Chronicles II, pp.12 amd 436.

Assuming foreign ships of similar tonnage to Company ships and country ships about 400 tons, British share of total shipping in

Table No. 1 (contd.)

1776 would be 55.7 per cent.

As a great proportion of the tea exported in foreign ships to Europe was later smuggled into Britain, the British share of the Canton trade was much greater than her share of the shipping.

TABLE No. 2a

Western Shipping at Canton, in seasons 1794-5, 1814-5, and 1833-4

Season	1794-5	1814-5
Company ships	21 of 20,233 tons	16 of 21,500 tons
Country "	25 " 11,500 " e	37 " 27,500 " e
Total Br. "	46 " 31,733 "	53 " 49,000 "
American "	7 " 4,964 " e	44 " 15,400 " e
Others	7 " 4,200 " e	22 " 13,200 " e
TOTAL	60 " 40,897 " e	119 " 77,600 " e

Season	1833-4
Company ships	25 of 28,167 tons
Country "	82 " 36,336 " e
Total Br. "	107 " 64,493 " e
American "	59 " 24,000 " e
Others	23 " 13,800 " e
TOTAL	189 " 102,293 " e

e = estimated

Above compiled from H.B. Morse, The Chronicles of the East India Company Trading to China, 5 vols. (1926-29)

TABLE No. 2b

Western Trade at Canton in seasons 1794-5, 1814-5, and 1833-4

In Spanish dollars [1]

Season	1794-5	1814-5	1833-4
Company Imports	2,171,890 [2]	3,333,750	4,357,653
Country Ship Imports	n.a.	8,714,272	18,171,920 [3]
Total British Imports	2,171,890+	13,048,022	22,529,573
Company Exports	4,704,488	6,345,603	7,823,145
Country Ship Exports	n.a.	6,814,574	12,354,107
Total British Exports	4,704,488+	13,160,177	20,177,252
Total British Trade	6,876,378+	26,208,499	43,654,045
American Imports	n.a.	9,867,208	4,690,455
American Exports	1,794,130	9,057,107	7,892,327
Total American Trade	1,794,130+	18,924,315	11,582,782

Trade for other countries not available.

n.a. = not available.

1. The Spanish, or Mexican, dollar had an intrinsic value of 4/2d. and an exchange value of between 3/11d and 5/0d.

2. The Company's imports were almost wholly from Britain.

3. Includes opium valued at $11,618,716.

The tonnage of American ships has been estimated from various sources, and of other foreign ships assumed to be 600 tons.

On the above assumptions, the British share of the total shipping at Canton was 77.6 per cent in 1794-5, 63.1 per cent in 1814-5, and 63.0 per cent in 1833-4.

Above compiled from H.B. Morse, Chronicles of the East India Company Trading to China, 5 vols. (1926-29)

TABLE No.3

Private Trade of Commanders and Officers of 34 East India Company

Ships trading at Canton in 1826

Imports	£	Exports	£
Cotton	165,832	Tea	117,000
Pepper	8,437	Raw Silk	54,271
Rattan	5,625	Silk Goods	10,833
Sandalwood	7,500	Nankeens	2,395
Betel Nut	20,100	Sundries	5,933
Tin	8,250	Total	190,432
Sundries	31,666	Imports	247,416
Total	247,416		437,842

The East India Company's imports in 1826 amounted to £1,223,161, and exports to £1,932,056, a total trade of £3,175,217. The private trade of the Company's officers, therefore, was 13.7 per cent of the Company's trade. In many cases the commanders bought the allocations of their officers.

Sterling values calculated at 4/2d per Mexican dollar.

Above compiled from Morse's Chronicles IV p.143

TABLE No.4

Summary of the Eight Regulations at Canton

1. No ships of war to enter the Canton River.
2. No arms to be brought into the factories by the Europeans, and traders only allowed in Canton during the trading season between September and March, unaccompanied by wives or children.
3. All pilots, boatmen, and agents working for Europeans to be licensed.
4. Not more than a fixed number of servants to be employed by Europeans.
5. Sedan chairs and boating for pleasure forbidden, also excursions to Canton. Three visits to the public gardens on Honan Island opposite the factories to be allowed per month, in parties not exceeding ten.
6. No smuggling and no credit allowed.
7. All business to be transacted through the Kong merchants, who will receive all complaints and petitions for the authorities.
8. All foreign ships to anchor at Whampoa. twelve miles below the city of Canton, where all loading and discharging must be carried out.

The above condensed from Canton Register 15.7.1831.

TABLE No. 5

Tea Imports from China into the United Kingdom, 1700-1808 at ten yearly intervals and in 1,000 lbs.

Year	Imports	Re-Exports	Retained Imports
1700	91	......	91
1710	124	11	113
1720	330	59	271
1730	1,697	209	1,488
1740	1,509	351	1,158
1750	4,840	371	4,469
1760	9,694	427	9,267
1770	10,928	851	10,077
1780	1,865	1,969	- 104
1790	17,767	2,001	15,766
1800	15,099	3,020	12,079
1808	35,747	4,302	31,445

Fluctuations from year to year caused by interruptions to the convoy system during the French Wars. It was partly because of this that the East India Company were compelled by the British Government to keep a minimum of 1,000,000 lbs of tea always in reserve in London.

Above compiled from E.B. Schumpeter, English Overseas Trade Statistics, 1697-1818. Oxford (1960).

TABLE No.6

Value in Sterling of the Haikuan Tael between 1863 and 1914, and the Hong Kong Dollar between 1870 and 1914

Year	Tael	Hong Kong $	Year	Tael	Hong Kong $
1863	6/8		1889	4/8$\frac{3}{4}$	3/1$\frac{1}{2}$d
1864	6/8		1890	5/0	3/5d
1865	6/8		1891	4/11	3/1
1866	6/7		1892	4/6	2/8$\frac{3}{4}$
1867	6/6		1893	4/0	2/3
1868	6/3		1894	3/2$\frac{3}{8}$	2/0
1869	6/1		1895	3/3$\frac{1}{4}$	2/1$\frac{5}{8}$
1870	5/9$\frac{3}{4}$	4/4	1896	3/4	2/1$\frac{7}{16}$
1871	6/6	4/4$\frac{3}{4}$	1897	2/11$\frac{3}{4}$	1/11$\frac{5}{16}$
1872	6/8	4/4	1898	2/10$\frac{3}{4}$	1/11$\frac{9}{16}$
1873	6/8	4/1$\frac{1}{2}$	1899	3/0	1/11$\frac{7}{16}$
1874	6/4	4/1$\frac{1}{2}$	1900	3/1	1/11
1875	6/0	3/11$\frac{7}{8}$	1901	2/11$\frac{1}{2}$	1/10$\frac{5}{16}$
1876	5/9	4/1$\frac{3}{4}$	1902	2/7$\frac{1}{4}$	1/7$\frac{5}{16}$
1877	5/8	3/10$\frac{7}{8}$	1903	2/7$\frac{1}{2}$	1/8$\frac{5}{16}$
1878	5/6	3/6$\frac{3}{8}$	1904	2/10$\frac{1}{2}$	1/11$\frac{5}{8}$
1879	5/7$\frac{1}{4}$	3/9$\frac{5}{8}$	1905	3/3$\frac{15}{16}$	2/0$\frac{5}{8}$
1880	5/9	3/9$\frac{3}{4}$	1906	3/3$\frac{1}{2}$	2/3$\frac{7}{16}$
1881	5/6$\frac{1}{2}$	3/8$\frac{1}{4}$	1907	3/3	1/9$\frac{9}{16}$
1882	5/8$\frac{1}{2}$	3/7$\frac{3}{8}$	1908	2/8	1/8$\frac{13}{16}$
1883	5/7$\frac{1}{4}$	3/8$\frac{3}{4}$	1909	2/7$\frac{1}{4}$	1/9$\frac{13}{16}$
1884	5/7	3/6$\frac{1}{2}$	1910	2/8$\frac{5}{16}$	1/10
1885	5/6	3/4$\frac{5}{8}$	1911	2/8$\frac{5}{16}$	1/10$\frac{7}{8}$
1886	5/0	3/3$\frac{7}{16}$	1912	3/0$\frac{5}{8}$	2/1
1887	4/10$\frac{1}{2}$	3/1$\frac{3}{4}$	1913	3/0$\frac{1}{4}$	1/11$\frac{1}{2}$
1888	4/8	3/0$\frac{1}{2}$	1914	2/8$\frac{3}{4}$	1/8$\frac{7}{8}$– 1/9$\frac{1}{2}$

TABLE No. 6 (contd)

Year	Tael	Hong Kong $	Year	Tael	Hong Kong $
1888	4/8	3/0½	1914	2/8¾	1/8 - 1/9½

SOURCE: The value of the tael taken from British Consular Reports for the appropriate years; and the value of the Hong Kong dollar from Historical and Statistical Abstracts of the Colony of Hong Kong 1841 - 1930, 3rd edition, Government Printer, Hong Kong 1932. During the treaty port era the Hong Kong dollar was the currency in use in Hong Kong and the southern treaty ports, and the tael in Shanghai and the northern ports. Customs statistics all over the country, however, were expressed in Haikuan taels, and in the north the Shanghai dollar (usually slightly lower in value than the Hong Kong dollar) in normal commercial transactions.

TABLE No. 7

Shipping Schedule at Canton in 1832

Month	Arrivals	Departures	Total Movements
January	2	14	16
February	2	2	4
March	4	5	9
April	2	2	4
May	10	5	15
June	16	4	20
July	5	11	16
August	15	4	19
September	16	Nil	16
October	8	11	19
November	3	17	20
December	2	9	11
TOTAL	85	84	169

This schedule illustrates that by this time ships were beginning to 'beat the monsoon'. That is, they were able to arrive at Canton during the winter months against the north-east monsoon, and leave in the summer months against the south-west monsoon. The above eighty-five arrivals came from the following ports -

From	London	9
"	Bombay	31
"	Calcutta	24
"	Madras	2

TABLE No. 7 (contd)

From Manila	8
" Sydney	1
" S.E. Asia	10
Total	85

Source: Chinese Repository, Volume 2, 1833-34. p.299

TABLE No. 8

Shipping Statistics at Canton, Hong Kong, Amoy and Shanghai in the Year 1848

Flag	Canton		British	Hong Kong[1]		British
	Ships	Tonnage	%	Ships	Tonnage	%
British	347 of	147,370	67.8	495 of	176,900	75.5
American	127 "	58,790		n.a.		
Portuguese	6 "	714[2]		"		
Dutch	12 "	4,154		"		
Hamburg	11 "	2,526		"		
Others[3]	15 "	6,169		"		
Total	518 "	518,673		700"	228,818	

Flag	Amoy		British	Shanghai		British
	Ships	Tonnage	%	Ships	Tonnage	%
British	44 of	11,323	42.8	158 of	41,882	67.4
American	13 "	3,922		34 "	13,184	
Portuguese	43 "	3,167		...	...	
Dutch	10 "	2,375		2 "	730	
Hamburg	...	...		...	...	
Others	28 "	5,649		12 "	6,310	
Total	138 "	26,436		199 "	62,106	

1. At Hong Kong in the early years, the nationality of non-British ships was not always recorded.

2. Portuguese vessels were lorchas, and never above about 100 tons.

3. Others included French, Spanish, Swedish, Belgian, Prussian, Danish, Siamese, etc.

NOTE: The British Consuls at Foochow and Ningpo reported that in 1848, as in the previous few years, there had been no official shipping in the port. The only trade at these ports was illegal trade conducted outside the port limits, opium smuggling in particular, of which the consuls took no official cognizance.

TABLE No.8 (continued)

In 1848 there were 312 British residents at Canton, 20 at Amoy, and 116 at Shanghai. Hong Kong had 1,502 non-Chinese residents, most of them British or British Indians.

SOURCE: Statistics for Canton, Amoy and Shanghai from BPP 1849 XXXIX (1119) pp. 555 - 604; and for Hong Kong from Historical and Statistical Abstracts of the Colony of Hong Kong 1841-1930 3rd edition, Government Printer, Hong Kong, 1932.

TABLE No. 9

Movements of British Shipping at Amoy in Trade with Amoy during the Year 1862, with number and tonnage of Vessels in Harbour on 31st December, 1862

Places and Ports	No. of Ships	Tonnage
East Coast	7	2,061
Foochow	125	61,114
Formosa	54	12,181
Hong Kong	63	24,270
Japan	4	1,251
Kampoot	3	584
London	3	906
Macao	1	295
Manila	1	421
New York	1	471
Ningpo	6	2,205
Saigon	4	1,867
Shanghai (& Chefoo etc.)	54	20,701
Sourabaya	1	283
Straits	25	11,096
Swatow	89	35,381
West Indies	1	924
West Australia	1	401
Vessels sold	2	454
	Total 445	167,048

Signed W.W. Pedder,
Consul.

British Consulate, Amoy, December 31, 1863

Compiled from BPP 1864 LXII (530) p.69

TABLE No.10

Return of British and Foreign Shipping at the Port of Swatow in the year 1863

Nationality of Vessel	Vessels	Tons	British %
British Coasting steamers	302	122,564)	62.6
British, other vessels	172	63,562)	
French	4	1,558	
American	58	29,110	
Russian	4	1,650	
Hamburg	106	32,057	
Bremen	38	11,548	
Prussian	4	1,642	
Danish	28	9,448	
Dutch	14	5,534	
Hanover	6	898	
Oldenberg	10	2,060	
Mecklenberg	2	488	
Swedish	16	4,814	
Chilean	2	1,230	
Siamese	18	9,296	
Total	784	297,459	

Compiled from BPP 1865 LIII (3439) p.66

TABLE No.11

Table of Shipping at Newchwang in 1874 showing Tonnage under different Nationalities.

Nationality of Vessel	Vessels	Tons	Percentage
British	126	49,934	27.58
American	92	31,574	17.44
German	202	61,912	31.19
French	12	3,806	
Dutch	4	1,298	
Danish	20	5,720	
Swedish and Norwegian	6	1,562	
Russian	2	944	
Siamese	30	13,728	
Hawaiian	4	1,892	
Chinese	14	8,716	4.81
Total	512	181,084	

Signed Thos. Adkins, Consul

Compiled from BPP 1875 LXXVII, (c.1243 - I) p.113

TABLE No.12

Total Steamers and Sailing Vessels calling at Tientsin 1883.

Flag	Vessels	Tonnage	Percentage
British	478	324,865	54.0
American	8	3,332	
German	62	20,830	
French	6	2,204	
Danish	8	1,952	
Swedish and Norwegian	8	3,096	
Russian	6	1,430	
Chinese	319	243,658	
Total	895	601,367	

Compiled from BPP LXXXII (c.4134) p.278

TABLE No.13

Foreign Residents and Foreign Firms in the Treaty Ports in 1883

	No. of For. Residents	No. of For. Firms
Newchang	118	6
Tientsin	179	9
Chefoo	262	25
Ichang	17	..
Hankow	129	26
Kiukiang	45	5
Wuhu	17	2
Chinkiang	69	12
Shanghai	1,980	245
Ningpo	152	10
Wenchow	13	..
Foochow	239	19
Tamsuy	39	4
Takou	48	5
Amoy	292	25
Swatow	127	7
Canton	248	28
Kiungchow	10	2
Pakhoi	11	1
	3,995	451

Nationality	No.of Residents[x]	No.of Firms
British	2,070	299
American	469	31
German	364	64
French	228	20
Dutch	28	2
Danish	73	5
Spanish	153	1
Swedish and Norwegian	35	1
Russian	79	16
Austrian	35	..
Belgian	9	1
Italian	17	..
Japanese	61	2
Non-Treaty Powers	374	9
Total	3,995	451

Note: British %age of Total Foreign Population 51.8

x BPP 1884 - 85 LXXX (4440) p.71

TABLE No.14

Shipping at Canton 1884

Nationality	Vessels	Tonnage	Percentage
British	1,580	1,675,943	82.9
American	183	117,300	
German	202	132,864	
Danish	4	1,072	
Swedish and Norwegian	2	740	
Annamese	3	408	
Chinese	209	92,008	
Total	2,183	2,020,335	

Signed Christopher Thomas Gardiner

Compiled from BPP 1885 (c.4525) p.295

NOTE: No French vessels because of Franco-Chinese War.

TABLE No.15

Steamships operating on the Shanghai-Tientsin and Shanghai-Ningpo Services in 1867 and 1872

Company	1867 Shanghai-Tientsin Service		1872 Shanghai-Tientsin Service	
S.S.N.Co.	Shanae,	1,006 tons	Shanae,	1006 tons
	Manchu,	803 "	Manchu,	803 "
	Chihli,	1,412 "	Chihli (II)	1,145 "
	Szechuen,	1,006 "	Szechuen,	1,006 "
			Shantung,	1,526 "
			Millet,	304 "
	Total 4 of	4,227 tons	Total 6 of	5,790 tons
N.C.S.C.	Yuentzefei,	422 tons[1]	Nanzing,	621 tons
	Nanzing,	621 "	Sin Nanzing	1,142 "
			Appin	650 "
			Peiho,	1,086 "
			Yeddo,	370
			Total 5 of	3,869 tons
	Shanghai-Ningpo Service		**Shanghai-Ningpo Service**	
S.S.N.Co.	Kiangse,	1,086 tons	Kiangse,	1,086 tons
			Chusan,	1,633 "
David Sassoon & Sons	Express,	489 tons		

Key to Symbols: S.S.N.Co. - Shanghai Steam Navigation Company.

N.C.S.C. - North China Steamer Company.

1 - Above company now managed by Jardine, Matheson and Company.

Source of above, North China Herald, 1867 and 1872.

TABLE No. 16

Steamship Companies operating on the China Coast, 1848-1883

(Excluding overseas companies which called at Chinese ports on their Far Eastern services.)

	Company	Formed	Flag and other particulars
1	Hong Kong and Canton Steam Packet Company	1848	British. Capital of £30,000, and first foreign style business to be formed in China. Principal directors D. Matheson of Jardine, Matheson and Company; A. Campbell of Dent and Company; D.J. Camajee of D.N. Camajee and Company; J. Heard of A. Heard and Company; and W.H. King of Russell and Company - three from British and two ~~three~~ from American companies. Company proved unprofitable because of too many ships and was voluntarily wound up in 1854.
2	Moller and Company	1859	British, but founder of Norwegian nationality. Commenced with two sailing ships, later buying steamships. Engaged mainly in charter trades between China and adjacent countries and not on coast services.
3	North China Steamship Company	1862	British. Shanghai joint stock company and first manager J.F. Troutman, a British subject of German extraction. Had three ships on Shanghai-Tientsin service in 1867.
4	Shanghai Steam Navigation Company	1862	American. Formed by Russell and Company, with original capital of Tls. 1,000,000 (£333,333). Main theatre of operations the Lower Yangtze, but also ran between Shanghai and Tientsin and Shanghai and Ningpo. When sold to China Merchants Steam Navigation Company in 1877 fleet amounted to 17 ships.
5	Douglas Lapraik Company	1863	British. Original capital H.K.$. 1,000,000 (£208,333). Operated between Hong Kong, Swatow, Amoy, Foochow and Formosa, and usually

TABLE No. 16 (contd)

			had between 4 and 7 ships. In 1883 re-named the Douglas Steamship Company.
6	Hong Kong, Canton, and Steamboat Company	1865	Originally Anglo-American but later British. Original capital H.K.$. 750,000 (£254,250) Operated on Canton River and fleet at first of 11 but latterly of 4 ships.
7	Union Steam Navigation Company	1867	British. Original capital Tls. 170,000 (approximately £54,666) Had 2 ships operating on Lower Yangtze, and ships and shore property sold to China Navigation Company 1872.
8	Morris, Lewis, and Company	1869	British, but mainly Chinese shareholders. Employed shipping brick tea from Hankow to Shanghai for Russian merchants; had 3 ships in 1872. In 1873 one ship withdrawn, and later the other two sold to China Merchants Steam Navigation Company.
9	China Navigation Company	1872	Formed by John Swire of Liverpool (later London) with original capital of £360,000, all subscribed by John Swire and associates in Britain. Originally operated on Lower Yangtze but soon extended its services to other coast ports. In 1883 amalgamated with Coast Boats Ownery and capital increased to £500,000.
10	China Merchants Steam Navigation Company.	1872	Chinese. Formed by government officials and private merchants, and no foreign shareholders allowed. Original capital Tls. 500,000 (£166,666) from official and private sources. Operated first on Shanghai-Tientsin service, and in 1873 on Lower Yangtze and elsewhere. Bought fleet and shore properties of the Shanghai Steam Navigation Company in 1877 for Tls. 1,000,000 (£333,333)

TABLE No. 16 (contd)

No.	Company	Year	Remarks
11	China Coast Steam Navigation Company.	1873	British. Formed by Jardine, Matheson and Company with original capital of Tls. 325,000 (£108,333) much from Chinese merchants. Took over North China Steamship Company and had five ships, most on Shanghai-Tientsin service.
12	Coast Boats Ownery	1874	British. Formed by John Swire and associates in Britain, with original capital of £40,000. When amalgamated with China Navigation Company in 1883 had eight ships and one building.
13	China and Manila Steamship Company	1876	British. Original capital of H.K.$. 250,000 (£52,083). Usually had two ships operating between Hong Kong and Manila; general managers Shewan Tomes and Company, Hong Kong.
14	Yangtze Steam Navigation Company.	1879	British. Formed by Jardine, Matheson and Company in association with Boyd and Company, Shipbuilders, Shanghai. Original capital Tls. 150,000 (£50,000) between Jardines and Boyds. Had 3 ships on Lower Yangtze in 1880, which were taken over by Indo-China Steam Navigation Company in 1881.
15	Indo-China Steam Navigation Company	1881	British. The amalgamation of all the Jardine, Matheson and Company shipping interests. Registered in London 30 November, 1881, with capital of £1,120,000 of which £498,000 was paid up. Directors were W. Keswick, head of Jardine, Matheson and Company in China, J. Macandrew, J. McGregor, T. Reid and W.S. Steel. Jardine subscribed £100,000, and J. McGregor and T. Reid £210,000, and part of remainder by Chinese merchants. The new company took over the ships of the China Coast Steam and the Yangtze Steam Navigation Companies, and also built additional ships.
16	Scottish Oriental Steamship Company.	1882	British. Formed by Sir W. Pearce of the Fairfield Shipbuilding and Engineering Company of Glasgow, and

TABLE No. 16 (contd)

associates with original capital of £150,000, Sir W. Pearce being the largest shareholder. To operate steamships in the emigrant trade between South China, Singapore and Bangkok. Fleet bought over by North-German Lloyd of Bremen in 1898 when it amounted to 14 ships of 21,276 tons, 12 built at Fairfields and the other 2 at Cairds of Greenock.

The above list is not complete as it does not include ships owned by some agency houses in the early part of the 1856-1883 period. Some of these, however, were integrated into the shipping companies formed by the agency houses which survived after 1866. No major company has been omitted.

SOURCES from British Parliamentary Papers; K.C. Liu's Anglo-American Steamship Rivalry in China, 1862-1874 (Harvard University Press 1962); K.C. Liu's 'British-Chinese Steamship Rivalry in China', The Economic Development of China and Japan (1964) edited by C.D. Cowan; E.K. Haviland's 'American Steam Navigation in China', American Naptune 1956; E.K. Haviland's 'American Steam Navigation in China; Hong Kong and the Canton River', American Neptune 1962, and from the Hong Kong and Shanghai Press. Arranged in chronological order.

TABLE No.17

Shipping entered and cleared in the Foreign and Coast Trade of China by different Countries, which came under the cognizance of the Chinese Maritime Customs in 1884

	Foreign		Coast		Total	
	Tonnage m.tons	%	Tonnage m.tons	%	Tonnage M.tons	%
British	3,033	78.1	9,118	62.6	12,151	65.9
Chinese	092	2.4	2,899	19.9	2,991	16.2
German	428	11.0	1,049	3.6	938	5.1
Japanese	214	5.5	...	...	214	1.2
American (a)	114	3.0	2,024	13.9	2,138	11.6
TOTAL	3,881	100.0	14,551	100.0	18,432	100.0

(a) Statistics for American shipping are unrealistic, as in 1884 during the Franco-Chinese War, many Chinese vessels were transferred to the United States flag to avoid confiscation by the French.

The statistics also illustrate the relative importance of the coast trade to the foreign trade, and the practical monopoly enjoyed by British shipping in the former. They bear no relation, to the share of China's trade taken by any country.

Source BPP 1884-85 LXXX (C.4595) p.322

TABLE No.18

Relative Success of Twelve Prominent Chinese Joint Stock Companies in 1884

	COMPANY	Par value of share	Press Quotation	% of Par
1	Kuei Chi Iron and Coal Mines	Tls.25	Tls.14	56
2	Chin-Chow Coal and Iron Mines	" 100	" 55	55
3	Jen Ho Insurance Company	" 50	" 22½	45
4	Chi Ho Insurance Company	" 50	" 22½	45
5	Ping Hua Copper Mines	" 100	" 22	44
6	China Merchants Steam Navigation Company	" 100	" 38	38
7	Shi Yi Copper Mines	" 100	" 36	36
8	Kaiping Coal Mines	" 100	" 32	32
9	Chin-Chow Coal Mines	" 25	" 6½	26
10	Chefoo Filado	" 250	" 50	20
11	Cheng-ten Silver Mines	" 25	" 4	16
12	Pai-tu-ho Silver Mines	" 75	" 8	11

Table shows that the China Merchants Steam Navigation Company was not the most unsuccessful of Chinese joint stock companies. Out of the twelve listed above it comes sixth in order of success.

Source: BPP 1884-85 LXXX (C.4440) p.18

TABLE No.19

Steamships regularly operating on the Yangtze in 1864

Steamship	Gross Tonnage	Company	Nationality
Fusiyama	1,215	Dent & Company	British
Moyune	1,223	Fletcher & Company	British
Fire Dart	678	A. Heard & Company	American
Kiangloong	945	" "	"
Express	489	Jardine, Matheson & Co.	British
Rona	1,215	" "	"
Fire Cracker	1,040	Lindsay & Company	"
Fire Queen	3,801	" "	"
Poyang	827	Olyphant & Company	American
Takiang	609	" "	"
Kiukiang	1,065	" "	"
Huquong	1,339	Shanghai S.S. Co.	"
Shanse	1,006	" "	"
Szechuen	1,006	" "	"
Kiangse	1,006	" "	"
Chekiang	1,264	" "	"

16 steamships of 18,808 gross tons

of above 10 American of 9,825 and 6 British of 8,983 gross tons.

Source of above N.C.H. Shipping Intelligence, 1864.

TABLE No. 20

Steamships operating on the Yangtze in 1872 and 1874

1872			1874		
Company	Ship	Tons	Company	Ship	Tons
S.S.N.Co.	Fire Queen	3,801	S.S.N.Co.	Fire Queen	3,081
	Fusiyama	1,215		Fusiyama	1,215
	Hangchow	2,024		Fychow	1,633
	Hirado	1,294		Hirado	1,294
	Hupeh	2,756		Hupeh	2,756
	Kiangloong	945		Nanking	2,330
	Honan	586		Plymouth Rock	3,017
	Moyune	1,223		Shingking	1,249
	Plymouth Rock	3,017			
	TOTAL 9 of	16,841		TOTAL 8 of	16,575
M.L.& Co.	Shaftesbury	680	C.N. Co.	Glengyle	1,932
	Hanyang	275		Ichang	1,781
	Tungting	241		Pekin	3,076
				Shanghai	3,087
				Tunsin	773
	TOTAL 3 of	1,196		TOTAL 5 of	10,649
U.S.N.Co.	Glengyle	1,932	C.M.S.N. Co.	Hanyang	275
	Tunsin	773		Tungting	241
	TOTAL 2 of	2,705		TOTAL 2 of	516
	GRAND TOTAL 14 of	20,742		GRAND TOTAL 15 of	27,740

Source of above: N.C.H. Shipping Intelligence 1872 and 1874, and Liu p.77-78.

Symbols: S.S.N.Co. - Shanghai Steam Navigation Company

TABLE No. 20 (contd)

M.L. & Co. - Morris, Lewis and Company
U.S.N. Co. - Union Steam Navigation Company
C.N. Co. - China Navigation Company
C.M.S.B. - China Merchants Steam Navigation Company

NOTE: In 1873 the China Navigation Company bought the Glengyle and Tunsin from the Union Steam Navigation Company; and the China Merchants bought the Hanyang and Tungting from Morris, Lewis and Co.

TABLE No.21

Departures from Shanghai for Hankow and Lower Yangtze Ports
Between December 27, 1883 and January 7, 1884

Date	Ship's Name	Flag	Tons	Destination	Dispatched by
Dec.27	Kiang-Kwan	Chinese	1,030	Hankow and ports	C.M.S.N.
" 27	Hoihow	British	895	Wuhu	B. & S.
" 28	Kung Wo	"	737	Hankow and ports	J.M.&Co.
" 29	Sual	"	261	" "	G.McBain
" 29	Kiang-foo	Chinese	1,468	" "	C.M.S.N.
" 30	Shanghai	British	1,198	" "	B. & S.
" 31	Fatchoy	"	113	Chinkiang & Wuhu	Morris&Co.
Jan. 3	Pekin	"	1,274	Hankow & ports	B. & S.
" 4	Taiwo	"	718	" "	J.M.&Co.
" 5	Kaang-yung	Chinese	1,037	" "	C.M.S.N.
" 6	Wuhu	British	1,690	" "	B. & S.
" 7	Fuh Wo	"	600	" "	J.M.&Co.

Of the above total 9 vessels of 7,486 tons were British, and 3 of 3,535 tons were Chinese.

Key to Symbols:
C.M.S.N. – China Merchants Steam Navigation Co.
B. & S. – Butterfield and Swire, General Managers of China Navigation Company.
J.M. & Co.– Jardine, Matheson and Company, General Managers of the Indo-China Steam Navigation Company.
G. McBain and Morris and Company were small British companies in which a large proportion of the capital was Chinese.

Source of above: Shanghai Shipping Intelligence N.C.H., January 3 and January 10 of 1884.

TABLE No. 22

Shipping Statistics for Hong Kong and the Most Important Treaty Ports in 1863 and 1883

Port	1863 Total Tonnage	1863 British Tonnage	1863 British %	1883 Total Tonnage	1883 British Tonnage	1883 British %
Amoy	300,874	167,048	55.1	1,302,712	995,854	76.3
Canton	600,874	157,834	26.4	2,020,431*	1,675,943	82.9
Foochow	340,000	293,289	86.2	531,886	437,144	82.2
Hankow	301,537	125,475	42.6	835,601	470,861	56.3
Newchwang*	176,562	48,604	27.5	373,080	196.658	52.8
Shanghai	1,943,207	1,095,637	56.4	3,843,496	2,102,926	54.7
Swatow	297,459	186,126	62.4	1,173,411	924,104	78.7
Tientsin	72,662	38,216	52.6	601,270	324,868	54.0
Hong Kong	1,555,645	724,693	46.5	6,852,351	5,093,062	74.0
TOTAL	5,588,384	2,833,922	50.8	17,534,238	12,093,062	69.7

* No official statistics available for Newchwang for 1863, and statistics for 1864 taken; similarly with Canton, statistics for 1884 taken in place of 1883.

Tonnage is gross registered tonnage.

Source: Statistics for the treaty ports taken from British Consular Reports from British Parliamentary Papers; and for Hong Kong from Colonial Reports, also from British Parliamentary Papers.

TABLE No. 23

Shipping Statistics for the Eight Most Important Open Ports in China in 1913, and also for Hong Kong and Singapore for 1913 showing British percentage at each, and where possible increase over 1863

	Total Shipping		British Shipping		British	British increase over 1863
	No.	G.R.T.	No.	G.R.T.	%	%
Amoy	1,598	2,383956	872	1,239,589	59.0	412
Canton	9,210	5,163,167	5,244	3,614,482	70.6	227
Dairen	4,573	4,747,463	323	538,195	10.7	...
Foochow	1,453	1,128,610	326	509,952	45.2	57
Hankow	4,640	5,264,490	1,630	2,331,750	44.3	180
Newchang	816	835,974	208	249,139	29.8	...
Shanghai	20,909	19,580,131	4,347	7,763,734	39.6	709
Swatow	1,436	1,690,989	659	777,619	46.0	461
Tientsin	1,999	2,291,905	632	896,066	39.1	234
Tsingtao	939	1,323,247	257	422,929	31.9	...
Hong Kong	47,520	25,821,652	4,889	12,528,168	48.6	173
Singapore	n.a.	17,254,953	n.a.	8,556,443	49.6	...

n.a. not available. G.R.T. - Gross registered tonnage.

Source: Statistics for the Chinese Open Ports from British Consular Reports from B.P.P. for the appropriate years, and for Hong Kong and Singapore from Colonial Reports for the appropriate years from B.P.P.

TABLE No. 24

Summary of Trade and Shipping at Shanghai for years 1858 to 1862

SHIPPING

	Total Shipping		British Shipping		British
Year	No.	Tonnage	No.	Tonnage	%
1858	1,132	397,399	464	197,701	49.7
1859	1,865	576,809	759	292,024	50.5
1860	1,979	597,732	979	282,627	47.5
1861	3,593	827,854	1,592	459,649	55.5
1862	5,794	1,447,417	3,063	779,419	53.9

Value of Trade in £ at 3 Taels per £

IMPORTS

Year	General	Opium	Total
1858	£6,399,056	£5,394,106	£11,613,123
1859	£6,878,376	£5,132,450	£12,010,826 x
1860	£8,741,862	£4,952,480	£13,694,342 x
1861	£11,234,204	£4,046,077	£15,280,282 x
1862	£15,567,194	£6,201,380	£21,768,541 x

	RE-EXPORTS	EXPORTS
1858		£10,207,909
1859	£966,519	£12,223,538
1860	£3,917,388	£10,454,626
1861	£7,210,241	£9,412,911
1862	£10,121,173	£15,856,655

x Exclusive of opium re-exported to other ports.

Opium customs business was not done through this office until the end of 1860, when the importation of the drug was legalised by

TABLE No. 24 (contd)

the Tariff rules attached to the new treaties.

Signed T. Dick, Commissioner

The foregoing Table illustrates the importance of the Yangtze trade to Shanghai, 1861 being the first full year after its opening to foreign trade.

Source: BPP 1865 LIII (c. 4440) p.61

TABLE No.25

Departures from Shanghai for Hankow and Lower Yangtze Ports

July 2 - July 7, 1914

Date	Ship's Name	Flag	Net Tons	Cargo	Dispatched by
July 2	Kouangai	French	4,203	General	M. Maritimes
" 3	Kiangwah	Chinese	2,321	"	C.M.S.N.
" 3	Luenho	British	1,735	"	J.M. & Co.
" 3	Hangchow	"	999	Ballast	B. & S.
" 3	Orel	Russian	1,922	"	R.V.F.
" 4	Kiangwo	British	1,354	General	J.M. & Co.
" 4	Tachang Maru	Japanese	1,681	"	N.K.K.
" 4	Poyang	British	1,892	"	B. & S.
" 5	Tatung	"	1,882	"	"
" 5	Nanyang Maru	Japanese	2,225	"	N.K.K.
" 6	Kiangyung	Chinese	1,451	"	C.M.S.N.
" 6	Meidah	German	1,151	"	Melchers & Co.
" 7	Kutwo	British	1,938	"	J.M. & Co.
" 7	Talee Maru	Japanese	1,315	"	N.K.K.
" 7	Kiangyu	Chinese	1,490	"	C.M.S.N.

TOTAL 15 of 27,559

Of the above total, 6 vessels of 9,800 tons were British, 31.9%. 3 of 5,362 tons Chinese; 19.1%; and 3 of 5,221 Japanese, 19.1%. France, Germany and Russia each had one vessel.

The Russian Orel would load brick tea at Hankow for Russia.

Key to Symbols: C.M.S.N. - China Merchants Steam Navigation Company.

B. & S. - Butterfield & Swire, General Managers of China Navigation Company.

J.M. & Co./

TABLE No.25 (contd)

J.M. & Co. - Jardine, Matheson & Company, Ceneral Managers of Indo-China Steam Navigation Company.

M. M. - Messageries Maritime of Marseilles.

R.V.F. - Russian Volunteer Fleet.

N.K.K. - Nishen Kaishan Kaisha.

Melchers & Co. were agents for the Hamburg America Line.

Source: Shipping Intelligence, North China Herald, July 4 and July 11, 1914.

TABLE No. 26

Duration of voyages of Regular Steamships on the Lower Yangtze in 1914, between Shanghai-Hankow and Intermediate Ports

Date	Ship's Name	Dispatched by	Duration of Voyage
June 24	Poyang	B. & S.	
July 5	"	"	10 days
June 24	Nanyang Maru	N.K.K.	
July 5	" "	"	11 days
June 25	Tatung	B. & S.	
July 5	"	"	10 days
June 25	Kiangyung	C.M.S.N.	
July 6	"	"	11 days

Key to Symbols: B. & S. - Butterfield & Swire, General Managers of China Navigation Company.

N.K.K. - Nishen Kaishan Kaisha.

C.M.S.N.- China Merchants Steam Navigation Company

Source: Shipping Intelligence, North China Herald, June 4 and June 11, 1914.

TABLE No.27

Expansion of the Fleets of the China Navigation, the Indo-China Steam, and the China Merchants Steam Navigation Companies between 1884 and 1914

	China Navigation Company			Indo-China Steam Navigation Company		
Year	No.of Ships	G.R.T.	% Increase	No.of Ships	G.R.T.	% Increase
1884	20	33,810		15	25,761	
1900	48	86,632	155.6	33	66,446	155.7
1914	67	128,712	41.8	40	95,127	43.2

China Merchants Steam Navigation Company

Year	No.of Ships	G.R.T.	% Increase
1884	26	33,336	
1900	30	47,402	46.5
1914	30	54,367	14.6

G.R.T. Gross registered tonnage

In 1884 the combined fleet of the two British companies was 35 ships of 58,771 gross registered tons, and in 1914 was 107 ships of 223,839 gross registered tons, an increase of 268 per cent. In the same period the fleet of the China Merchants increased from 26 ships of 33,336 gross registered tons to 30 ships of 54,367 gross registered tons, an increase of only 68.1 per cent, and it was now the smallest of the three companies.

Source of above: Lloyd's Register of Shipping 1914-15 for the Indo-China Steam and China Merchants Steam Navigation Companies.

Company Fleet List for China Navigation Company.

TABLE No. 28

Division of shipping entering and clearing the Chinese Open Ports in 1913, into foreign and coast shipping, showing share taken by the Principal Countries concerned

Note: Until 1901 no distinction was made in shipping statistics between shipping employed in the foreign trade and that employed in the coast trade.

	Foreign Trade		Coast Trade	
Flag	%	Tonnage	%	Tonnage
British	41.16	11,998,498	42.8	26,128,802
Chinese	11.20	3,264,797	30.8	16,639,147
Japanese	22.20	5,830,174	16.94	17,592,313
German	9.71	2,830,549	6.82	3,489,917
Others	15.73	5,226853	3.16	340,780
TOTAL	100.00	29,150,871	100.00	64,183,959

Total Foreign and Coast Trade

	%	Tonnage
British	41.75	38,120,300
Chinese	21.52	19,903,944
Japanese	19.44	23,422,487
German	8.19	6,320,466
Others	9.10	5,547,633
TOTAL	100.00	93,334,830

Compiled from BPP 1914-16 LXXI (No.5424) p.57

TABLE No.29

Financial Results of the China Navigation Company, 1873-1913

from S. Marriner and F.E. Hyde, The Senior John Samuel Swire, (1967), pp.75, 84, 87, 89, and 199.

Year	Balance after paying expenses and insurance	Amount of Dividend distributed		To Reserve and Depreciation
	£	£		£
1873-4	47,348	23,250		24,098
1875	55,082	14,750		40,332
1876	44,832	15,000		29,832
1877	3,002	15,000	From Reserve	3,002
1878	69,560	30,000		39,560
1879	86,958	30,000		56,958
1880	91,847	45,000		46,847
1881	71,962	45,000		26,962
1882	71,958	45,000		26,958
1883	89,619	50,000		39,619
1884	74,536	25,000		49,536
1885	110,690	62,500		48,190
1886	119,991	62,500		57,491
1887	102,264	50,000		52,264
1888	157,422	75,000		82,422
1889	158,030	75,000		83,030
1890	74,942	50,000		24,942
1891	98,100	50,000		48,100
1892	87,029	50,000		37,029
1893	98,023	60,000		38,023
1894	219,647	75,000		144,647

TABLE No.29 (contd)

Year	Balance after paying expenses and insurance	Amount of Dividend distributed	To Reserve and Depreciation
	£	£	£
1895	230,942	80,000	150,942
1896	98,140	50,000	150,942
1897	115,666	60,000	55,666
1898	186,016	80,000	106,016
1899	167,925	100,000	67,925
1900	306,221	100,000	216,221
	Profit (after depreciation)	Loss (after depreciation)	Dividend per cent
1901	163,273		20
			£60,725 transferred from Reserve
1902	15,891		10
			£19,579 transferred from Reserve
1903	30,672		15
1904	151,199		15
1905	117,390		15
1906	10,206		5
1907		90,390	nil
1908		51,279	"
1909		24,137	"
1910		3,237	2½
			£13,769 transferred from Reserve
1911	69,295		6
1912	155,579		10
1913	123,907		10

TABLE No. 30

Financial Results of the Indo-China Steam Navigation Company from 1882 to 1913, from Stock Exchange Year Books of the appropriate Years

Year	Balance of Underwriting		Dividend	To Reserve or carried forward
	£		%	£
1882	8,570			
1883	26,697 (1)		nil	18,729
1884	2,802		3	167
1885	18,414		7	4,387
1886	17,000		6	1,416
1887	30,000		5	1,922
1888	22,445		7½	1,606
1889	40,000		3	5,126
1890			2½	882
1891			2½	2,437
1892	88,000	loan	nil	1,086
1893	98,500	loan	2½	1,180
1894	78,250	balance	8	2,616
1895	84,295	"	8	6,016
1896	90,000	"	nil	1,380
1897	109,283	"	5	1,370
1898	135,501	"	8	19,197
1899	161,705	"	8	27,580
1900	216,141	"	14	13,747
1901	232,357	"	10	17,657

TABLE No. 30 (contd)

Year	Balance of Underwriting £	Dividend %	To Reserve or carried forward £
1902	240,000 (2)	5	5,380
1903	205,000 (2)	5 (2)	5,853
1904	241,150 (3)	5 (3)	4,425
1905	280,958 (3)	6 (3)	2,452
1906	270,000 (4)	2½	3,624
1907	240,000 (5)	ord. shares paid nil	...
1908			
1909		"	
1910	114,200	dividend for 1908 and 1909 paid	5,683
1911	94,785	preference for 1910 paid	7,530
1912	90,546	preference for 1911 and 1912 paid	10,083
1913	83,459	deferred cumulative paid	15,000

(1) Deficit of 1882 paid off and balance to Reserve.

(2) £100,000 from Guaranteed Reserve.

(3) £120,000 " " "

(4) £60,000 " " "

(5) £10,000 " " "

In 1906 the capital of the Indo-China Steam Navigation Company was divided into £600,000 5½ Preferred Cumulative Ordinary Shares of £5, and £600,000 of Deferred Ordinary Shares of £5, of which £247,845 was issued and paid up. In August 1907 subscriptions were invited at par through the Hong Kong and Shanghai

TABLE No. 30 (contd)

Banking Corporation for an Issue of 1st mortgage debentures of £25, £50, and £100 each for £345,000, part of total authorised capital of £495,000, and £250,000 has been allotted on which 50% has been paid up, 25% due on December 1907, and 25% on February 1908. Debentures specially secured by first mortgage on steamers, having a value ascertained, after deduction of depreciation of twice the amount of debentures outstanding.

TABLE No. 31

China Navigation Company Sailings from Hong Kong from 6th to 13th October, 1914

For	Steamer	To Sail
Saigon	Shansi at Wanchai	Today at Noon
Shanghai	Kanchow	" " 4.00 p.m.
Pakhoi & Haiphong	Sungkiang	7th Oct. at 10.00
Bangkok via Swatow	Chihil	" " " Noon
Amoy	Linan	" " " 4.00 p.m.
Manila, Cebu & Iloilo	Taming	" " " "
Shanghai	Luchow	8th " " "
Shanghai	Chenan	11th " " Daylt.
Weihaiwei, Chefoo & Tientsin	Kneichow	" " " Noon
Manila, Cebu & Iloilo	Tean	13th " " 4.00 p.m.

Direct sailings to West River twice weekly.

S.S. Lintan and S.S. Sanui

Manila Line. The excellent Twin Screw Steamers "Chinhua", "Taming", and "Tean". Excellent saloon accommodation amidships. Electric fans fitted. Extra Stateroom on deck aft on "Taming" and "Tean".

Shanghai Line. The T.S. Steamers "Anhui", "Chenan", "Shaoshing" and the S.S. "Liangchow", "Luihow", and "Yungchow", having excellent accommodation with electric light and electric fans in the State Rooms and Dining Saloon, maintain a fast scheduled service between Canton, Hong Kong and Shanghai, direct every Tuesday, Thursday, and Sunday, taking cargo on through Bills of Lading to all Yangtze and

TABLE No. 31 (contd)

North China ports. These steamers land passengers at Shanghai, avoiding the inconvenience of transhipment at Woosung.

For Freight and Passage apply to -

Butterfield & Swire

Telephone No. 36

Agents also for Canton Navigation Company

Source: South China Morning Post 6th October 1914.

TABLE No. 32

Indo-China Steam Navigation Company Sailings from Hong Kong from 6th to 17th October, 1914

For	Steamer	To Sail		
Singapore & Sourabaya	Fausang	Tuesday at 3 p.m.		
Sandakan	Chunsang	Wed. 7th Oct. Noon		
Shanghai & Newchwang	Taksang	Thur.8th	"	Daylt.
Shanghai via Ningpo	Esang	Fri. 9th	"	"
Singapore, Penang, & Calcutta	Hangsang	Sat.10th	"	3 p.m.
Manila	Loongsang	" "	"	"
Tientsin, via Shanghai & Weihaiwei	Cheongsing	Sun.11th	"	Daylt.
Singapore, Penang, & Calcutta	Kutsang	Tues.13th	"	3 p.m.
Manila	Yuensang	Sat. 17th	"	"

Return Tours to Japan

The steamers "Kutsang", "Namsang", and "Fooksang" leave every three weeks for Shanghai and Japan, returning via Kobe (Inland Sea) and Moji to Hong Kong. Time occupied 20 days. This service is supplemented by the "Yatsing", "Kumsang", leaving Hong Kong at regular intervals for Yokohama, Kobe, and Moji, and returning direct to Hong Kong. Time occupied 16 days. These vessels have all modern improvements, and are fitted throughout with electric light. A duly qualified surgeon is also carried. Steamers have superior accommodation for 1st class passengers, and have electric light. Taking cargo on Through Bills of Lading to Yangtze ports, Chefoo, Tientsin, Dalay, Weihaiwei, and Tsingtao.

TABLE No. 32 (contd)

Taking cargo on Through Bills of Lading to Kurhat Island, Lahad, Datu, Simporan, Takao, Jesselton, and Labuan.

For Freight and Passage apply to -

Telephone No.216 Jardine, Matheson & Co. Ltd.

General Managers

Source: South China Morning Post 6th October, 1914

TABLE No. 33

Departures from Shanghai by coast ships to the Northern Open Ports between June 24 and July 4, 1914

Date		Ship's Name	Net Tons	Flag	Destination	Dispatched by
June	24	Foolee	859	Chinese	C'tao	K.M.A.
"	"	Kobe Maru	1,628	Japanese	Dalay	S.M.R.
"	"	Changchow	1,203	British	A & C'po	B. & S.
"	"	Kwongsang	1,428	"	Kiaochow	J.M. & Co.
"	"	S.Kraetke	1,260	German	K., C. & T.	H.A.
"	"	Ichang	1,228	British	C., N. & D.	B. & S.
"	"	Takeshima Maru	1,052	Japanese	Newchwang	M.B.K.
"	25	Sodegaura Maru	779	"	"	"
"	"	Kingsing	1,228	British	W., C. & T.	J.M. & Co.
"	27	Fengtien	1,075	"	"	B. & S.
"	"	Chenan	1,375	"	Kiaochow	"
"	"	Hainming	1,428	Chinese	C. & T.	C.M.S.N.
"	"	Loongmoon	1,245	German	K. & D.	H.A.
"	"	Hyson	3,252	British	K.,T.,N. & D.	B. & S.
"	28	Koonshing	1,338	"	K., C. & T.	J.M. & Co.
"	"	Yei Maru	1,898	Japanese	C'tao	K.M.A.
"	29	Sakaki Maru	2,098	"	Dalay	S.M.R.
"	30	Shuntien	1,081	British	W.,C., & T.	B. & S.
July	2	Vestfold	1,172	Norwegian	C'tao	K.M.A.
"	"	Choshun Maru	1,304	Japanese	Tientsin	N.K.K.
"	"	Lienshing	1,049	British	W.,C., & T.	J.M. & Co.

TABLE No. 33 (contd)

Date		Ship's Name	Net Tons	Flag	Destination	Dispatched by
July	3	Hunan	1,143	British	C., N. & D.	B. & S.
"	3	Shengking	1,034	"	W., C., & T.	"
"	3	Shengta	1,034	Japanese	Tientsin	M.B.K.
"	"	Kisagata Maru	1,671	"	C'tao	S.S.
"	4	Kwangping	1,243	British	Tientsin	K.M.A.
"	"	Sir R. Awdry	1,236	"	C'tao	"
"	"	Tungshow	1,218	"	Kiaochow	B. & S.
"	"	Yusang	1,122	"	K., N. & D.	J. M. & Co.
"	"	Hainchi	1,157	Chinese	C., & T.	C.M.S.N.
"	"	Kaiping	1,605	British	C'tao	K.M.A.

TOTAL 31 vessels of 41,230, of which 17 of 22,838 tons, 55.4 per cent were British. Of the British tonnage 9 vessels of 12,589 tons belonged to the China Navigation Company, 5 of 6,165 to the Indo-China Steam Navigation Company, and 3 of 4,084 to the Kailan Mining Administration. The latter company had also 1 Chinese, 1 Japanese and 1 Norwegian vessel on charter. Japanese shipping accounted for 8 vessels of 11,263 tons, 27.3 of the total, and Chinese for 3 vessels of 3,444 tons. The remaining vessels were 2 German and 1 Norwegian.

Key to Symbols additional to those explained previously

K.M.A. - Kailan Mining Administration

S.M.R. - South Manchurian Railway

H.A. - Hamburgh-America Line.

M.B.K. - Mitsui Baishan Kaisha

TABLE No. 33 (contd)

Key to Symbols (contd)

C	-	Chefoo, C'po-Chemulpo (Korea), C'tao-Chinwangtao
D	-	Dalny, later called Dairen
N	-	Newchwang
K	-	Kiaochow
T	-	Tientsin
W	-	Weihaiwei

Source: Shipping Intelligence, North China Herald, July 4 and July 11, 1914.

TABLE No. 34

Departures by coast ships from Shanghai for Hong Kong and Intermediate Ports between June 24 and July 7 1914

Date	Ship's Name	Net Tons	Flag	Destination	Dispatched by
June 24	Wosang	1,127	British	Swatow, H.K. & Canton	J.M. & Co.
" 25	Luchow	1,221	"	H.K. & Canton	B. & S.
" 25	Tamshi	919	"	Swatow	"
" 26	Tungwah	746	Chinese	Amoy & Swatow	C.M.S.N.
" 26	Kwangtah	1,536	"	H.K. & Canton	"
" 27	Hainkong	1,262	"	Foochow	"
" 28	Kanchow	2,275	British	H.K. & Canton	B. & S.
" 30	Shaoshing	1,307	"	" "	"
" 30	Hoihow	896	"	Amoy & Swatow	"
July 2	Chiyuen	1,211	Chinese	H.K. & Canton	C.M.S.N.
" 4	Wongsang	1,517	British	Swatow, H.K. & Canton	J.M. & Co.
" 5	Chenan	1,335	"	H.K. & Canton	B. & S.
" 5	Haean	886	"	Foochow	C.M.S.N.
" 7	Liangchow	1,220	"	H.K. & Canton	
" 7	Toonan	842	Chinese	Amoy & Swatow	C.M.S.N.

Key to Symbols additional to those previously explained.

H.K. - Hong Kong

Source: Shanghai Shipping Intelligence, North China Herald, July 4 and 11, 1914

TABLE No. 35

Steamships of all Nationalities operating on the Lower Yangtze in 1914

Flag	No. of Vessels	Tonnage
British	17	30,196
Chinese	9	13,415
German	3	3,391
Japanese	7	12,789
Russian	2	3,924
United States	1	451 (1)
	39	64,166

British share of total was 47.1 per cent.

(1) The United States vessel was a small oil tanker of the Standard Oil Company of New York which carried bulk petroleum products from Shanghai to Lower Yangtze ports.

British

China Navigation Company's Lower Yangtze fleet	8	vessels	of	14,603
Indo-China Steam Navigation Company's Lower Yangtze fleet	6	"	"	12,459
Geddes and Company's Lower Yangtze fleet	3	"	"	3,134
Total number of British ships	17	"	"	30,196

Source of above: Shanghai Shipping Intelligence, North China Herald, July 4 to August 8, 1914.

TABLE No.36

British Steamship Companies operating mainly in Chinese and adjacent waters in 1914

Company	No. of Ships	G.R.T.	Port of Registry
Apcar & Company	3	6,751	Calcutta
Chan Lai Sang Steamship Co.	1	835	Hong Kong
Chan Shek Shan Steamship Co.	1	305	" "
Chan Sung Mai Steamship Co.	1	511	" "
Chai Ling Shan Steamship Co.	1	459	" "
Chai Woon Steamship Co.	2	1,394	" "
Cie Thai-Thuan Co.	1	2,210	" "
Cha Po Yu Steamship Co.	1	276	" "
Chiang Mow Steamship Co.	3	632	" "
China & Manila Steamship Co.	3	7,060	" "
China Navigation Company	67	128,712	London
Chinese Mining & Engineering Co.	3	4,781	" and Shanghai
Douglas Steamship Company	4	8,282	Hong Kong
Hong Kong, Canton, and Macao Steamship Co.	11	12,688	" "
Hong Kong Navigation Company	1	1,510	Glasgow
Hong On Steamship Company	2	3,303	Hong Kong
Indo-China Steam Navigation Co.	40	95,137	London

TABLE No. 36(contd)

Company	No. of Ships	G.R.T.	Port of Registry
Kwang Sang Navigation	1	443	Hong Kong
Kwang On Steamship Company	1	722	" "
Kuong On Steamship Company	1	706	" "
Lai Hing Steamship Company	1	2,186	" "
Luen Hang Steamship Company	1	1,692	" "
Luen Steamship Co.	2	5,736	" "
Manchu Steamship Co.	1	1,844	London
G. McBain & Co.	1	2,184	Shanghai
Meller & Co.	3	5,519	" and London.
Nils E.A. Moller	1	1,056	Shanghai
Oze Yap Steamship Company	1	695	Hong Kong
Pekin Syndicate Ltd.	1	2,234	London
Para Nang Steamship Company	3	3,247	Hohg Kong
Shui Hing Steamship Company	1	413	" "
Shui On Steamship Company	1	876	" "
Sze Yap Steamship Company	3	2,050	" "
Taikoo Sugar Refinery	1	2,807	London
Tai Li Steamship Company	1	635	Hong Kong
G. & J. Weir	1	2,705	Glasgow
T. Weir	1	1,045	Shanghai
Wai Lu Steamship Company	1	613	Hong Kong

TABLE No. 36 (contd)

Company	No. of Ships		G.R.T.	Port of Registry
Wing Hong Steam-ship Company	1		692	London
Wing Steamship Co.	3		9,075	" & Sydney
Yuen Steamship Co.	1		823	Hong Kong
TOTAL	178	of	324,834	

The combined fleet of the China Navigation and the Indo-China Steam Navigation Companies at 223,849 gross registered tons, was 68.9 per cent of the total British shipping.

Above obtained from Lloyd's Register of Shipping, 1915-16.

If not fully comprehensive, no major company has been omitted.

TABLE No. 37

Estimated Foreign Population of China during the year 1913

Nationality	Number	Remarks
Japanese	80,219	Most in Shanghai, northern ports and Manchuria
Russian	56,765	Most in Manchuria
British	8,966	plus about 12,000 in Hong Kong - a total of 20,966
American	5,360	
Portuguese	3,486	Most in Macao and Hong Kong
German	2,949	Most in Shanghai and Tsingtao
French	2,292	
Others	3,810	
TOTAL	163,827	

(1) The non-Chinese population of Hong Kong in 1913 was 20,710, no distinction being made between the different nationalities. It can be assumed that over 50 per cent of these were British, which included a substantial number of Indians.

Estimated Population of the largest Treaty Ports in 1913

Canton	900,000
Tientsin	800,000
Shanghai	651,000
Chungking	631,000
Foochow	624,000
Hankow	590,000
TOTAL	4,196,700

Compiled from BPP 1915-16 LXXI (No.5424) p.5

TABLE No. 38

Distances between the Principal Ports on the China Coast and to some important South-east Asian and Japanese Ports

From Hong Kong to South China and South-east Asian Ports, including Canton and West River Ports

Port		Distance	
Amoy ...	...	285 miles	
Bangkok	...	1,454 "	
Canton	...	83 "	
Foochow	...	456 "	
Haiphong	...	500 "	
Haihow	...	250 "	
Macao ...	...	50 "	
Manila...	...	630 "	
Nanning	...	598 "	(West River)
Saignon	...	915 "	
Shanghai	...	820 "	
Singapore	...	1,449 "	
Sourabaya	...	1,960 "	
Swatow	...	176 "	
Wuchow	...	263 "	(West River)

Shanghai to Northern Ports and Principal Japanese Ports

Port		Distance	
Chefoo	...	490 miles	
Dairen	...	530 "	
Kobe ...	...	792 "	(via Inland Sea)
Nagasaki	...	468 "	
Newchwang	...	668 "	
Ningpo	...	134 "	

TABLE No. 38 (contd)

Tientsin	...	731	miles	(via Chefoo)
Tsingtao	...	396	"	
Yokohama	...	1,140	"	
Weihaiwei	...	445	"	

Distances from Shanghai to the Principal Ports on the Yangtze, in order of proximity to Shanghai

Chinkiang	...	168	miles	
Nanking	...	215	"	
Wuhu ...	...	264	"	
Kiukiang	...	458	"	
Hankow	...	596	"	Terminus of Lower Yangtze
Ichang	...	951		Terminus of Middle Yangtze
Wanhsien	...	1,110	"	
Chungking	...	1,309	"	Terminus of Upper Yangtze

Above information from The China Coaster's Tide Book and Nautical Pocket Manual for the Year 1910, published and printed at Shanghai by the North China Daily News and Herald Ltd.

TABLE No.39

List of companies in which Jardine, Matheson and Company held a substantial holding, and in which in some cases they exercised complete managerial control in 1914.

Company	Date established
Shipping and related activities	
Indo-China Steam Navigation Company	1882
Hong Kong and Whampoa Dockyard	1863
Shanghai Dock and Engineering Company	1900
Hong Kong and Whampoa Wharf Company	1875
Hong Kong and Kowloon Wharf Company	1886
Insurance	
Union Insurance Company of Canton	1838
Hong Kong Fire Insurance Company	1868
Industry	
Ewo Cold Storage Company	
" Press Packing Company	
" Silk Filatures	1881
" Cotton Mills	1895
" Brewery	
Hong Kong Dairy Farm and Cold Storage Company	1899
Hope Crittal (China) Limited	
China Sugar Refining Company	
Finance	
Matheson and Company, London	1848
Hong Kong and Shanghai Banking Corporation	1864
British and Chinese Corporation	1898
Central Chinese Railways Limited	1904
Miscellaneous	
Shanghai Land Investment Company	1888
Hong Kong Electric Company	1889
" " Tramways Limited	1902

Source of above J.M. & Co., An Outline History of a China House for a Hundred Years, 1832-1932. 1934.

TABLE No. 40

List of Butterfield and Swire's major interests in China in 1914

		Date established
1.	Agents - Ocean Steamship Company Limited (Alfred Holt and Company)	1867
2.	Managers - China Navigation Company Limited	1872
3.	General Agents - Taikoo Sugar Refinery Limited	1881
4.	Agents - China Mutual Steam Navigation Company Limited. (Alfred Holt and Company)	1884
5.	General Managers - Taikoo Dockyard and Engineering Company Limited	1908
6.	Eastern Managers - Tientsin Lighter Company Limited	1904
	Agents - London and Lancashire Fire Insurance Company Limited.	
	" Guardian Assurance Company Limited.	
	" British and Foreign Marine Insurance Company Limited.	
	" Royal Exchange Assurance Company Limited.	
	" Sea Insurance Company Limited.	

LIST OF MAPS

No. 1 The Canton River.

" 2 The Opium Trade in China, 1833-1839.

" 3 Foreign Encroachment on China.

" 4 The Yangtze River.

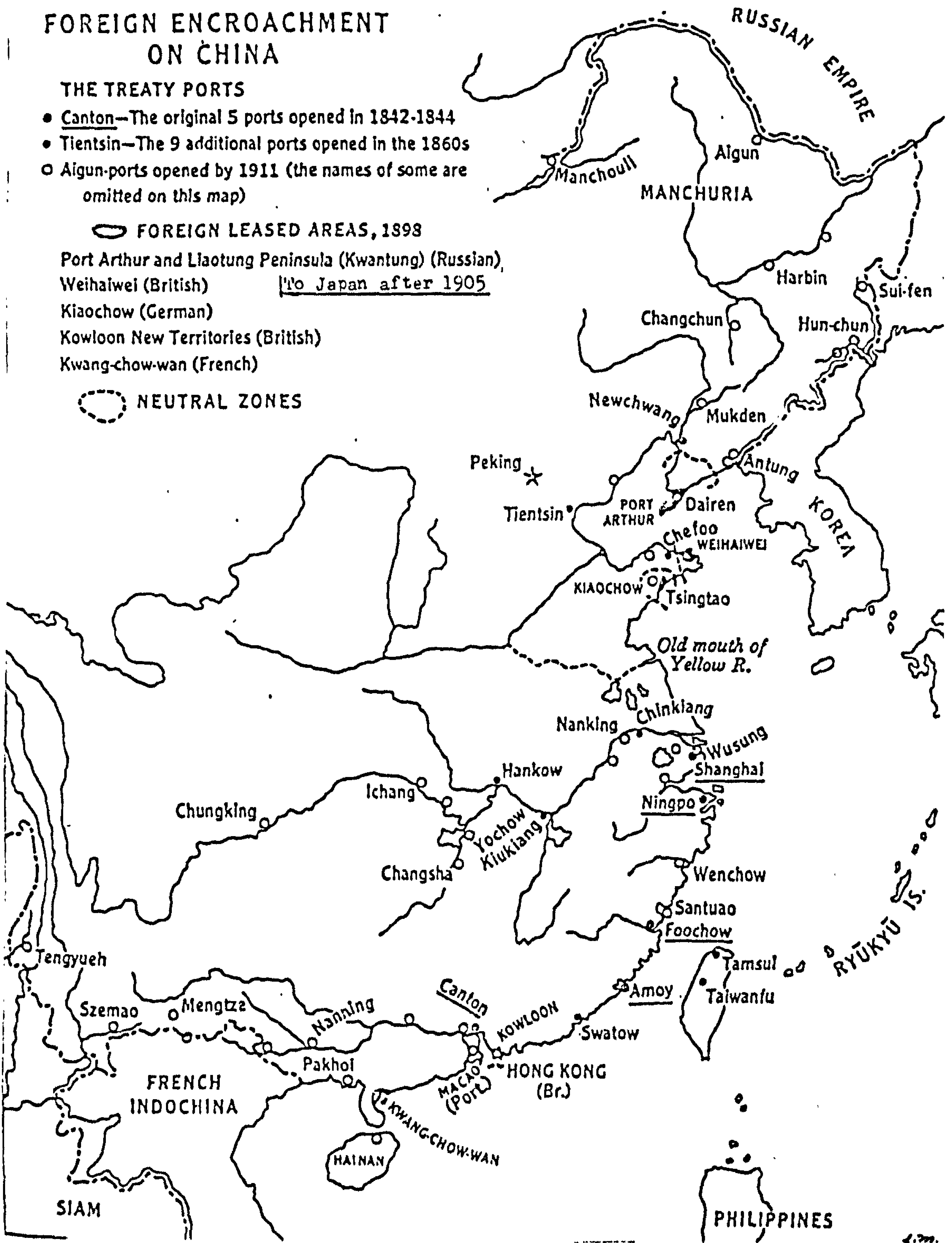
" 5 Sketch Map of West River Basin.

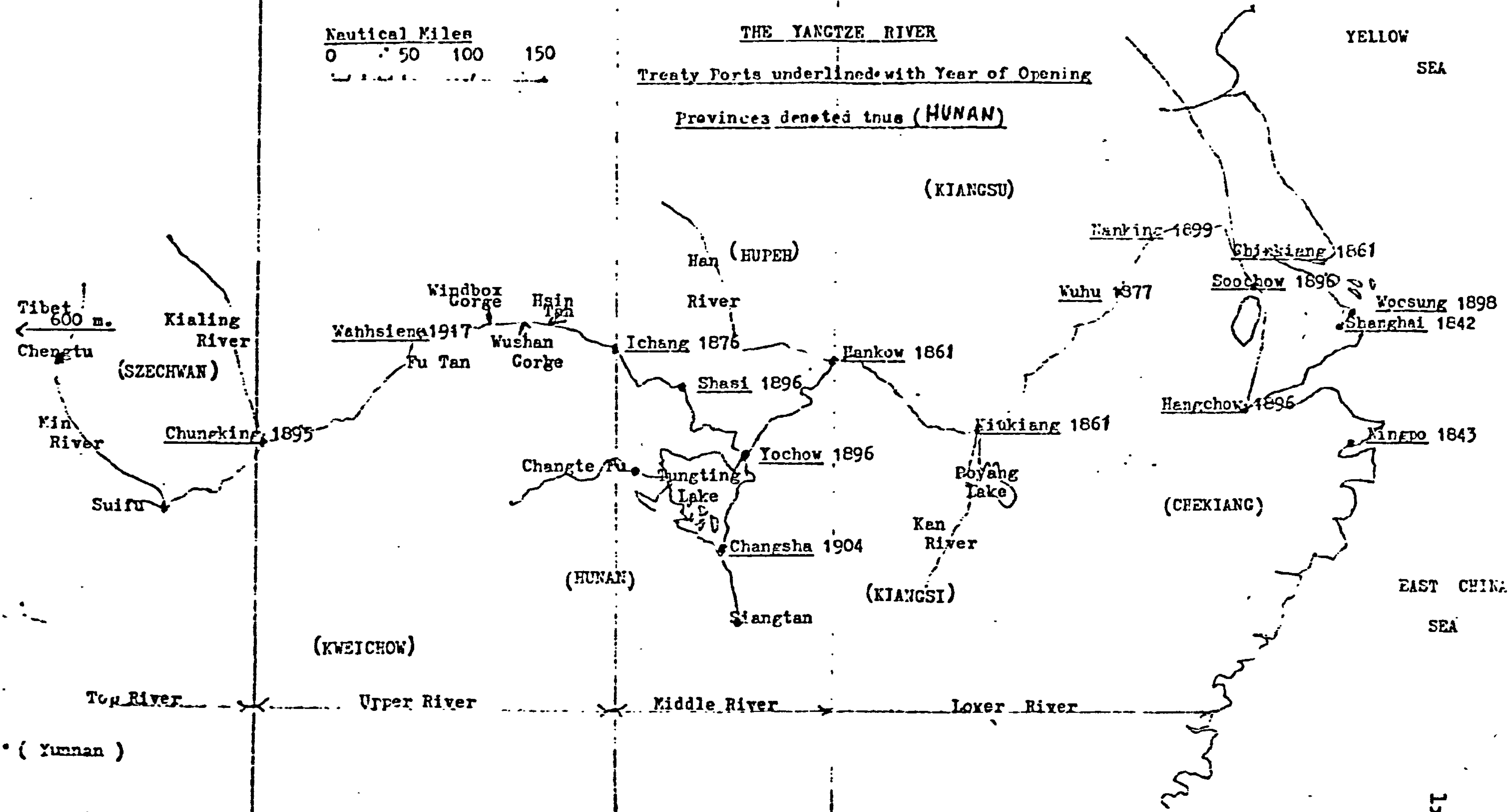
" 6 Coast Lights of China.

CANTON RIVER

CANTON
OLD CITY
East Gate
French Folly
HANAN ISLAND
WHAMPOA I.
DANE I.
Blenheim Reach
FRENCH I.
Fort
Battery
Pagoda
Birdsnest Fort
Rouge Fort
Passage discovered by the Nemesis 1841
Brown's Passage
Tycock-tow Island
Tigris
Chuenpee
Anunghoy
Sampan or Boar I.
Lankeet
Capsing-moon Harbour
Kee-on Pt.
Tower Pt.
Bluff Hd.
Lintin I.
Tongkoo or Deep Bay
Ty-shan Bay
Suichen
Tyshan
Shakwan
Fansiah
Castle Peak
Castle Peak Bay
Tsang Kao
Sowchow I.
East Brother
West Brother
Chung yue
Kowloon
Wonchochow
Green I.
Chowkang I.
HONG KONG I.
Victoria
LANTAO OR TYHO
Toongchung
Tyho
Hytow
Chung Chau I.
Lamma Channel
Cantao Channel
Lamma
Lamma Ch.
Lee-chow
Sookno
Pootoy
Ling Ting
Chi-chow
W. Chi-chow
Lassam
Lueng
Pyramid I.
Chung Chang
Ty lo chow
Ty lo chow I.
Conchow or Hime I.
Seah-chow
MACAO
Typa
Twee lin mhan or Patera
Wung cum or Montanha
Koho or Apoinee
Poh-ling
Ama-cock Pagoda
Motow
HONG SHAN or BROADWAY RIVER
Fam-chow
Samfon
Second Bar
Tiger I.

The OPIUM TRADE in CHINA
1833-1839
0
300
Miles
Great Wall
Peking
Tientsin
Pei ho
Taiyuan
Present Channel
Tsinan
SHANTUNG
Grand Canal
Yellow R.
Kaifeng
Tungshan
Sian
Chinkiang
Nanking
Shanghai
Soochow
Chapu
Chusan Is.
Ting-hai
Yangtze Gorges
Wuchang
Yangtze R.
Anking
Hangchow
Ningpo
(Chinhai)
Nanchang
Changsha
Wenchow
Stations of opium trade
Urban centers
Routes of opium trade
Hengyang
Wan-an
BOHEA HILLS
Yenping
Foochow (Hou-kuan)
Kweilin
Hui-an (Hweian)
Chuanchou
Quemoy
Amoy
Chao-an
FORMOSA
Canton
Nanning
Hong Kong
Macao
Chao-ching
40°
35°
30°
25°

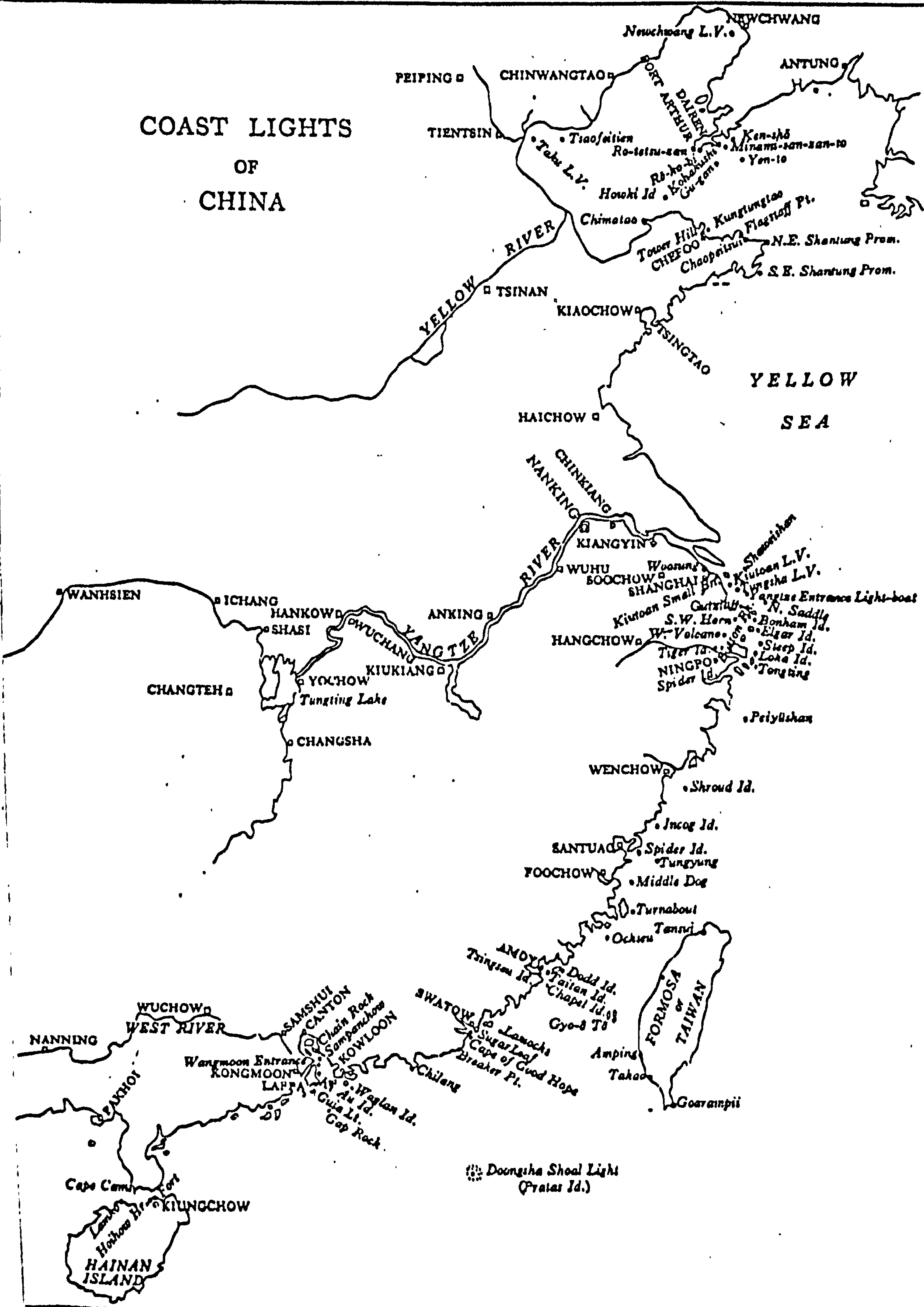

FOREIGN ENCROACHMENT ON CHINA
THE TREATY PORTS
Canton—The original 5 ports opened in 1842-1844
Tientsin—The 9 additional ports opened in the 1860s
Aigun-ports opened by 1911 (the names of some are omitted on this map)
FOREIGN LEASED AREAS, 1898
Port Arthur and Liaotung Peninsula (Kwantung) (Russian)
Weihaiwei (British)
To Japan after 1905
Kiaochow (German)
Kowloon New Territories (British)
Kwang-chow-wan (French)
NEUTRAL ZONES
RUSSIAN EMPIRE
Aigun
Manchouli
MANCHURIA
Harbin
Sui-fen
Changchun
Hun-chun
Newchwang
Mukden
Peking
Antung
KOREA
Tientsin
PORT ARTHUR
Dairen
Chefoo
WEIHAIWEI
KIAOCHOW
Tsingtao
Old mouth of Yellow R.
Nanking
Chinkiang
Wusung
Shanghai
Hankow
Ichang
Ningpo
Chungking
Yochow
Kiukiang
Changsha
Wenchow
Santuao
Foochow
RYUKYU IS.
Tengyueh
Tamsui
Taiwanfu
Amoy
Szemao
Mengtze
Nanning
Canton
KOWLOON
Swatow
Pakhoi
FRENCH INDOCHINA
HONG KONG (Br.)
MACAO (Port)
KWANG-CHOW-WAN
HAINAN
SIAM
PHILIPPINES


4
THE YANGTZE RIVER
Treaty Ports underlined with Year of Opening
Provinces denoted thus (HUNAN)
Nautical Miles
0 50 100 150
YELLOW SEA
EAST CHINA SEA
(KIANGSU)
(HUPEH)
(SZECHWAN)
(KWEICHOW)
(HUNAN)
(KIANGSI)
(CHEKIANG)
(Yunnan)
Tibet 600 m.
Chengtu
Kialing River
Min River
Suifu
Chungking 1895
Wanhsien 1917
Fu Tan
Windbox Gorge
Wushan Gorge
Hsin Tan
Ichang 1876
Han River
Shasi 1896
Hankow 1861
Changte Fu
Tungting Lake
Yochow 1896
Changsha 1904
Siangtan
Kiukiang 1861
Poyang Lake
Kan River
Wuhu 1877
Nanking 1899
Chinkiang 1861
Soochow 1896
Woosung 1898
Shanghai 1842
Hangchow 1896
Ningpo 1843
Top River
Upper River
Middle River
Lower River

SKETCH MAP OF
WEST RIVER BASIN.
Treaty Ports marked thus _ CANTON.
Ports of Call _ Shuihing.
Farthest points reached by H.M Gunboats _
Railways _
To accompany Mr Furs Report on the Trade of Wuchow, 1903.
100 Miles.
KUEICHOW
KUANGSI
HUNAN
KUANGTUNG
TONKIN
HAINAN
KUEILIN
Linchow
Post
West River (North Branch)
NANNING
LUNCHOW
Lungson
HANOI
HAIPHONG
Red River
Black River
Estuary of Red & Black Rivers
PAKHOI
West River (South Branch)
Kueihsien
Bunchow
Pingnam
Tenghsien
WUCHOW
Dosing
Lo Ting
Tokhing
Pak Tau
Shuihing
SAMSHUI
North River
CANTON
East River
HUICHOW
Kumchuk
KONGMOON
MACAO
HONGKONG
Estuary of Canton River
Estuary of West River
Shiu kuan
Kwang chow wan
KIUNGCHOW
105
107
109
111
113
115
24
22
20

lxxvii

National Maritime Museum, Monograph No.26, 1977, p.44



LIST of APPENDICES

Appendix	Particulars	Page
1	List of Open Ports in China in 1913	
2	The British China Consular Service	
3	Principal Treaties and Agreements of the Treaty Port Era.	
4	Principal Features of the Treaty Port System.	
5	Provisions of the Treaty of Nanking and following agreements	
6	Provisions of the Treaty of Hoomun-chai.	
7	Provisions of the Treaty of Tientsin of 1858 and of the Convention of Peking of 1860.	
8	Scottish Shipbuilding and the China Trade.	

CHRONOLOGICAL TABLE

Principally of events concerned with British shipping in Chinese waters

Date	Event	Remarks
1500	Portuguese reach China by sea	By junk from Malacca
1557	Portuguese base established at Macao.	Not officially recognised by Peking.
1599	East India Company formed.	Granted Royal monopoly of all trade with the Far East.
1636	First English ship reaches China.	The London from Goa, under license from the Portuguese.
1637	Captain Weddell at Canton with English merchant fleet.	Attempt by rival company to East India Company to open trade with China.
1682	East India Company receives first direct consignment of tea from China.	Includes consignment from Amoy.
1689	Treaty of Nerchinsk	Russia and China establish caravan trade to Peking and Russian mission there.
1715	East India factory firmly established at Canton.	After several years of intermittent trading there.
1727	Treaty of Kiakhta	Russia and China establishes Sino-Russian trade on a regular basis.
1757	China's foreign maritime trade confined to Canton.	Beginning of the 'Canton Commercial System' or 'Old China Trade'.
1764	First recorded import of Indian opium into China by a British ship.	By East Indiaman Cuddalore into Macao.
1793	Lord Macartney's Embassy to Peking.	First major attempt by Britain to establish regular diplomatic relations with China.
1813	East India Company's monopoly of the Indian trade abolished.	Introduces period of uncertainty at Canton.

1816	Lord Amherst's Embassy to Peking.	Second attempt to establish diplomatic relations with China - also unsuccessful.
1832	Jardine, Matheson and Company officially established at Canton.	After William Jardine and James Matheson had been trading there for some years.
1832	<u>Lord Amherst</u> visits Shanghai and other ports north of Canton.	Unsuccessful attempt by East India Company to extend trade outside Canton.
1833	East India Company's monopoly of the China trade abolished	Canton now officially open to private companies and traders.
1839	Commissioner Lin arrives at Canton.	First serious attempt by China to stop the opium trade and start of first China War.
1842	Treaty of Nanking between Britain and China.	End of First China War, cession of Hong Kong to Britain and opening of first five treaty ports. Treaty port era begins.
1843	Treaty of Wang-Hsia between the United States and China.	Puts the United States and her subjects on same basis as Britain and her subjects.
1845	Treaty of Whampoa between France and China.	Similar to above, but grants privileges to Christian missionaries.
1845	<u>Lady Mary Wood</u> arrives Hong Kong, inaugurates regular mail service to China from Britain.	Operates eastern leg (Colombo to Hong Kong) of Peninsular and Oriental Far Eastern service.
1845	Hong Kong and Canton Steam Packet Company formed.	First steamship company to be formed in China.
1854	Imperial Chinese Maritime Customs established.	Chinese accept Western assistance in administration of Customs.
1854	Commodore Perry's expedition to Japan.	Leads to American, and later British and other Western powers treaties with Japan, and to a treaty port trade system in Japan.

Year	Event	Notes
1858-60	Second China War, in which Britain is allied with France.	Result of unsatisfactory working of treaty port system, especially at Canton.
1858	Treaties of Tientsin between China and Britain, France, the United States, and Russia.	Nine additional ports, and the Lower Yangtze opened to foreign trade; embassies opened at Peking, opium trade legalised.
1858	Royal Naval expedition up the Yangtze, led by Lord Elgin.	First Western ships to reach Hankow.
1860	Convention of Peking	Burning of Summer Palace at Peking by allied troops; ratification of Treaties of Tientsin; end of Second China War.
1861	Second Royal Naval expedition up the Yangtze, the Hope expedition, goes 123 miles beyond Hankow.	British Consulates established at the new treaty ports on the Lower Yangtze. Blakiston party travels with Navy then continues to Ping-shan, 240 miles above Chungking and 1,650 from Shanghai.
1862	British steamship <u>Scotland</u> calls at Hankow.	First ocean going vessel to visit the port.
1862	Shanghai Steam Navigation Company formed by Russell and Company.	Inaugurates first regular steamship services on Lower Yangtze.
1865	Hong Kong, Canton and Macao Steamship Company formed.	With American firm of Augustine Heard and Company as agents; but under auspices of Jardine, Matheson and Company.
1865	Union Steam Navigation Company formed in Shanghai.	Small British company which ran two steamships on Lower Yangtze, and in which considerable Chinese capital was invested.
1866	Alfred Holt of Liverpool commences Blue Funnel service to the Far East.	With <u>S.S. Agamemnon</u>.
1866	John Swire of Liverpool opens office at Shanghai, under title of Butterfield & Swire.	Takes over agency of Blue Funnel services to China and Japan.

1866-68	Lagrée-Garnier Expedition, from Saignon up Mekong River into West China.	Attempt by France to open trade route from Indo-China to West China.
1869	The Swinhoe Upper Yangtze Expedition.	Combined Royal Naval and commercial expedition to explore the navigation and commercial prospects on the Upper Yangtze.
1872	China Navigation Company formed.	By John Swire, commences operations on the Lower Yangtze with the two steamships of the Union Steam Navigation Company.
1873	The China Merchants Steam Navigation Company formed.	By Chinese Government officials with assistance from Chinese merchants; its first services are on the Shanghai-Tientsin route.
1874	Coast Boats Ownery formed.	By John Swire, to operate in the bean trade from Manchuria to South China, mainly from Newchwang to Swatow.
1875	The Margary Affair.	Murder of British China Consular officer on Chinese side of Sino-Burmese border while exploring trade route.
1876	The Chefoo Agreement.	A consequence of the Margary affair, Britain induces China to open additional ports, and the Middle Yangtze, to foreign trade, to pay indemnity to Margary's family, etc.
1877	China Merchants purchases fleet and shore property of the Shanghai Steam Navigation Company.	Heralds decline of American shipping in China.
1878	First merchant steamships go above Hankow.	
1879	Jardine, Matheson and Company form the Yangtze Steamship Company.	Return of Jardines to the Yangtze.
1879	William Keswick becomes head of all Jardine enterprises in Far East.	After service in China and Japan since 1855.

Year	Event	Notes
1881	Jardines form the Indo-China Steam Navigation Company.	An amalgamation of all Jardines' shipping interests.
1883	The China Navigation Company amalgamates with the Coast Boats Ownery.	John Swire's reply to the formation of the Indo-China Steam Navigation Company.
1883	Archibald Little travels from Hankow to Chungking and back by junk.	Becomes enthusiastic advocate of steam navigation on the Upper Yangtze.
1883	China Navigation Company starts regular Australian service.	Foochow-Hong Kong, Manila, and northern and eastern Australian ports.
1884-5	Franco-Chinese War.	Fought mainly in Annam, with naval actions off Fukien coast. Annam becomes part of French Indo-China.
1891	Russell and Company wound up.	
1894-95	Sino-Japanese War.	Fought in and over Korea.
1895	Treaty of Shimonoseki, and	Japan replaces China as suzerain over Korea; Formosa ceded to Japan. Upper Yangtze opened to foreign shipping and Chungking becomes a treaty port.
1895-1900	Development of 'Spheres of Influence' in China	During this period Britain obtains informal acknowledgement from China of the Yangtze region being a sphere of special interest to Britain, a ninety-nine years' lease of the New Territories on the mainland opposite Hong Kong; the lease of Wei-hai-wei in Shantung as a naval base. The West River above Canton is opened to foreign shipping and Wuchow becomes a treaty port.
1898	First steam vessel reaches Chungking	Archibald Little's steam launch <u>Leechuan</u>.
1899	End of Extrality in Japan.	

1900	S.S. Pioneer reaches Chungking, and H.M.S. Woodcock reaches Suifu, 233 miles above Chungking.	Belongs to Archibald Little's Yangtze Trading Company. Steamships have now penetrated 1,630 miles up the Yangtze from the sea.
1900	The Boxer Rebellion and Allied Occupation of Peking and Tientsin.	Siege of Peking Legations, etc. Foreign troops guard Legations and garrison railway between Peking and the sea. Apogee of the treaty port system
1902	The Mackay Treaty, Britain and China.	Attempt to improve conditions of trade and abolish likin; largely unsuccessful.
1902	Anglo-Japanese Alliance.	British attempt to retain naval superiority in the Far East; secret clauses acknowledge British rights in Yangtze region and Japanese in Korea and Manchuria.
1904-05	Russo-Japanese War	Fought largely in and over Manchuria.
1905	Treaty of Portsmouth (U.S.A.) end of war.	Japan replaces Russia in Manchuria.
1905	Japan proclaims protectorate over Korea.	
1907	Szechwan Steam Navigation Company formed.	Chinese company which inaugurates regular steam navigation between Ichang and Chungking on Upper Yangtze.
1907	Nanning becomes a treaty port.	West River now open to foreign ships for 520 miles from Canton and 600 from Hong Kong.
1910	Japan annexes Korea.	
1911	The Revolution begins at Wuchang on 10th October, the 'Double Tenth'.	End of Manchu dynasty and beginning of the War Lord era.
1911	Japan regains her tariff autonomy.	
1914	Britain declares war on Germany on August 4. World War I begins.	Anglo-Japanese forces capture Tsingtao, and Japan takes over German sphere in Shantung. German shipping eliminated from the China trade.

CURRENCY and WEIGHTS

Currency: The basic coin used in foreign trade at Canton during the period of the 'Old China Trade' was the Spanish, or Mexican, dollar, which had an intrinsic value of 4/2d., and an exchange value ranging from 3s.11d to 5s. After Shanghai became predominant in foreign trade the tael came into use. This was a hypothetical coin of pure silver, its equivalents being: 1 tael = 10 mace = $3.88 = 6/8d. The value of the tael fell drastically after about 1880, with the decline in the value of silver, and by 1914 was worth only about 3s. Before the end of the nineteenth century, however, the Hong Kong and Shanghai dollars came into general use, the former in the south and the latter in the north of the country; these also were linked to the value of silver, with the Shanghai dollar being worth slightly less than the Hong Kong dollar. The tael, however, continued to be used for official trade statistics, etc., and for certain purposes somewhat like the guinea in Britain. The tael varied from place to place; but in official trade and customs statistics the Haikwan tael was used, and unless otherwise stated, the tael in this study implies the Haikwan tael. It was a unit of weight as well as a unit of currency. Sycee was uncoined shoe-shaped ingots of pure silver.

Weights: 1 Picul = 133⅓ pounds = 100 catties = 1,600 taels weight.

CHINA COAST GLOSSARY

The following words and phrases were in common use on the China Coast during the Treaty Port era, some of them earlier, and many have now fallen into disuse. Some are of 'pidgin English' origin, others of Arab, Indian or Portuguese origin, others are Chinese words in common use among Europeans, while the origin of others is unknown.

Boy Applied by foreigners to all male Chinese servants in houses, hotels, and on ships; but not to cooks or coolies.

Bund Artificial embankment or causeway, the Shanghai and Hankow bunds for example. From Hindustani 'band'. In Hong Kong and Macao the word 'praya' is used; from Portuguese 'praia' - a beach.

Cassab The Number Two of the Deck Department of a China coaster, the bosun's assistant. Probably of Hindustani origin.

Catti A weight of 1.33 pounds, 100 cattis, or 133 pounds equals the Chinese picul, the Chinese hundredweight. From Malay 'cati'.

Chiisai A young boy learning to be a cook or steward on a China coaster, an apprentice, similar to 'larn pidgin'. From Japanese, meaning small.

Chin-chin Derived from the old Chinese custom of stroking the chin when discussing something. Almost certainly of pidgin English origin.

Chit A letter, note or I O U. From Hindustani 'chitti'.

Chop A mark or brand put on goods, like a trade mark; also a seal or signature. From Cantonese 'chap' and Hindustani 'chap' - to stamp or print.

Chow Food, pidgin English. 'Chow-chow' cargo, or 'muck and truck'; sundry miscellaneous products of the China trade in distinction from the staples of tea and silk.

Compradore Or comprador. This has a very wide application, going back to the earliest days at Canton and Macao. It can mean anything from an agent, middleman, to general shopkeeper. On China coasters it was the

Chinese business man who hired the deck passenger accommodation from the owners, and sometimes also part of the cargo space. Ashore compradore referred to the Chinese business man who was in charge of the Chinese side of the business of a foreign firm, the 'house compradore'. From Portuguese 'comprar' to buy.

Coolie — Term applied by Europeans to Chinese and Indian labourers, and menials in general, derogatory, and now falling into disuse. From Hindustani 'koli', a race in South India; Tamil 'kuli', or Turkish 'koli', a slave.

Coolie trade — The shipping of male labourers, usually under contract, and mainly from South China, to meet the demand for cheap labour in newly developing tropical areas, such as Cuba, Peru, Hawaii, Sumatra and Malaya. This developed on a large scale after the 1840s.

Country — A generic term applying to the ships, trade, and other matters in the Far East, outside the reference of the chartered companies.

Country ships — Ships employed in the local trades of the Far East, and in pre-treaty days referred particularly to ships in the India-China trade, not belonging to the chartered companies.

Country trade — The trade conducted by individuals and private companies within the domains of the chartered companies, which originated between Bengal and Bombay, and later extended to Malaya and China. The trade to China was mainly concerned with opium and raw cotton.

Cumshaw — A tip, present, something extra; very similar to 'dash' in West Africa. Derived from Chinese 'grateful thanks', 'kam sin' in the Amoy and 'kan sin' in the Cantonese dialect.

Dhoby — Clothes washing, of Urdu origin. In India the 'dhobi wallah' was the washerman; in China the 'wash amah' the washerwoman.

Ewo — Chinese name for Jardine, Matheson and Company, and for any of its enterprises, including the Indo-China Steam Navigation Company.

Face — A peculiarly Chinese concept, difficult to define. Akin to self respect, pride, dignity, and how one appears in the eyes of others.

Flower Boats — Gaily decorated large sampans or barges, found mainly around Canton, Hong Kong, and Macao, and used as pleasure boats. They were much frequented by

prostitutes, but rarely used as brothels.

Ginseng — The medicine par excellence, believed to be a potent aphrodisiac. The best quality came from Manchuria and was reserved for the Imperial family. It was a medicinal root obtained from a tree, and in the early days of Sino-American trade was an important American export, as it was found in New England forests.

Godown — Warehouse, from Malay 'gadang' or 'gedang'.

Hong — Has a wide application, and can be applied to a firm or business concern, and also to the building in which the business is carried on. Origin doubtful, but probably from Cantonese 'hang'.

Joss — Corruption from Portuguese 'Dios', God. Used to describe idols, temple or church (joss house), priest or minister (joss man) etc. Also can mean luck, 'good joss' for good luck.

Hsien — An administrative unit, often translated as 'county'.

Junk — Chinese sailing ship, from Javanese 'jung', a large boat.

Li — Chinese measurement of distance, generally taken as equal to one third of a mile, but actually 550 yards.

Lowdah — Or Laodah, literally 'grand old man'. Probably of Portuguese origin, and usually applied to the head boatman, the captain of a launch or tender.

Mace — From Hindu 'maska', one tenth of an ounce, or of a tael.

Mandarin — From Portuguese 'mandar', to command. A loose term to describe a high official, or member of the scholar-gentry.

Man-man — Hold on, wait a minute, go slow, etc. Origin uncertain and may be pure pidgin.

Picul — The Chinese hundredweight, 100 catties or 133 pounds.

Pidgin — Generic term applied to any work or 'fiddle' which earns extra money, and also supposed to be the Chinese attempt to pronounce the word 'business'.

Pidgin snatcher — A member of the owner's office staff who travelled on China coasters, sometimes surreptiously, in order to

check on numbers of passengers and cargo carried, and so monitor the compradore's returns. Often used in a derogotary sense.

Sampan Literally 'three planks'; applied to almost any small Chinese craft, but not to junks of any size.

Samshu A rice spirit, but could also be distilled from many other grains, such as millet in the North. Similar to Japanese saké.

Sea-cunny Equivalent of quarter-master; many sea-cunnies were Portuguese, Manila-men or half-castes.

Serang Goes back to the early days at Canton and Macao, and was the boatswain on an Indian crewed ship, and sometimes the captain of a small Indian ship.

Shroff Another inheritance from the early days, and means a debt collector or clerk. From Arab 'saraff', banker.

Squeeze Pidgin English of doubtful, but ancient origin, and wide application. Can be applied to the tribute paid by a junior to his superior, the commission paid by shop-keepers to foreigners' servants for their custom, a bribe. On China coasters it described what firemen, sailors, stewards, and compradores' staff, paid to the heads of their department, and by those in turn to captains, and sometimes, chief engineers.

Sycee Silver bullion, usually in the form of shoe-shaped ingots of pure silver.

Tael A weight of silver which varied slightly in different parts of China. The Shanghai tael, used in international trade, was 565.65 grams of silver, and the Haikuan tael, used in Customs statistics was 583.3 grams. The tael was only used for account keeping, and actual payments were made in local currency.

Taikoo Chinese name for Butterfield and Swire and any of that company's enterprises such as the China Navigation Company, Taikoo Dockyard, Taikoo Sugar Refinery, etc. It means "Ancient and Honourable".

Taipan Term applied to the heads of foreign firms in China, and sometimes also to foreign consuls. From Cantonese 'great manager'.

Tan Chinese term for a rapid, and commonly used on the upper reaches of the Yangtze and West Rivers.

Tiffin — Lunch or mid-day meal, of Anglo-Indian derivation, and from 'taffanin', Persian for mid day meal.

Topaz — The Chinese sailor whose principal work was cleaning of bathrooms and lavatories. From Hindustani 'topass' a low caste Hindu.

Towkay — Wealthy Chinese business man or shopkeeper, or boss. Mostly used in South-east Asia. Of Hokkienese origin.

Tumelo — Ship's carpenter, origin unknown.

Wayfoong — Chinese name for the Hong Kong and Shanghai Banking Corporation. Literally means 'increasing deposits".

Yamen — A mandarin's official residence, his office, etc., which often also incorporated the local gaol. The Tsungli Yamen was the Chinese equivalent of the Foreign Office. It was created in 1861 as 'an office for general management of matters concerning the various countries', after Western Ministers were permitted to reside at Peking. In 1901, after the Boxer Rebellion, it became a full scale Ministry of Foreign Affairs, Wai-wu Pu.

PREFACE

The origin of this thesis goes back some thirty odd years. During a year's study leave at Cambridge University, granted by the Colonial Office, I met Dr. Victor Purcell, then completing his monumental work, "The Chinese in South-East Asia". Dr. Purcell remarked to me that while several histories of individual British shipping companies engaged in Far Eastern trade had been published, and innumerable books on the East Indiamen, the tea and opium clippers, there had been no comprehensive study of British shipping engaged in the domestic trades of China's coast and rivers. This was a subject which had interested me from my first arrival on the China coast in 1928, and when I returned to the coast in 1958 I decided to make a more serious study of this.

The history of British shipping in Chinese waters may only be a very short episode in China's long history; but it should not be allowed to be forgotten. In his The Foreign Trade of China, C.F. Remer wrote: "The study of China's economic relations meant until yesterday the study of British shipping, the British business community, and British investments in China".(1) The American historian, Professor J.K. Fairbank, reinforced this when he wrote: "This carrying trade on China's water routes was to prove the Westerners' main point of ingress into the Chinese economy in the nineteenth century, for here the introduction of the steamship could quickly alter the inherited economy".(2) Before all who sailed in British China coasters in the treaty port era, which ended in 1941, have passed away, I consider some attempt should be made to fill this gap in British maritime history.

The English and Dutch East India Companies commenced

trading to the Far East early in the seventeenth century, a century after the Portuguese discovered the sea route from the West. The origins of East-West trade, however, go back many centuries before the arrival of the Portuguese. Much of the earliest East-West trade was by the caravan routes of Central Asia to the shores of the Mediterranean, and it was not until the Portuguese pioneered the sea route that Western nations played any direct part in this trade. Before Vasco da Gama's voyage to Calicut in 1497-98, the Italian city states had played an important role, but only as middlemen.

In a study of the China coast trade it is difficult to decide when, or where, to begin, and a brief survey of East West trade in Roman and Han times is a convenient, rather than an accurate, starting point. The Roman Empire was at its most extensive during the era of the Antonines, which coincided with the later Han dynasty in China. With political stability at both ends of the known world, East-West trade achieved a volume and importance then which it would not again attain until many centuries later. In the words of Gibbon: "If ever a man were called to fix the period in the history ofthe world during which the condition of the human race was most happy and prosperous, he would, without hesitation, name that which elapsed from the death of Domitian to the accession of Commodus. The vast extent of the Roman Empire was governed by absolute power under the guidance of virtue and wisdom".(3) During this period, from 96 A.D. to 180 A.D., both the Roman and the Chinese Empires were enjoying just and stable government.

Gibbon described East-West trade at this time as "splendid but trifling", and it continued so for many centuries. It was a trade in expensive luxury goods, able to bear high transport costs.

For much of the early period, and again later, the cultural importance of the Far Eastern trade was much greater than its commercial or economic importance.

Both China and India were self sufficient countries. Compared with the West they were so advanced in industrial crafts and techniques, that it was difficult for the West to find products which Chinese and Indians were willing to accept in exchange for their own superior products. This problem was to persist for many centuries. The togas of the Roman Emperors were woven from Chinese silk, and this was the eastern product most highly prized in the West, especially by fashionable Roman ladies. Pliny the Elder (23 A.D. to 79 A.D.) was only one of many Roman writers to deplore the steady drain on the Empire's wealth to purchase those eastern luxuries.(4) Pliny calculated that fully one hundred thousand sesterium (over £500,000 in modern money) went from Rome annually to purchase these "useless" Oriental products - perfumes, silks, unguents, and personal ornaments. In this East-West trade India played a vital role. There was no direct trade then between China and Rome, and India was middleman between the two Empires.

By a fortuitous circumstance of history, the Antonine and later Han eras in Rome and China coincided with the Kushana and Andhra era in north and south India respectively, which lasted approximately from the second century B.C. to the third century A.D. Roman influence was then at its peak in India, and Roman gold poured into India to pay for silks, spices, gems and dyestuffs. Much of this found its way further east to pay for what India imported from China. Although India also manufactured silk at this time, it was markedly inferior to Chinese silk in quality and colour. The Indians lacked the expertise in finishing and dyeing, which at that time had been perfected only in China. Only the Chinese could obtain undamaged cocoons, and

unreel them so as to get the long unbroken threads which gave the silk its strength, fineness, and susceptibility to dyes. Silk was China's most valuable export, and is said to have been exchanged weight for weight with gold. After silk in importance came Indian cotton goods, which were in great demand all over the Far and Middle East, and which ranged from coarse canvas and calicoes to the finest muslins. Then came peppers, cinnamon and other spices, which were in increasing demand in Western Europe during periods of peace and stable government.

It is impossible for us to determine the proportions of this East-West trade which went by land and by sea, which must have varied greatly according to political and other conditions in the countries and seas through which the trade passed. But, while the trade by the fabled Silk Roads has received its due attention from poets and historians, the almost equally important sea trade has been comparatively neglected.

During the near ten thousand years of this trade before the Portuguese rounded the Cape of Good Hope, almost every people living near the shores of the eastern Mediterranean, the Red Sea, Persian Gulf, Indian Ocean and South China Sea participated in this trade - Phoenicians, Greeks, Italians, Romans, Arabs, Jews, Indians, Malays and Chinese. During the first half at least of this period, while this maritime trade in the eastern world flourished, similar trade between the different countries of the West scarcely existed. Not until the rise of the Italian city states was there anything at all comparable in the Western world.

This East-West trade operated parallel, and in conjunction with, trade between the different countries of the Middle and Far

East, the 'traditional trade of Asia'. It extended from the Red Sea, Persian Gulf, and East Africa, to China and Japan, and pivoted around India. In the late seventeenth century it became known to the English as the 'country trade of India', and to the Dutch as the 'handel von tot haven'. For the centuries before the arrival of the Portuguese it was monopolised by Oriental merchants and sailors, and it was divided into three branches. There was: 1 - the trade along the coasts of India; 2 - the trade between the west coast of India and the Persian Gulf, Red Sea, and East Africa; and 3 - the trade between the east coast of India and Burma and Siam, Malaya, Indonesia, Indo-China, China, and Japan. In the early eighteenth century the second of these trades was the most important; but from mid century the latter became increasingly important, as British power and influence in India increased. British-Indian agency houses came to dominate this trade, and extended it further and further east, until after the opening of the first treaty ports in 1843, it merged into the China coast trade.(5) For fully a century this was of great importance to British shipping and shipbuilding.

During almost half a century of seafaring I traded to - or between - almost every country in the Far East. The first part of this period was in the final years of British domination of world maritime trade, more pronounced in the Far East than elsewhere. As I grew older I became more and more interested in the history and ramifications of the China coast trade. Although the China trade never came near to realising the extravagant hopes of providing an unlimited market for British goods, British shipping companies brilliantly exploited the opportunities provided by the unique situation in China for participating in and expanding the traditional coast and river trades. It is probable, therefore, that the Clyde shipbuilding

industry obtained more lasting benefit from the China trade than the Lancashire cotton industry.

The Portuguese fidalgoes and sailors, the first Europeans to trade in Far Eastern waters, have received favourable treatment from historians, as have their successors, the English and Dutch servants of the East India Companies. The merchants and sailors who followed the latter, however, have not been so fortunate. Amid all the lawlessness and ruthlessness which characterised the last years of the 'Old China Trade', and the early years of the treaty port era, illustrated particularly by the opium trade, British merchants were attempting to develop honest and legitimate trade. It is to such, and to the British China Consuls with whom they co-operated, that the prosperity of the China coast trade is due. Some lines of James Elroy Flecker seem appropriate in this respect:

> "Some men of noble stock were made:
> Some glory in the murder blade.
> Some praise a Science or an Art,
> But I like honourable trade".

There are studies of Far Eastern trade and shipping which make little or no mention of the political climate in which trade flourished, or failed to flourish. While in this study I pay most attention to ships, seafaring and trade, reference will be made to political events and climate where essential.

It is almost impossible to obtain accurate trade and shipping statistics for the China trade before the mid 1850s. In his The Chronicles of the East India Company Trading to China, 5 volumes, 1926 to 1929, H.B. Morse provides the most reliable statistics for the Company's trade and shipping to 1833. He has, unfortunately, little to say of the country trade. For that I have relied largely

on M. Greenberg's British Trade and the Opening of China, 1800-1842; and for the early treaty port years on J.K. Fairbank's Trade and Diplomacy on the China Coast. These three works are the classics of the China coast trade until the mid 1850s, and nothing at all comparable has been written so far on the later China trade. After mid century, however, British Consular Reports from the treaty ports become increasingly regular and comprehensive, and incorporate much valuable shipping and trade statistics from the records of the Chinese Maritime Customs. These records have been my main source of information on shipping from the 1850s until 1914. I have also extended the geographical limits of the China coast to include countries to which China coasters regularly traded - Malaysia, Indonesia, Siam, Indo-China, the Philippines and Japan.

The years between 1842 and 1914 constitute a natural period for the study of British shipping in China, those when British political and economic influence were at their height. Any shorter period would be arbitrary and artificial. The primary sources for such a lengthy period are widely separated - in London, Hong Kong, Shanghai, and the two Cambridges. This has necessitated in some dependence on historians who have studied at these places. In particular on H.B. Morse for his work on Chinese Maritime Customs and East India Company records at Shanghai and the India Office; M. Greenberg for his on the Jardine Archives at Cambridge University; Professor J.K. Fairbank for his on Chinese Maritime Customs records at Shanghai and on other sources; Professor K.C. Liu for his work on the Russell and Forbes papers at Harvard University; and lastly on Professor F.E. Hyde and Dr. S. Marriner for their work on the Swire Archives at London University's School of Oriental and African Studies.

The spelling of personal and place names always poses difficulties when writing of China, and for those I have chosen those most

familiar among Europeans on the China coast during the final decades of the treaty port era. I have not ventured to use the 'pin yin' spelling introduced in recent years by the present régime, which would appear unduly pedantic, but have used it only on several occasions where seemingly appropriate.

The study of British shipping in China raises many importany and complex problems, and a quotation from E.H. Carr seems apposite. In his introduction to the 1961 George Macaulay Trevelyan lectures E.H. Carr wrote: "I have no fear that my subject may, on closer inspection, seem trivial. I am afraid only that I may seem presumptuous to have broached a question so vast and so important."[6] The clash of cultures, and the failure of China - in contrast with Japan - to modernise in the face of Western political, economic, and technological aggression, are only two of the important questions raised by a consideration of this subject. The sense of frustration caused by this failure is a major cause of China's grievance against the West.

As late as 1880 there was not a single mile of railway in China, nor a single machine-driven loom; yet the three leading shipping companies owned forty two steamships operating on the Canton and lower Yangtze Rivers, and between the treaty ports on the coast. As Professor Liu writes: "Nor was the steamship in China just a technological innovation, because with the steamship came new methods of capital organization and management, on a scale hitherto unknown to those centers of commerce."[7] In spite of this, as late as the 1930s, modern high powered steamships flying foreign flags were operating on the Upper Yangtze, nearly 1,500 miles from the sea, calling at towns where the way of life had remained almost unchanged over the previous five or six centuries.

Most of my sea career was spent in the Far East with the China Navigation Company, which features largely in this study. I am grateful to Sir Adrian Swire, Chairman of the China Navigation Company, represented in London by Messrs. John Swire and Sons, for the financial assistance which made this study possible. Among the many others to whom I am indebted are Mr. Iain Harrison, of Messrs. Harrison (Clyde) of Glasgow, with whom I finished my sea career; and Mr. Alan Reid, former shipping manager in Hong Kong for Jardine, Matheson and Company, general managers of the Indo-China Steam Navigation Company, which shares pride of place here with the China Navigation Company. I am specially grateful to Dr. R. Hope, O.B.E., Director of the Marine Society, who suggested that I attempt a serious study of China coast shipping, for many years a spare time interest. Finally, Dr. Gordon Jackson, of Strathclyde University, who guided my inexperienced footsteps through the intricacies of historical research, cannot be omitted from those who gave me valuable assistance in this project.

REFERENCES

1. C.F. Remer, The Foreign Trade of China (1928) p.3

2. Edwin O. Reischauer, John K. Fairbank, Albert Craig, East Asia: The Modern Transformation (Tokyo) 1965, p.92

3. Edward Gibbon, The Decline and Fall of the Roman Empire, abridged edition by D.M. Low (1963) p.1

4. Pliny, Natural History XII, p.180

5. An agency house was a private firm of British Indian merchants, which often had Indian and Parsee partners. Such firms not only invested in shipments themselves; but also handled cargoes, ships, and sales for others on a commission basis. After about 1780 several such firms involved in the China trade established branches in Canton, and to escape the control of the East India Company their representatives sometimes took nominal posts as consuls for other European countries.

6. E.H. Carr, What is History? (1961) p.8

7. K.C. Liu, Anglo-American Steamship Rivalry in China, 1862-74 p.2

INTRODUCTION

The capture of Shanghai by the Chinese Communists in May 1949, brought to an end a century of Western influence in China. It was "the end of an auld sang". Even before it became a treaty port after the First China War of 1839-42, Shanghai's strategic position in the rich and populous Yangtze valley had made it a city of some importance, with a population of around 300,000; a far cry from the small town on a mud flat so popular with Western writers. Within a century, however, it became the largest city and port in China, and fifth largest in the world, with a population in 1941 of 3,743,761.[1] At first the Communists adopted a policy seemingly designed to lessen the importance of Shanghai, but - although still a great port - the decline in China's foreign maritime trade has resulted in it no longer being one of the world's greatest ports. Within a decade or two, however, they bowed to the inevitable, and acknowledged the overwhelming advantages of the city, and have developed it as a great manufacturing and industrial city, and it now has a population of over ten million. Until very recently, Communist China turned her back on the West, and - as in centuries past - concentrated on the Asian mainland, and this was one of the most important developments of the post war years.

Another result of World War II, was the loss to Britain of her profitable share in China's coast and river trades. This had been a direct development from the 'country trade' between India and China which had flourished in the early nineteenth century, towards the end of the East India Company's commercial operations in China, although its origins went back many centuries before then.

In 1943, during the war time partnership between the

government of Chiang Kai-shek and the Western Powers, Britain and the United States renounced the treaty rights which had allowed their ships to trade on the coast and rivers of China, and also surrendered their extraterritorial and other privileges.[2] British ships, therefore, were unable to return to the China coast trade after the war, in spite of an acute shortage of shipping. This was a short-sighted policy, as the use of British and other foreign ships might have helped the economy, and prolonged the struggle against the Communists. The Communist victory in 1949, however, destroyed any hope of even a temporary revival of British shipping on China's coast and rivers. British ships still call at Shanghai, and less frequently at Canton, Dairen, Hsin Kiang, and Tsingtao, but are engaged in overseas trade, and not in the domestic trade of China. Most of the small British shipping companies which formerly traded on the China coast and to nearby countries, have disappeared from the scene. One of the two large companies which between them dominated the coast trade, Jardine, Matheson and Company's Indo-China Steam Navigation Company, now has only a vestigial interest in shipping. The other, John Swire and Sons' China Navigation Company, has replaced its former China coast trade with new trades based on Hong Kong, which embrace Japan, Australasia, and the South Pacific, and also services related to oil exploitation.

For over two centuries Britain's China trade was the responsibility of the East India Company, and the most superficial study of Anglo-Chinese commerce during this time shows that the hopes of generation after generation of China traders were never realised. Grossly exaggerated forecasts of the potential value of the China trade to British commerce and industry appear with monotonous regularity, alongside equally grossly exaggerated estimates of the actual

and potential wealth of China.[3]

On the other hand, the early nineteenth century British merchants and industrialists who persuaded the government to abolish the East India Company's monopolies, did not foresee how one particular British industry would benefit. In all the correspondence between government and chambers of commerce, there is comparatively little mention of shipping. At that time, of course, shipping was not organised into specialised companies concentrating on particular trades, as became established practice later. Individual ships were owned or chartered by individual merchants or groups of merchants. Therefore there was no recognised shipping interest to represent the industry, as the textile and manufacturing industries were represented in the various chambers of commerce. As Professor Davis remarks: "Until the eighteenth century was well advanced shipowning was no man's trade, it was a minor function of people whose most important interests and investments lay elsewhere. Most shipowners were merchants .... The first London shipowner was in the Directory of 1815".[4]

No sooner had Hong Kong become a British colony and free port, and the first treaty ports opened, than British ships began to trade between these ports and Hong Kong. Tea, silk, and other Chinese goods were taken to Hong Kong en route for Europe, India, and America; while foreign goods went in the reverse direction. Chinese merchants soon appreciated the benefits of safe and fast services between coast ports, and patronised these British ships in the domestic trade. The Second China War of 1856-60 opened additional ports to foreign trade and shipping, including three on the Yangtze, and Tientsin, the port for Peking. This increased the opportunities for British and foreign ships in the coast trade, and soon after the end of this war, the foundations of British dominance

of the China coast trade were laid. From then until the outbreak of the Sino-Japanese War in July 1937, was a period of almost uninterrupted expansion of British shipping in Chinese waters, no matter how civil war or revolution might disrupt the country, and no matter the fate of other British industries interested in the China trade.

By 1914 some 400,000 tons of British shipping was regularly employed on the China coast, and much more in China's overseas trade - with which this study is not directly concerned.[5] Most of this had been built in Britain, although towards the end of the period, more and more coast ships were being built in Hong Kong or Shanghai. In this case, however, their machinery and materials came from Britain, so that British shipbuilding, marine engineering, and ancillary industries benefited considerably from the China trade. In particular was this the case with Clyde shipbuilding, and one famous Clyde shipbuilding company was seldom without a ship for the China trade on its stocks between 1866 and 1914.[6] These ships employed British officers, the dockyards in Hong Kong and Shanghai where they were serviced employed British technicians, and many other Britons were employed on the administrative side. The insurance industry in China developed from marine insurance, and in its early years was almost a British preserve. It is no exaggeration, therefore, to describe shipping as the most important British activity in China.

Western trade with China originated many centuries before the East India Company appeared. It was well established by the later Han dynasty, which was contemporary with the peak of Roman power in the first and second centuries A.D.[7] There were, of course, long periods of near stagnation between the decline of Roman and Han

power, and the rise of the maritime powers of Western Europe over a thousand years later, partly bridged by the activities of the Italian city states. This early East-West trade was both a land and a sea trade, and for obvious reasons was confined to luxury goods. A large body of poetry and prose has been inspired by the Silk Roads from China to the Mediterranean; but the maritime trade has not fared so well. During the later Middle Ages, and stimulated by the experiences of the Crusaders in the Near East, Western Europe's appetite for silk and other eastern luxuries was supplemented by the more pressing need for peppers and spices. This - and other factors - eventually resulted in Vasco da Gama's discovery of the sea route to the Far East in 1498.

For several centuries before the arrival of the Portuguese, the Italian city states - especially Genoa and Venice - were middlemen in East-West trade, a period which included the Crusades. Venice, through her role in providing transport for the Crusaders to and from Palestine, had acquired factories and trading privileges in several Levantine cities by the end of the twelfth century. She also controlled the Adriatic, the Black Sea, and the Sea of Marmora, and in the fourteenth century extended her commerce to England and the Low Countries, where she exchanged wool and other goods for Mediterranean and Oriental goods. It was in this connection that she organised her famous Flanders Galleys in 1317. One important factor influencing the westward extension of her maritime commerce at this time, was that the overland routes from Marseilles and other Mediterranean cities to the English Channel were becoming hazardous through continual warfare, and the traditional trade fairs in Burgundy and Champagne were in abeyance.

En route to and from the English Channel and Low Countries

the Flanders Galleys called at the principal Mediterranean ports and Lisbon. From Lisbon they went to the English Channel ports, usually Rye or the Downs. The fleet then divided, part going to Sluys, Antwerp, and Middleburgh, and part to Sandwich, Southampton and London. Rendezvous for the return voyage was Sandwich or Southampton.[8]

The long and exhausting struggle with the Turks resulted in Venetian decline, culminating in the fall of Constantinople in 1453. Fewer and fewer voyages by the Flanders Galleys were made after then, and the last was in 1532. Another important factor was the exploitation of the sea route to the Far East by the Portuguese, Dutch and English. This was stimulated by the exhorbitant taxes levied on East-West trade by the Turks, and by others through whose territories the caravan routes passed. In 1503 Portuguese ships brought the first pepper to England by the new sea route, making her independent of Venice or the Mediterranean for this important commodity.[9]

The old land routes, however, did not go out of use immediately. After an initial set back at the beginning of the sixteenth century, they recovered much of their former importance, perhaps due to an overall increase in East-West trade, and by the late sixteenth century had reached their greatest dimensions. It seems that no decisive blow was struck against the caravan routes until after the establishment of the English and Dutch East India Companies in 1600 and 1602 respectively. "The downfall of the caravan trade, the defeat of the Portuguese, and the triumph of the Companies, was an episode in the historical process during which the Middle East and the Mediterranean regions relinquished their economic leadership in favour of the Atlantic regions".[10] As for the maritime

trade from the Far East to the Red Sea, this had always fluctuated in sympathy with the reliability of the caravan routes.

Portuguese supremacy in the eastern trade lasted for a century, a magnificent achievement for a small and poor nation. Only a dozen years after reaching India, they captured and occupied Malacca, and then reached China a few years later. Here they were permitted to establish trading factories on the coast as far north as Ningpo.[11] Between 1545 and 1548, however, they were expelled from these because of their truculent and unruly behaviour.[12] They later regained a foothold at Macao, in the Canton region, where they still remain. The Chinese, however, retained ultimate sovereignty over Macao until 1887, and since the Communist victory in 1949 Portuguese authority over Macao, the last vestige of their once vast empire, has been tenuous.

The Portuguese soon discovered that the interport trade, that is the trade between the different ports in the Far East and South China, was more profitable than that between Portugal and the Far East. In 1515 the Italian Andrea Corsale reported that there was "as great profit in taking spice to China as in taking it to Portugal".[13] Pepper could be bought for four ducats per quintal in Malacca, or other South-East Asian ports, and sold in China for fifteen ducats.[14] The voyages of the Naos, or Great Ships, from Goa to Japan by way of Cochin China, Malacca, and Macao, are the first Western ventures into the Asian interport trade, the forerunner of the China coast trade.[15]

The Goa-Macao-Japan trade was based primarily on the exchange of Chinese silk, which the Portuguese obtained at neighbouring Canton, for Japanese silver. Although Japan also produced silk the Japanese preferred the superior Chinese silk, and China's appetite for silver was insatiable. Two factors were largely responsible

for Portuguese success in this trade. One - because of the ravages of Japanese pirates on the coast, the Ming Emperors had forbidden all intercourse between the two countries; and - the relative value of gold and silver in Japan was closer to that prevailing in Europe to that in China, mainly because of the recent opening of new mines in Japan. The Portuguese were thus able to profit as bullion brokers by exchanging Japanese silver for Chinese gold, in addition to their trading profits.[16]

The Portuguese first employed carracks of between 400 and 600 tons in size in the Japan trade, large ships by the prevalent standards.[17] The size of these vessels increased as the sixteenth century progressed, and by its end they averaged 1,200 tons. They were thus the largest ships in the world at the time, and rivalled only by the Manila galleons.

In the early part of the sixteenth century the annual outward bound fleets from Portugal consisted of between seven and fourteen ships, but as their size increased the average number in the fleet progressively decreased to five. The homeward fleets were smaller, as apart from heavy losses en route, some ships were retained for service in the Far East. The Naos employed in the Goa-Nagasaki trade were of similar size, and the number employed was strictly limited to one annual ship. After the Dutch were established in Japan in the early seventeenth century, the danger of capture of such large and valuable ships made the Portuguese employ smaller, faster and handier galliots, and sometimes Chinese junks. The latter were of the Kwangtung and Fukien ocean going type, some of which were as large as 500 tons. Until expelled from Japan in 1637, their proselytising activities being anathema to the Japanese Government, the Portuguese had a virtual monopoly of the Japan-China trade, except that carried on illegally by Chinese junks. These junks traded to

most ports in South-East Asia, as well as between China, Japan and Korea, and before the East India Company had direct access to China itself, were the principal means through which the Company obtained Chinese goods.

During the period of Portuguese supremacy in the eastern trade, Lisbon became the chief European emporium for pepper, spices and other Far Eastern products. After the United Provinces broke away from Spain in 1576, however, and increasingly after Portugal's union with Spain in 1580, Lisbon's position declined. Philip II banned the Dutch from the port, from where they had distributed eastern goods all over northern and western Europe. This proved an economic disaster, as great as the expulsion of the Moriscos from Spain thirty years before.[18] The Dutch were compelled to go to the Far East themselves, ignoring the Pope's ban, and Amsterdam soon succeeded Lisbon as the main European emporium for eastern goods. Antwerp, which might have become a serious rival, was captured by Spain in 1585, and any hope of revival was destroyed by the Treaty of Westphalia at the end of the Thirty Years War in 1648, which closed the Scheldt to international traffic. Finally, after a century of Dutch predominance, England successfully challenged them, and by the early eighteenth century, London in turn took over Amsterdam's rôle.[19]

Although the Dutch had control of Ceylon, Malacca, and the most important spice islands by 1660, and had a factory in Japan, they were unable to obtain a foothold on the China coast. Their first attempt was in 1604, when they sent one ship to Macao, but the Portuguese there persuaded the Chinese to refuse them permission to trade, and a similar fate befell a second attempt three years later. A lull followed for several years, during which the Dutch

obtained Chinese goods at ports where both they and the Chinese traded, Hirado in Japan, and Bantam, Batavia, and other ports in South-East Asia. They also obtained a considerable proportion from plundering Portuguese and Chinese ships.

In 1622 another and more determined attempt was made to establish direct trade with China, when the Dutch attacked Macao with a fleet of twenty two ships. The Portuguese, however, again put up determined resistance, and after suffering heavy losses the Dutch were forced to retire to the Pescadores Islands, just off the coast. A short time later, threat of attack from the Chinese this time, forced them to retire further to Formosa. Here they were able to maintain a factory and fort until 1661, when the Chinese patriot and Ming supporter, Koxinga, expelled them to Java.[20] No further serious attempts were made to trade directly with China for many years, and Dutch ambitions became increasingly concentrated in Indonesia and in Japan.

Dutch activity in the Far East was directed by their East India Company, which was established in 1602, two years after the English East India Company. During the seventeenth century, however, the English company was much less powerful than its Dutch rival which had the wealth and industrial capacity of the more highly developed Low Countries behind it. While the initial impetus behind the formation of both companies was the desire to obtain pepper, spices, and other Far Eastern commodities, the exploitation of new markets for European goods soon became almost equally important. This led to participation in the traditional maritime trades of Asia, in competition with the eastern peoples, and from that to participation in the China coast trade.

It seems indisputable that the immediate occasion for the

founding of the East India Company was the sudden and large increase in the price of pepper at the close of the sixteenth century. Cunningham ascribes this - from three to six and then to eight shillings per pound - to the Dutch.[21] The Indian historian R. Muckerjee agrees: "The raising of the price of pepper by the Dutch from three to six, and later eight shillings per pound, taking advantage of their monopoly, was an immediate cause for the official recognition of the Company and the granting of its charter".[22] Another Indian historian, K.N. Chaudhuri, agrees in principle, but without specifying pepper or the Dutch. "The whole function of the Company", he wrote, "was to supply the home market with those East Indies commodities which the country had once found it necessary to buy from the Portuguese".[23] Morse also attributes the increase in the price of pepper to the Portuguese, but believes that it took place over the twenty years between 1580 and 1600.[24]

Neither tea nor silk played an important part in the early rivalry between Portuguese, Dutch and English. Tea did not become known in England until the second half of the seventeenth century, and for another century was an expensive and exotic beverage; while until the East India Company established regular and direct trade with China in the early eighteenth century, most of Europe's silk seems to have come by the traditional caravan routes to the Mediterranean.

By a fortuitous accident of history, the East India Company came into existence just a few decades before the first tea arrived in England, and by the time the Company was firmly established in the China trade, it had become a popular luxury in England, and only slightly less so in Western Europe and the American colonies. The first reliable reference to tea drinking in England is in 1658,

in an announcement now in the British Museum. This states: "That excellent and by all Physicians approved drink called by the Chinese Tcha, by other nations Tay, alias Tea, is sold at the Sultaness Head, a cophee house in Sweetings Rents, by the Royal Exchange, London".[25] Just two years later Samuel Pepys wrote in his diary for 28 September: "I did send for a cup of tea (a Chinese drink) of which I had heard before", probably the first reference to a civil servant drinking tea in his office.[26]

The first report of tea being imported into the country, however, was in 1664, when the East India Company presented two pounds costing £4.25 to Charles II.[27] Charles probably gave this to his wife, Catherine of Braganza, who - being Portuguese - would know of it and also be familiar with the fashionable method of preparing and drinking, and introduce it to her court. In 1666 another twenty two pounds costing £56.80 was imported, and in 1669 and 1670, 143 and seventy nine pounds. These lots had either been bought in Bantam, or at other factories in the East Indies, where both the Company and Chinese junks traded. The Company made its first direct import of tea in 1689 from its short-lived factory at Amoy.[28] From this time tea steadily increased in importance, until in the final decades of the Company's factory at Canton, it was its main and practically only source of commercial profit.[29]

Dutch and English trade in the Far East was conducted on the factory system, and the first English factory in the Far East was established at Bantam, on the north west coast of Java in 1602. Bantam was a flourishing port, with trade with all parts of the Far East, and a large colony of Chinese traders. Until the end of the seventeenth century it was the headquarters of the East India Company in the Far East, and the birthplace of English participation in the

Asian interport trade.[30]

The English, like the Dutch, were drawn into this for similar reasons, the first and most important of which was the necessity to obtain commodities which the Asians would accept for their commodities, which were so much sought after in Europe. For nearly two hundred and fifty years of East-West trade, the Asians were reluctant to purchase European goods and this meant Europe exporting quantities of bullion to the Far East. The most acceptable form of this was the Spanish silver rial.[31] In a mercantile age the export of precious metals aroused acute disquiet; but neither England or the Low Countries could compete on equal terms with Indian or Chinese goods, especially textiles and pottery. Textiles was the most important staple in Asian trade, and the Company was required by its charter to export a stipulated quantity annually. This was often sold at a loss, which the Company recouped from other branches of its trade, mainly the import trade. The Company's factors in the Far East continually complain to the Directors in London of the difficulty of selling English cloth, and stress the need to obtain the superior Indian cloth for sale further east. Chinese velvets were also much preferred to English all over the East Indies.[32] The most popular cloth was Cambay cloth, from Cambay in north-west India. This was the home of the Gujerati merchants and sailors who did so much to propagate the Muslim faith in Malaya and the East Indies.

Another factor in promoting European participation in the Asian interport trade was the need to employ ships which had failed to complete their lading in time to catch the homeward monsoon. Until the arrival of steamships, the monsoons played an important role in the commercial and naval strategy of the Far East. Should

a ship fail to catch the north east monsoon, she was faced with a delay of at least six months until the next monsoon, so that it was good commercial sense to employ her in local trades during this time. It was vital for homeward bound ships to leave the Far East before the end of January, so that the monsoon would carry them clear of the coast and islands before it changed. One method of avoiding expensive delays was to employ pinnaces, whose crews had a stiffening of Europeans, to bring cargoes from the outports to the central port. These might be supplemented by local craft, the proportions of each varying according to local circumstances.[33]

The Far East trade was notable for the size and magnificence of the ships employed, whether Portuguese, Dutch, or British. The East Indiamen were the finest ships in Britain's merchant navy, and all writers on the Canton scene in the days of the 'Old China Trade' comment on the magnificent sight at the anchorage at Whampoa, twelve miles below Canton. During the trading season forty or fifty of the world's most splendid ships lay there.

The establishment of the East India Company's factory at Canton in 1715 meant the beginning of regular trade between England and China, and this was put on a firmer basis in 1757, when the Emperor Chien Lung decreed that all foreign maritime trade be confined to Canton. This was after a century and a half of Anglo-Dutch-Portuguese rivalry, complicated by changing alliances and hostilities between the three in Europe. For most of the seventeenth century during the decline of Portuguese power the Dutch had been dominant in the Far East, and it was only towards the end of the century, and after three Anglo-Dutch wars, that England began to overhaul, and finally surpass the Dutch.

The inauguration of direct and regular trade between England

and China came when the Company had finally decided that China, and not Japan, was the more promising field for enterprise. For many years after having been forced to abandon its factory at Hirado in Japan in 1623, the Court of Directors continued to believe that Japan offered greater opportunities for trade than China, and persisted in this belief even after their humiliating rebuff at Nagasaki in 1673, when they had attempted to re-open trade. The establishment of the Company's factory at Canton, therefore, is an important milestone in Anglo-Chinese relations.

During its first century, while most trade had been with India and the East Indies, the Company had also traded intermittently at several ports in China. It had hoped that its factories in the East Indies, Indo-China, and Formosa would also help to establish direct trade with China. For most of the seventeenth century, however, the Company - in comparison with its Dutch rival - was handicapped by shortage of capital, and so of ships and men. English inferiority in the Anglo-Dutch struggle in the Far East contrasted with her superiority in the European sphere. Describing Dutch tactics in the Far East, C.R. Boxer writes: "With a grasp of strategy and political realities which far excelled that of their English rivals, the Hollanders had long been pressing on to their goal of commercial dominance in the eastern seas (and trade), by pursuing a methodical and relentless war against the Portuguese".[34]

Another factor operating against the Company's attempts to enter direct trade with China in the latter half of the seventeenth century was the disruption caused by the Manchu conquest. Although the Manchus were established in Peking in 1644, for half a century after that their authority in south China - where foreign maritime trade was concentrated - was weak. Ming adherents controlled Formosa, Amoy, and much of the south coast until nearly the

end of the century, and even after the Manchus had achieved complete military and political control, their officials - as much through ignorance and unsophistication as actual hostility - pursued policies inimical to foreign trade.

The accession of K'ang Hsi, the second and greatest of the Manchu emperors, to the throne in 1662, had an important effect on Sino-Western relations. For an emperor of China, K'ang Hsi had a comparatively liberal outlook. In 1682 he issued an edict proclaiming toleration of Christianity and three years later declared all ports in the Empire open to foreign trade. By this time the Manchus had gained complete control of Formosa and the southern provinces of Fukien and Kwangtung, and events in England itself were moving in favour of the East India Company. Its charter had been renewed, it was being supported by Crown and Parliament against its rivals, and the last of those was absorbed into the Company in 1709. Also, and perhaps most important, was the almost insatiable demand for tea which was arising in Britain, and to a lesser extent in Europe and the American colonies. This became an increasingly important factor from the early eighteenth century, and cannot have been foreseen when the Company established its factory at Canton in 1715. At that time, tea formed only a small part of the cargoes from China. It is no exaggeration to describe the British appetite for tea, and the Chinese for opium - which arose shortly afterwards - as the twin pillars of the China trade for the century preceding the Second China War of 1856-60.

Between 1669 and 1710 twenty-three Company ships traded to China, ten to Canton, four to Amoy, and the other nine to other ports. After 1710, with the exceptions of one ship to Amoy in 1735, and one to Ningpo in each of the years 1755, 1756 and 1757, all

Company ships went to Canton, and by 1757 the number was increased to ten per year, in addition to several country ships from India.[35] During this time exports from China were paid for in the proportion of about two-thirds in bullion and one-third in goods. The latter consisted mainly of woollens, broadcloth, and lead, and each Company ship was required by the Charter to take a minimum of one tenth of outward stock in English goods.

The above statistics illustrate that by the mid eighteenth century Canton had become the most important port in the China trade. When K'ang Hsi's grandson Chien Lung, therefore, issued an edict in 1757 confining all foreign maritime trade to Canton, he was merely legitimising a fait accompli.

Over the previous half century Canton had shown its overwhelming advantages over the other ports in China. Its merchant class were, by Chinese standards, well disposed towards foreign trade, as Canton had been the main port for trade with South-East Asia for centuries. The official class was also relatively liberal in its attitude towards foreigners, realising that the prosperity of the city and of Kwangtung depended on foreign trade. Although geographically, other ports further up the coast were better placed for exporting tea and silk, a well-organised system of transport had been developed between Canton and the tea and silk producing regions over previous decades. So far as the East India Company was concerned, therefore, Canton was the centre of the China trade, and when the Canton Commercial System began to break down, it was first challenged by other ports in the neighbourhood.

Reference has been made to the relative unimportance of tea in the early days of Anglo-Chinese trade, and this is confirmed by looking at the East Indiaman Fleet Frigate's cargo from Canton on 1st February, 1703, described by her chief mate, Edward Barlow, as

a rich and full cargo. It included flowered damasks, taffetas, Chinaware, Japanese copper, drugs, sugar candy, lacquer ware, quicksilver, musk, gold, and only eighty chests of tea.[36]

By 1720, however, tea had replaced silk as the principal export from China, and tea exports amounted to some 1,100,000 pounds annually. This would increase to over 30,000,000 pounds by the end of the century.[37] (Present consumption of tea - mow mainly supplied by India and Ceylon - is over 400,000,000 pounds annually, about eight pounds per head of population).

The visit of H.M.S. Centurion under Commodore (later Lord) Anson in 1742-43, in the course of her circumnavigation of the world, and during which she captured the Manila galleon, was an important event towards the end of this first period at Canton. It illustrates the ambivalent relationship between the East India Company and the Chinese authorities. The protracted negotiations between Commodore Anson and the Viceroy during Centurion's 148 days at anchor off Macao, underline the wide gulf between Chinese and Western political systems. Centurion, Anson's flagship, was the sole survivor of the original fleet of six vessels, and her reason for calling at Canton was to refit and provision before proceeding to the Philippines to capture the Manila galleon onher return from Apaculpo.

Anson's voyage had been planned after the outbreak of the War of Jenkin's Ear against Spain in 1739. Walpole proposed to make this a maritime war, in which the main operation would be an attack on the Spanish colonies in the Caribbean. Anson's voyage was subsidiary to this, to harass Spanish commerce in the Pacific, and attack Spanish towns on the west coast of South America. Its commercial implications are illustrated by it having been suggested

to Walpole by two officials of the recently bankrupt South Sea Company, and a London director of the East India Company. But - although the Court of Directors in London welcomed a show of force by the Royal Navy in the China Sea, the Company's officials at Canton did not welcome Anson's arrival on their doorstep.

Centurion was the first Western ship of war to enter the Canton River, and Anson wanted to establish his right to refit and provision his ship without payment of port dues, as was customary in the West, and his difficulties were compounded by the unhelpful attitude of the East India Company's Select Committee. Anson's objective was an open secret, and the Company were afraid that the presence of a British warship at Canton on a hostile mission against a country friendly to China, would prejudice their delicately balanced relations with the Chinese authorities, and endanger trade. The Portuguese Governor of Macao was equally unhelpful; but Anson avoided a direct confrontation with him by anchoring Centurion five miles from Macao and outside his jurisdiction. During Anson's stay at Canton there were four East Indiamen at Whampoa, one British country ship, and two Danish and two Dutch ships.[38]

Anson was unsuccessful in his attempt to negotiate directly with either the Viceroy or the Hoppo, and was forced to comply with custom and negotiate through the Hong merchants; but he was successful in other respects.[39] The Centurion was careened and provisioned, payment being made with some of the Mexican dollars previously plundered from Spanish ships off South America. Centurion left the Canton River on 11 April 1743, cruised off the Philippines until 20 June, when - after a stiff fight - she captured the Manila galleon, the Senora de Cobadanga, on the latter's return from Apaculpo. The galleon yielded Anson over one and a half million Mexican dollars, estimated at today's value of over £50 million.[40]

Centurion's visit to Canton, although unwelcome to the East India Company at the time, undoubtedly redounded to British prestige in Chinese eyes. Thirty years later when Cook's Discovery and Resolution called at Canton for refitting and provisioning on their return to England, after Cook's death in Hawaii, little difficulty was experienced. On this occasion the Company advanced the cost in return for bills on the Admiralty in London.

Until the mid eighteenth century, British trade at Canton was not greatly in excess of Dutch or French trade, but the increasing importance of tea as Britain's national beverage, soon made it outstrip that of all other foreign countries. In 1757, therefore, when the Emperor decreed that all foreign trade should pass through Canton, Britain had become the dominant foreign power in China's maritime trade. Having experienced the benefits of this, the Cantonese were naturally anxious to monopolise it, and willingly accepted the Emperor's ruling. To re-inforce this, Chien Lung doubled duties at all other ports, and this thwarted the East India Company's attempts to develop trade north of Canton, in particular at Chusan and Ningpo. Canton's confirmation as the chief port for China's foreign maritime trade, therefore, was due to a combination of favourable circumstances, and her position was not seriously challenged for over half a century.

The East India Company's one hundred and thirty years in the China trade has been studied intensively by H.B. Morse.[41] Morse had full access to Company records, and also to those of the Chinese Maritime Customs, and most shipping statistics relating to British shipping at Canton are from his works. Table No. 2 shows the position of British shipping at Canton relative to that of other foreign countries between 1794 and 1834; but for several reasons British

predominance was greater than these statistics would suggest. A law of William III required Company ships of over 500 tons to carry a surgeon, and until 1772 when this was repealed Company ships were always registered as of 499 tons, although they were often much larger. Also, much of the trade conducted at Canton under foreign flags was really British trade. Because of the Company's monopoly, much British trade, especially of merchants outside London, was conducted through foreign East India Companies. In particular was this the case with the trade of the Danish East India Company, and to a lesser extent that of the French and Swedish companies.[42] It was through the latter company that Scottish merchants were able to participate in the China trade.[43] Much of the tea exported by these companies was smuggled into Britain to avoid the high duties, and many of their exports into Canton were of British origin.

The position at Canton in 1757 when the edict confining all foreign trade to that port was promulgated, therefore, was that British trade was much greater than that of any other foreign country. It was still small compared with other sectors of Britain's foreign trade, and its rapid increase in the succeeding decades can hardly have been foreseen by the East India Company's officials at Canton, who were chiefly concerned with maintaining their tenuous foothold there.

Clive's victories of the 1750s, culminating in the Battle of Plassey in June 1757, transformed the East India Company from a commercial corporation into an administrative and tax gathering corporation. As its commercial operations in India, however, declined, those in China increased, and for more than the last half century of its active life, the Company's China trade was much greater than its Indian trade. The increase of administrative and political power

in India, therefore, paralleled an increase of commercial power in China. At the end of this period almost all the Company's trade was in China tea, from which it earned an annual profit of £1,000,000, while the annual cost of the Canton factory was only about £28,000.[44]

The profit from the China trade was essential to the Company's India administration, and some historians believe it was responsible for saving it from the bankruptcy which its expensive, and sometimes corrupt, administration in India might otherwise have caused.[45] The tea trade became almost equally important to Britain. In a memorial of 2 November 1843 from the Committee of the London, East India, and China Association to Lord Palmerston, it was pointed out that the revenue from the duty on the 275,592,770 pounds of tea imported from China in the eight years between 1830 and 1837 amounted to £29,066,115, an average of £3,633,265, which was over ten per cent of total revenue.[46] In addition, there was the duty on sugar imports, a considerable proportion of which was consumed by tea drinkers.

After 1757 the East India Company's operations at Canton settled into as regular a pattern as was possible in the China of the time. Tea exports increased, but the difficulty of financing these decreased and the balance of trade was reversed. From being an importer of bullion to finance the tea investment, by early in the nineteenth century the Company became an exporter. This came about through the role of the British country ships in the trade between India and China. This - like the Britain-India and Britain-China trades - came within the Company's monopoly, but it was Company policy to license outside British-Indian ships to take part in it. At the beginning of the Company's period at

Canto n, cotton was the principal Indian export to China, as it had been for centuries. From 1773, however, opium became increasingly important, and in 1824 supplanted cotton. The Company respected the Chinese Government's prohibition on the import of opium, and forbade its carriage in Company ships. Most opium came in British-Indian country ships, many of which were owned by Parsee merchants in partnership with British merchants, some of the latter being former Company servants in India. It was a hypocritical policy on the Company's part, as most of the Indian opium was grown and marketed under its auspices.

The following statistics relating to the early nineteenth century illustrate how opium imports increased as cotton imports decreased. In the 1818 season, out of total imports from India of $10,165,000 (approximately £2,541,250) cotton accounted for $6,882,502 (approximately £1,720,625), and opium $1,358,000 (approximately £339,500); and ten years later out of total imports of $17,994,990 (approximately £4,498,747) opium accounted for $10,908,852 (approximately £2,727,220), and cotton only $5,603,953 (approximately £1,400,990).[47] Broadly speaking, demand for opium increased or decreased in inverse ratio to the demand for opium. The British Consul at Canton in 1846 put the matter thus: "The payment for opium, from the inordinate desire for it which prevails, and from the unrecognised nature of the transaction, which required prompt settlement of accounts, absorbs the Silver, to the great inconvenience of the general traffic of the Chinese, and Tea and Silk must in fact pay the rest."[48]

Another factor affecting cotton imports was the success or failure of local crops, particularly the Yangtze crop. There was little demand for Bengal cotton around Canton; but a bad Yangtze

crop resulted in large quantities being sent north, as its texture resembled the Yangtze variety.

The British-Indian, often Parsee-Scottish, combination was an important factor in the development of the country trade between India and China, The ships employed, the country ships, were among the finest in the world at the time, sometimes considered superior to the East Indiamen themselves. Built of teak locally by skilled craftsmen, they were almost indestructible. They were manned by British officers and Indian seamen, usually with a few half caste Portuguese as petty officers.

As the opium trade was illegal, most opium was discharged at places outside the jurisdiction of the Canton authorities, called 'outer anchorages', the most important of which was Lintin. This was an island in the Canton River estuary, some sixty miles below Whampoa. After discharging their opium at Lintin, the country ships continued to Whampoa to discharge their legitimate cargo, and load outward cargo. The opium was paid for in silver, which the country captains handed over to the East India Company for bills of exchange on London. The Company used this to finance its tea investment, and after 1811 often had a surplus for export. The legitimate cargo imported by the country ships was sufficient to purchase their exports for India and South-East Asian ports en route, as these were much less than the imports. The advantages of trading at Lintin, free from the restrictions and exactions imposed at Canton, resulted in more and more general trade being conducted there, and by 1831 most of the China trade was actually carried on at Lintin, although attributed to Canton. In that year the India-China trade amounted to $22,000,000 (approximately £5,500,000) of which $17,000,000 (approximately £4,250,000) went through Lintin, and only

$5,000,000 (approximately £1,250,000) through Canton.[49] Britain's part in the opium trade was to prove a very damaging factor in Anglo-Chinese relations for the next century and more.

Paradoxically, by the time this combination of legal and illegal trade had developed to such an extent, a great improvement had taken place in the character of the Company's supercargoes and of the Chinese merchants with whom they worked. In the early Canton years, the supercargoes had been jealous of each other, which the system by which individual supercargoes travelled out and back with individual ships fostered. In 1750, however, a permanent council was formed of all supercargoes, whose members resided at Canton - or at Macao during the off season - from year to year. The senior members of this council formed the Select Committee, the President of which became the de facto head of the British community at Canton. The members of the council and Select Committee acquired a tradition of loyalty to the Company, whereas under the former system this had often been suspect. In earlier times too the Chinese merchants had often been little more than huckstering tradesmen, unaccustomed to large scale transactions, and none too scrupulous. About mid century, however, an influx of Fukien merchants had taken place, bringing higher standards of conduct. From this time each party developed a respect for the other, and although often in conflict over business matters, many Anglo-Chinese friendships were formed, and the Company's 'chop' was accepted at face value.[50]

The Chinese merchants licensed by the Hoppo to trade with the Company were called the Cohong, and this usually consisted of thirteen merchants. The Cohong in some respects resembled the Company, being a monopoly, and sometimes farming out certain privileges to outsiders. The Canton system owed its success to the mutual trust

between the two sides. Most of the tea which was exported came from the Bohea Hills in Fukien, and the silk from even further away in Kiangsu, and it was necessary for the Company to advance substantial funds to the Cohong merchants for the next season's purchases. These advances were called 'bargain moneys' and were often paid a year and more in advance. The Hong merchants were subject to heavy exactions by the Viceroy and the Hoppo, under a variety of pretexts - levies for various public causes, presents for the Emperor, and for the Viceroy and Hoppo, fines for the misbehaviour of foreign merchants and sailors, and so on. They handled large sums, and bankruptcies with large debts owing foreign merchants were not uncommon.

In 1774 the total debts owed by the Chinese merchants amounted to $4,347,300 (approximately £1,086,825), of which $511,205 (approximately £122,804) was owed by merchants not members of the Cohong.[51] Most of this was owed to British and Indian merchants in India, for whom the Company's supercargoes at Canton held bonds. The Select Committee would have preferred to settle this by negotiation with the Viceroy and Hoppo; but the creditors in India brought it to the notice of Rear-Admiral Sir Edward Vernon, who thought that it should be settled at government level. In pursuit of this he dispatched the frigate Sea Horse under Captain J.A. Panton to Canton, to make official representations to the Viceroy and Hoppo. Although the Select Committee tried to dissuade Captain Panton from insisting on a personal interview, he persisted in obeying his instructions to the letter. He went to the city, and was received courteously by the Viceroy, to whom he presented his memorial. He was assured that justice would be done, and that the debts would be repaid in full, in most cases by instalments over several years.[52] As had happened with Commodore Anson thirty years earlier, the combination

of firmness and diplomacy with which Royal Naval Officers at that time seemed particularly well endowed, paid handsome dividends when dealing with high Chinese officials.

The Hoppo took steps to avoid a repetition of this situation, which might endanger trade, and in 1780 created a reserve fund called the Consoo Fund, to cover future debts.[53] This was financed by an ad valorem charge of three per cent on all goods passing in and out of the customs which could be increased in cases of emergency to as high as six per cent. In effect, therefore, the Company was paying for this fund itself, and the reason for its agreement was that its monopoly enabled it to pass this on to Britain's tea drinkers, and because it did not want to disturb its profitable trade. An illustration of the trust each party at Canton placed in the other, was the Company's practice of placing its treasury in the care of the Cohong when its servants went to Macao during the off season at Canton, and there is no record of this trust ever having been betrayed.

In the mid 1750s six or seven Company ships visited Canton each year, plus one or two British country ships. From this time a great increase in British shipping and trade took place, illustrated in Table No.1, which emphasises that the greater part of this was in the country trade. As has been explained earlier, because so much of the tea exported from Canton in non-British ships was later smuggled into Britain, the statistics in Table No.1 fail to illustrate British predominance in the China trade. There are also many unavoidable omissions, including opium imports. In 1776 the opium trade was still on a small scale. The proportion of British ships to the total in 1776, twenty four out of thirty eight, probably indicates a fairly accurate picture of Britain's share in China's foreign trade at

that time. This Table does, however, illustrate the great increase which had taken place in the country trade, sixteen British country ships visiting Canton in 1776 compared with only one in 1754.[54] It was these country ships which were to pioneer the China coast trade.

The foreign community at Canton increased as foreign trade increased, and although the British were the most numerous and influential, by this time representatives of most European countries and - after 1784 - America resided at Canton. Excluding Parsees and Portuguese, in 1779 the foreign population at Canton numbered seventy four, twenty five Company officials, twenty three private British merchants, thirteen Americans, three Frenchmen, three Swedes, and four Spaniards.[55]

The private British merchants could be divided into two classes. The first consisted of those who operated under license from the Company, and the second of those who operated without such a license, and were sometimes known as 'interlopers'. This second class increased greatly in the early nineteenth century as the opium trade increased.

The system of trade conducted at Canton between 1757 and 1833, when the East India Company's monopoly of the China trade was abolished, was known as the 'Canton Commercial System', or 'Old China Trade'. It has been described as: "not the outcome of treaty or diplomatic restrictions; but entirely from a unilateral Chinese policy towards foreign trade and traders".[56]

Canton had always been China's principal port for foreign maritime trade, especially that with India and South-east Asia, and a colony of Arabs had been established there as early as the fourth century A.D. When the Chinese allowed the East India Company to set up a factory there in 1715, therefore, they were conforming to an old custom. The British and other Western merchants, however,

were only permitted to reside at Canton during the actual trading season, which was controlled by the monsoons, and usually lasted from August-September to the following March-April. For the rest of the time they lived at the Portuguese settlement at Macao, some ninety miles down river from Canton. This, of course, was preferable to returning to India, or to some port in the East Indies. At Macao they were in touch with the Chinese merchants at Canton, and able to make preparations for the following season, and also live a much freer life with their wives and children.

The Canton trade, and the activities of the foreign merchants and sailors were - in theory at least - strictly controlled by what were called the 'Eight Regulations'.[57] These were intended to limit intercourse between Chinese and foreigners, and - while keeping the volume of trade small - make it as profitable to the Chinese as possible. The conditions under which foreigners lived at Canton during this period, cannot have been so different from those under which Hanse merchants had lived in the European cities in the Middle Ages. They were certainly less irksome than those to which contemporary Dutch merchants were subject at Nagasaki, when they were the only Europeans allowed to trade in Japan. From descriptions in books by Europeans who lived at Canton during this time, it seems that for long periods the regulations were more honoured in the breach than in the observance.[58]

When the trading season was at its height, and fifty or so of the world's largest ships were anchored at Whampoa, their crews numbered over three thousand men. During the several months they lay there, the sailors were only allowed two visits to the city, in parties not exceeding twenty. The city itself was closed to them, and their objective was Hog Lane, a narrow lane behind the factories,

just outside the city walls. Here were the drink shops and other attractions so desirable after a long and uncomfortable voyage. The favourite Canton brew was 'First chop Number One', a violent intoxicant and aphrodisiac, purveyed by characters with equally colourful names - Old Jimmy Afoo, Ben Bobbity, Tom Bowling, and Jolly Jack.

The East India Company's Select Committee members were the only foreigners at Canton who enjoyed any standing with the Viceroy and high Chinese officials, although the latter only deigned to negotiate with them through the Cohong merchants, who - among other matters - were responsible to the Hoppo for the conduct of the foreigners in the factories and on the ships. The Presidency of the Company's Select Committee was one of the most highly prized posts in the Company, and usually held by a friend or relative of an influential director of the Company in London. In addition to the Cohong, there were two other groups of Chinese merchants at Canton at this time concerned with maritime trade, called 'merchants in oceanic trade'. One controlled trade north of Canton, and the other trade with South-east Asia.

British ships trading at Canton at the time of the 'Old China Trade' were owned or chartered by the Company, or were British-Indian country ships. Until 1813 when its monopoly of the Indian trade was abolished, the Company's monopoly had embraced all trade east of the Cape of Good Hope. But while its monopoly of the Britain-India and Britain-China trades was strictly guarded, private British merchants - licensed by the Company - were allowed in the trade between India and China. Some of these merchants were former servants of the Company, who had invested the wealth obtained from 'shaking the pagoda tree' in Bengal, in Indian country firms, often

in association with Parsees.[59] In fact, the silver such merchants obtained from their sales of cotton and opium to China were essential to the Company's tea trade, and to the economy of its Indian administration.[60]

Under the Company's charter, British trade with India and China was largely a preserve of London, the provincial towns being excluded as much as possible. As the Industrial Revolution progressed, however, the new industrial towns of the north and midlands were able through the foreign East India Companies to partly circumvent the Company's monopoly; but they were still at a disadvantage compared with London. Opposition to the Company, therefore, was endemic, reaching its greatest intensity at twenty year intervals before the Company's charter came up for its periodic renewal. At such times Chambers of Commerce from the midlands and north of England, and from Scotland, sent petitions and memorials to the government demanding freer access to Far Eastern markets.[61] On the other hand, the towns where the Company obtained its camlets, long ells, and broadcloth, supported it. Such towns, mainly in the West country and East Anglia, claimed that free trade would ruin them.[62]

The success of American merchants and ships in the China trade, however, added weight to the arguments of the free traders. By their freedom of operation and more efficient use of shipping which this allowed, Americans were able to import British goods into India and China at less cost than the Company.[63]

To the representations of commerce and industry were added those from the increasing number of liberal and free trade elements in Britain, and from private British and Indian merchants in India and China. Eventually the Company's monopoly of the Indian trade was abolished in 1813, and of the China trade twenty years later.

The abolition of the Company's monopolies was followed by a period of uncertainty and lawlessness at Canton, which continued until the conclusion of the First Anglo-China War ten years later. The Company's Select Committee no longer governed the British-Indian community at Canton. To fill this gap and ensure a measure of continuity, the British Government appointed a Chief and a Second and Third Superintendents of Trade. With the exception of Lord Napier who was the first Chief Superintendent, and Captain Elliot, R.N., the last, all were former members of the Select Committee. After the First China War the post of Chief Superintendent of Trade was combined with that of Governor of Hong Kong.

This change at Canton coincided with a great expansion of the China trade, bringing many more private British and foreign merchants to Canton. The expansion of trade made it increasingly difficult for Canton to accommodate all the shipping required, and this was partly responsible for so many ships trading at the 'outer anchorages' in the Canton River estuary. The combination of all these factors after 1833, led to the disintegration of the Canton Commercial System, to the First China War of 1839-42, and eventually to the 'Treaty Port System', in which the relative position of Chinese and foreigners was completely reversed.

As has been noted earlier, by 1757 Britain had become the foremost trading nation at Canton, and her importance relative to that of other foreign countries continued to increase after 1833. Soon after the end of the American War of Independence, however, the United States emerged as Britain's greatest rival.

The first American ship, the Empress of China, arrived at Canton on 24 August 1784, and was followed by two ships the following year, seven in 1794, and in 1804 thirty four American ships

called at Canton. The Empress of China, 360 tons, had thirty four tons of ginseng in her cargo, a root which was highly prized in China for its supposed aphrodisical qualities. Other items were 2,600 fur skins, 1,270 camlets, 476 piculs of lead, and twenty-six piculs of pepper.[64]

The Commutation Act of 1784 partly compensated the Company for the new competition introduced into the China trade by the Americans. This Act reduced tea duties from 100 per cent to ten per cent, and caused a great increase in consumption in Britain. It made smuggling less attractive, and so weakened the position of the rival East India Companies who relied on this for much of their trade. In 1785, for instance, 5,857,882 pounds of tea were sold at the Company's auctions in England, and in 1786 - the year after the passing of the Commutation Act - over 15,000,000 pounds were sold.[65]

During the wars with France, it was British policy to encourage American shipping, and in 1788 orders were issued that the United States was to be treated as a 'most favoured nation', although this was inimical to the narrower interests of the East India Company. The Treaty of Amity, Commerce, and Navigation, concluded between Britain and the United States in 1794 (often called the Jay Treaty, after the American Minister of State at the time), reinforced British policy in this respect, which, of course, was influenced by the French Wars. It was essential to enlist neutral support against France, and help British exports break Napoleon's blockade of Europe. Neutral ships were able to trade with ports blockaded by the Royal Navy, and so the wars following the French Revolution enabled American ships to supplant British in certain European trades. The United States was thus able to build up a

large merchant service, larger than her own foreign trade required. This was very valuable to her economy, as after independence, the operation of the Navigation Acts had excluded her ships from the valuable Canadian and West India trades.

A surprising feature to British observers, accustomed to the large East Indiamen and country ships, was the smallness of the American ships, and the youth of their crews. East Indiamen and country ships were about 1,100 and 600 tons in size respectively; while American ships were barely half the size of the latter.[66] The Experiment, the second American ship to visit Canton in 1785 was only an eighty tons Hudson River sloop, with a crew (including master and two mates) of eight men and two boys. This compares with the East Indiamen and the country ships' crews of about 120 and seventy respectively.

This, of course, may have been an extreme case; but the crew of Captain Edmund Fanning's ninety three tons Betsy, which arrived at Canton with a cargo of sealskins in 1795, in the course of a voyage round the world, was only thirty, none of them over twenty eight years of age. Such small American ships were sometimes taken for tenders for larger ships.

For the early years of American trade with China, ginseng helped solve the problem of finding something which the Chinese would accept in exchange for their silk and tea, which were as popular in America as in Britain. Silver, however, always formed part of American cargoes, and as America was less able to afford this than Britain, this led to a world wide search for other alternatives acceptable to the Chinese, and to the most notable period in America's maritime history. Many American voyages to the Pacific and South Seas at this time led to important geographical discoveries, some of/ which

had even more important political developments.

The most notable voyages were to the north west coast of America and to the South Seas, in search of the sea otter and seal skins so highly valued by the mandarins at Canton. The history of the Canton fur trade is a long record of daring navigation and seamanship; but its dark side is the near extermination of the sea otters and seals of the Pacific coasts of America. Between 1793 and 1797 some 3,500,000 seal skins are estimated to have been brought to Canton by American ships, and the number of sea otter skins must have been equally large.[67] By the 1820s the fur trade was almost ruined, which led to the exploitation of other trades from the South Seas, including the sandalwood trade.

By the 1780s when the first American ships arrived at Canton, the East India Company had come to regard the China trade as its natural preserve, and resented American intrusion. Not only did the newcomers take over the Company's trade with the former colonies, but they also invaded the European and country trades. Britain's supremacy had bred complacency, and American ships were superior to, and run more efficiently then, East Indiamen. The 'Clandestine Trade' (described below), encouraged them in the trade to Europe; and opposition to the Company's monopolies from British manufacturers in the provinces - the Company being London oriented - encouraged them to trade at provincial ports.

There is a clear distinction between the official attitude of the Company to American ships, and that of its servants in their private capacities. While the Company was hostile, many of its servants - before retiring to Britain - found them indispensable, especially those retiring after long service in India. These officials were faced with the problems of transferring their wealth

home. In early years when only modest sums were involved, it had been possible to do this by means of bills drawn on the Company in London. As private fortunes increased, however, this became increasingly difficult, as the amount which could be transferred in this way was limited.[68] Because of the manner by which these private fortunes had been amassed, the officials concerned were anxious not to let the Company know of these transactions. The solution lay in using foreign ships to take this to Europe in the form of Chinese goods, mainly tea. This was known as the 'Clandestine Trade', and American ships were well placed to play the major part in this. They came across the Atlantic, and most called at Calcutta before going on to Canton, and at European ports on at least one leg of their voyage. The Company's Bengal servants, therefore, were able to use American ships to avoid the restrictions on the transfer of funds to Britain.

So far as the China coast and interport trade of Asia is concerned, however, it was the operations of the country ships which were of greatest importance, supplemented by the private trade of the commanders and officers of the East Indiamen. In spite of the Company's efforts to control this, it had attained considerable importance by the 1820s. Morse illustrates that in 1826 it amounted to $2,091,000 (approximately £437,843), 13.7 per cent of the total.[69] The table shows that almost all these private imports came from India or South-east Asia, while all exports went to Britain. The inclusion of tea is surprising, as the Company was strict in upholding its monopoly of the tea trade; but as William Hickey described in his memoirs, evasion by its commanders was not uncommon.[70]

The principal Indian ports in the country trade were Bombay and Calcutta, with Madras of minor importance. The Bombay

ships carried most of the raw cotton exported, and the Calcutta ships the opium, rice and a little cotton, and all called in at Straits ports and sometimes Indonesian ports en route to and from Canton. East bound they loaded tin, pepper, sandalwood, betel-nut, beche de mer, and birds' nests; and west bound discharged tea, silks, nankeens, chinaware, and tutenage, the latter a white metal not unlike aluminium. The country trade, therefore, linked India and China with much of South-east Asia.

The Straits of Malacca, Indonesia, and the Canton River estuary, were all infested by pirates, and well armed ships were necessary. Ships making a direct passage between India and China, however, could use the longer route by the Strait of Sunda, in order to avoid the dangers of the Straits of Malacca.

As British-Indians, the Parsees played an important part as shipbuilders and shipowners in the country trade, sometimes - as we have noted earlier - in partnership with English or Scottish merchants. Because of their Zorastrian religion, the Parsees had been forced to leave Persia in the late seventh century, after the Arab conquest, and many settled in Bombay. Their enterprise and commercial expertise soon made them a powerful force in Bombay. It was Parsee shipbuilders in Bombay and Calcutta who built many of the finest opium clippers of the 1820s, 30s and 40s.

Several Parsees came to Canton early in the nineteenth century, and their numbers increased as the country trade prospered. In 1833, the last year of the Company's monopoly, there were fifty-two Parsees, including servants, there. At that time the total foreign population of Canton, excluding Portuguese, was 145, which included thirty one Company servants, thirty five private British merchants, and fifteen Americans.[71] Out of the 118 British subjects, therefore,

nearly fifty per cent were Parsees.

The Parsees, being Asians, were exempt from some of the restrictions imposed on foreigners at Canton, and this made them especially valuable to their British associates. As a result, alliances originally forged in India, were strengthened and extended at Canton. The most notable of such was that between Jamsetjee Jeejeebhoy and Sons of Bombay, and Jardine, Matheson, and Company.

The Parsee skill in shipbuilding illustrated another contradiction between Company and national policy. Before the development of Bombay, Surat had been the principal port and shipbuilding centre on the west coast of India. After building several ships for the Company there, the leading Parsee shipbuilder Lowjee Nusserwanjee, was persuaded to move to Bombay and establish a shipbuilding industry there, which was accomplished by 1735. This soon became the most famous shipyard in India, with Lowjee's sons and grandsons carrying on and extending the business. A drydock was built in 1754, which proved so successful that a second followed in 1760.

At this time the growing shortage of timber in Britain made the Admiralty favourably disposed towards building naval ships in India; while the Company, although employing several Indian built ships itself, wanted to prevent Indian shipping companies employing Indian built ships in trade between Britain and India. On occasions during the French Wars concessions were made to India companies, as in 1795 when the Company chartered twenty seven large Indian ships to convey much needed rice to Britain, and also to return with British goods. When the crisis passed, however, these ships were banned from the home trade, much to the regret of their owners.

The Bombay and Calcutta shipyards continued to build naval and merchant ships into the era of steam; but when iron replaced wood, Britain was more favourably situated. Although Indian yards continued to operate successfully, their greatest days were over. Thirty of the ninety nine opium clippers in Basil Lubbock's Register were built in India, most in Calcutta, which by this time had succeeded Bombay as India's principal shipbuilding centre, and these included Jardines' famous Red Rover and Lady Hayes, and Dents' Sylph. [72]

The success of the opium clippers in beating the monsoons, and the extension of the country trade to additional ports in South-east Asia, altered the pattern of trade at Canton. In 1832 seventy-four British ships visited Canton, of whom several made two, and three - including the Red Rover - made three voyages. The total arrivals that year was eighty five; of whom nine were from London, thirty one from Bombay, twenty four from Calcutta, two from Madras, and eight from Manila. One came from New South Wales, and the rest from other ports in South-east Asia, and almost all called at Singapore en route to and from Canton.[73] Although the majority still arrived and departed with the monsoons, Table No.7 shows that there was no month in which no ship arrived or departed.

It is obvious from the schedule in Table No.7 that several of the Eight Regulations supposed to govern trade at Canton were being broken. Number Two, confining trade and residence to the official trading season between September-October and March-April, and Number Eight requiring all ships to work cargo at Whampoa. These regulations had been increasingly disregarded for years, the former by private British merchants assuming posts as consuls, or vice-consuls, for foreign countries, which excused them from the residential

/

restrictions. The latter had been disregarded by the country ships using Lintin and other outer anchorages in the Canton River delta for discharging opium, and sometimes for other cargo as well.

The practice of private British merchants taking quasi-diplomatic posts was common at this time. Thomas Beale and his partner Charles Magniac (predecessors of Jardine, Matheson and Company), for instance, became Prussian Consul and Vice-Consul in 1797 and 1801 respectively; while W.S. Davidson of Dent and Company was Portuguese Consul, and his partner Thomas Dent Sardinian Consul. The most notable instance of all, however, was that of James Matheson, co-founder of Jardine, Matheson and Company, who was Danish Consul for several years, and actually took out papers as a Danish subject.[74] Other British merchants represented the not too important interests of Genoa, Hanover, Poland, and Sicily.

The Select Committee of the East India Company was much perturbed by this practice, which removed so many British merchants from its control. The Company itself was scrupulous in observing the Eight Regulations, and it was the country firms and the extension of the country trade which led to the disintegration, and eventual collapse, of the Canton Commercial System. The ever increasing expansion of the China trade as a whole, however, as illustrated in Table No.2 was making it more and more difficult for Canton to accommodate all the shipping involved.

This Table begins in season 1794-95, and then includes two seasons twenty and forty years later, and illustrates the expansion of both British and American trade over the whole period. Morse gives further particulars of the final season's shipping. Of the 189 ships of 97,693 tons which called at Canton that season, 107 of 64,493 tons were British, approximately 66 per cent of the

total. Twenty five of the British ships were Company ships, and the others country ships; and of the latter twenty two of 26,417 tons went to Whampoa with general cargo, sixteen to Whampoa with rice, and the remaining forty four whose cargo was mainly opium only went as far as Lintin. Of the twenty five Company ships, twenty two of 26,417 tons loaded tea for London, and the remaining three of 1,750 tons for Halifax and Quebec.[75] In that season, some 24,000 chests of opium valued at $11,618,716 (approximately £2,420,575) were imported.[76]

The United States was now Britain's only important rival in the China trade, and the afore-mentioned Table shows that in the final year of the Company's monopoly, fifty nine American ships of 24,000 tons approximately, called at Canton, some 24 per cent of the total. This left only some 10 per cent to be divided between the other countries participating in the trade. The abolition of the East India Company's monopoly of the China trade in 1833 meant the end of the 'Old China Trade'.[77] During the three quarters of a century this system had been in operation, British trade and shipping increased many times over. The greatest increase in shipping was in the country trade, the trade between India and China. An important feature of the succeeding treaty port system, would be an increase in trade between Britain and China, and a relative decrease in importance of the India-China trade. This validated the argument of those who had advocated the abolition of the East India Company's monopoly, that the Company's operations were inimical to British commerce.

For most of the period considered in this introduction, between 1757 and 1833, Britain was at war - sometimes with France or Spain, or with both combined, and between 1776 and 1784 and 1812 and

1813 with the United States. The eighteen years between Waterloo and the abolition of the Company's monopoly, was the only long period of peace. Britain's control over the maritime route to the Far East, however, achieved at the beginning of the period, resulted in France, Spain, and Holland, being eliminated as serious rivals in the India and China trades.

The wars put a decisive end to any Dutch hopes of competing seriously with Britain in the China trade. Dutch insistence on her eastern trade passing through Batavia, combined with her failure to recognise the importance of the tea trade, were serious mistakes. Transhipment of tea at Batavia spoilt its delicate flavour, something which was realised too late. Her alliance with France and Spain in the War of American Independence nearly a century later, brought the Royal Navy's power against her trade in the Far East. Certain Dutch historians call this war the "Fourth English War". Dutch possessions in the East and West Indies were defenceless against the Royal Navy, her losses in merchant ships were immense, and all her trading stations in India and on the west coast of Sumatra fell to Britain.

Britain had already shown her disinterest in territorial possessions at the Treaty of Paris in 1763, after the Seven Years War. Manila - which had been occupied from 1762 to 1764 - was returned unconditionally to Spain; and Pondicherry to France, the latter, however, on condition that no French troops were introduced into Bengal. French policy after this war mistakenly concentrated more on rebuilding her military strength so as to defeat Britain in the next war, than on rebuilding her commerce.

By the American War of Independence, the Dutch East India Company was on the verge of the bankruptcy which was to overwhelm

it in 1798. The Dutch Company suffered from many of the defects of the British Company, but to a greater extent. The American historian, Holden Furber, exaggerates when he describes the Dutch Empire in the East after this war as "a client empire of either the British or the French".[78] Dutch experience in the Napoleonic Wars, when British forces occupied Java from 1812 to 1816, accentuated Dutch decline. The Anglo-Dutch Treaty of 1824 was the final attempt to end the rivalry and hostility between the two nations in the East. This treaty confirmed the Convention of 1814, under which Britain agreed to restore the Dutch empire in Indonesia, on condition that the Dutch withdrew all objections to the British occupation of Singapore. The Dutch also ceded Malacca and their factories in India to Britain, while Britain ceded Bencoolen and all the East India Company's possessions in Sumatra to the Dutch. During this whole period, and in spite of the almost constant wars, British - and especially Indian - trade with China steadily increased, leaving Britain the dominant commercial and naval power in the Far East when peace came in 1815.

While Britain was developing her trade with China by sea from the West, Russia was approaching from the opposite frontier of the Empire, from the north-east through Siberia and Mongolia. Because each was working within a different political context, each had to work out an administrative framework for its China trade, and these invite comparison. The Russian approach across Siberia by Cossacks, explorers, and missionaries, almost paralleled in time that by the Western maritime powers by sea round the Cape of Good Hope, across the Indian Ocean and by the South China Sea. The Treaties of Nerchinsk and Kiahkta of 1689 and 1727 respectively, the first between China and foreign countries, established the Sino-

Russian caravan trade through the twin cities of Kiahkta and Mai-mai-ch'eng on a much more regular basis than had been the case previously.[79] The first of these treaties was more political than commercial in nature, and established the Russian mission to Peking which continued in existence right down to modern times. The latter, the Treaty of Kiahkta, regulated the caravan trade more specifically, restricting it to one caravan of not more than 200 men per year; but neither restriction seems to have been observed too rigidly.[80] At that time the staples of the trade were Russian exports of furs and woollen cloth, and Chinese exports of cotton cloth, silk, and rhubarb, with tea of only minor importance.

Apart from the Sino-Russian trade being a land trade and the Sino-Western trade a maritime trade, the other main contrast was that the former was a barter trade, although artificial means were sometimes resorted to in order to maintain the balance. As in her trade with the West, China always tended to have a favourable balance of trade during this period, and this increased as her tea exports increased steadily and rapidly after the establishment of the Kiahkta trade. Until 1785 tea only constituted some 15 per cent of Russia's imports from China; but from then increased rapidly, amounting to 49 per cent at the end of the century and in 1825 to 87.3 per cent of the total, at the same time China's exports of cotton cloth to Russia declined from over 80 per cent of total exports to only 8 per cent. Translated into sterling values, at the end of the eighteenth century Russia was importing about £250,000 of tea, and Britain a little over £1,000,000.[81] In 1854 the Russian Government altered the rules of trade to allow accounts to be settled in gold and silver, and immediately the balance of trade went in China's favour, in the period 1854-1861 Russia annually exporting goods to

China worth 4,825,000 silver rubles plus an annual export of 2,164,000 silver rubles.

The presence of the Kiakhta trade in the north of the Chinese Empire and the Canton trade in the south, for most of the eighteenth and for the first half of the nineteenth century, had little relevance to Britain's China trade. Chinese policy, in fact, was to ensure that the two trades were completely isolated from each other, as is illustrated by several events at Canton in the late eighteenth and early nineteenth century. In 1791, the Select Committee of the East India Company announced that a 'Chop' had been issued by the Hoppo, prohibiting the import of Sea Otter skins, because it was suspected that these might have been bought from the Russians with whom no intercourse was allowed in the south.[82] Again on December 2, 1805, the Russian ship Nadeja arrived at Canton after a two and a half years' voyage from Kronstadt. This had taken her via Falmouth, round the Cape of Good Hope to Nagasaki, where the Russian embassy she was carrying endeavoured to open diplomatic and trade relations with Japan. After a six months fruitless stay at Nagasaki, the Nadeja went on to Petropavlosk on Siberia's Pacific coast where the embassy was landed to return overland to Moscow. Here the Nadeja was joined by another small Russian ship, the Neva, which had a cargo of furs. The two ships then proceeded to Canton, where it was hoped to trade the furs for a homeward investment. This proved impossible, however, and the two ships eventually had to leave without achieving any success. According to the Select Committee, who had tried to intervene on the Russians' behalf: "It seems that His Imperial Majesty expressed much surprise and displeasure that the Russians should seek to establish any other commercial intercourse with the Chinese, beyond that which they were

permitted to carry on at the frontier at Kiakhta, and to which inland trade it is His Majesty's pleasure that they should in future strictly confine themselves".[83]

A similar situation arose in October 1814 when another Russian ship from Archangel arrived in the Canton River, after having called at Pedir on the north coast of Sumatra, with a cargo of betelnut and 60,000 dollars in specie. On this occasion, however, the ship managed to trade at Chuenpi in the estuary, where the system of trade at the outer anchorages was in full swing, in spite of official remonstrances from the Viceroy and Hoppo at Canton. On February 15, 1815, the Select Committee recorded that "the Government have constantly refused her permission to enter the River. We understand she has however found means to deliver the Betelnut and take on board a cargo of Teas. She now lies at Chuenpi surrounded by the War Boats, who have shown such activity in detaining all English Boats; while the Ship which they were ordered to drive away, has loaded and unloaded with as much regularity as if she was at Whampoa".[84]

Russian trade and diplomacy, however, became of some concern to Britain in the treaty port era. This was especially so after the opening of the Yangtze to foreign trade, when Russian imports of tea from Hankow became an important feature of the Yangtze trade system. Russian trade on the Yangtze will be described in Chapter 3. It never, however, posed any serious threat to British predominance in the China trade as a whole, and her aims and ambitions in the north east, especially in Manchuria, were always of much greater concern to Japan than to Britain.

REFERENCES FOR INTRODUCTION

1. S. COULING. Encyclopedia Sinica. (Shanghai 1917) p.508, quotes official statistics of October 16, 1915. These give the foreign population of the International Settlement as 18,518, of the French Concession as 2,405, a total foreign population of 20,924. Of these 7,387 were Japanese, 5,521 British, 1,468 American, 1,425 German, 1,352 Portuguese, 1,027 Indian (British), and 608 French. The Chinese in the Settlement and Concession numbered 787,934, and the total population of Settlement, Concession, and Chinese city was 1,500,000.

   R. MURPHEY, Shanghai, Key to Modern China (1953) p.121 gave the following statistics:- 25,585 foreigners and 1,120,860 Chinese in the International Settlement; 18,899 and 479,194 in the French Concession; and 10,123 and 2,089,000 in the Chinese city. These three areas constituted Greater Shanghai, and gave it a total population of 3,743,761.

2. At Washington on 13 January 1943, China and the United States and China and Britain signed what were called 'New Equal Treaties'. These abrogated all previous treaties between these countries. Extraterritoriality was abolished for Americans and British, and their rights in the International Settlements at Amoy and Shanghai, and the ports still under foreign jurisdiction rescinded. This was the restoration of China's integrity as a sovereign state, and the official end of the treaty port system.

3(a) In 1883, after a journey across the south western province of Yunnan, A.R. Colquhoun wrote "there can be no doubt of the mineral wealth of this province. Some millions of people are waiting to be clothed with British piece goods, and to receive the manufactures of England. Inreturn they will give us the finest tea drunk in China, cotton, silk, and petroleum, and the most useful and precious metals to an extent which will be enormous ...."

3(b) In 1890 a leader in The Times commented after Chungking had been made a treaty port "The Yangtze basin of more than half a million square miles would, if trade with Great Britain were properly developed, keep the mills and furnaces of the whole United Kingdom in constant employment". 9.4.1890.

4. R. DAVIS. The Rise of the English Shipping Industry in the Seventeenth and Eighteenth Centuries. (1962) p.81

5. Table No.36 lists British shipping companies engaged on the China coast.

6. Scotts' of Greenock. Appendix 8 describes the Clyde-China relationship.

7. Until recently it was thought that the Silk Road from China to the West began to be used during the first century B.C. New evidence recently uncovered in the Sinkiang region of

north west China, however, shows that it was several centuries earlier. Chinese silk and lacquer dating between 770 and 221 B.C. has been discovered there. Xinhua News Agency Bulletin, Peking. 14 November, 1979.

8. H.W. Rawlinson, surveys the history of the Flanders Galleys in 'The Flanders Galleys' M.M. vol. 17. 1926. pp195-268

9. W.C. Cunningham. The Growth of English Industry and Commerce. (1896) p.478

10. Niels Steengaard. The Asian Trade Revolution of the Seventeenth Century. (1973) p.9

11. At this period, and for another three centuries, 'factory' implied 1, a group of merchants established at a foreign trade centre for regular trading, or 2, the building in which they dwelt and carried on business. This was a very old practice, and the result of the trading conditions then prevalent. In Britain the most familiar example was the Hanse factory in London. The first overseas European trading factory was that of the Portuguese on Arguim Island, off the West African coast, established in 1448.

12. T.T. Chang. Sino-Portuguese Trade 1514-1644. (Leyden 1934)

13. Henry Yule. Cathay and the Way Thither. (1866) 1, p.180.

14. The quintal was the Portuguese hundredweight of 130 pounds, or 51.405 kilograms (C.R. Boxer. The Portuguese Seaborne Empire. (1969) p.59

15. This trade is described in C.R. Boxer, The Great Ship from Amacaon, 1555-1640 (Lisbon 1963)

16. Delmer Brown. Money Economy in Medieaval Japan. (1955) pp. 55-56. In 1593 the ratio of gold to silver in Japan was 1 to 10, and later 1 to 12 or 13; while the corresponding ratio in Spain was between 1 to 12½ and 1 to 14. At Canton it was as low as 1 to 5½, and seldom above 1 to 7. A ton in this connection means a shipping ton, the space which could carry sixty cubic feet of cargo, so that the largest of these vessels could carry nearly 72,000 cubic feet of cargo. In his The Manila Galleons (1900) p.198, W.L. Schurtz has a table of dimensions of galleons built in the Royal Arsenals, which was printed in 1724. The largest of 1,534½ tons was 174 feet long on deck, with the keel 145 feet long, beam of 49 feet and depth of hold 25 feet. The apparent top heaviness of the galleons was at least partly offset by their beam, which was over 28% of the length of deck.

17. C.R. Boxer, The Portuguese Seaborne Empire (1969) p.207. The carracks, or Naos, of the sixteenth and seventeenth centuries were large frigate type vessels. The distinction

between a carrack and a galleon was that the former was broad, bluff, and heavily built, with large castles fore and aft, and lightly gunned. The galleon, on the other hand, was longer and narrower with more modest superstructures, and usually more heavily armed. In practice the distinction between the two was often blurred.

18. J.H. Parry. The Spanish Seaborne Empire (1966) pp. 234-235.

19. Anglo-Dutch commercial rivalry in the Far East is treated comprehensively in R. David, English Merchant Shipping and Anglo-Dutch Rivalry in the Far East (1962) and H. Furber, Rival Empires of Trade, 1600-1800 (1976)

20. John K. Fairbank, Edwin O. Reischauer, and Albert M. Craig, East Asia: The Modern Transformation. (Tokyo 1965) vol. 2, pp. 28-29, and p. 118.

21. W.C. Cunningham. The Growth of English Trade and Commerce. (1896) p. 478.

22. R. Muckerjee. The Rise and Fall of the East India Company. (Berlin 1958) pp. 55-56.

23. K.N. Chaddhuri, 'The East India Company and the Export of Treasure in the Early Seventeenth Century', E.H.R. XVI p. 24.

24. Morse, Chronicles, 1 p. 3

25. J.M. Scott, The Tea Story (1965) p. 17

26. The Diary of Samuel Pepys, A New and Complete Transcription. Edited by R. Latham & W. Matthews, (1970) p. 115.

27. Scott, p. 17

28. Morse, Chronicles 1, p. 9

29. Table No.5 shows tea imports into the United Kingdom 1700-1805.

30. D.K. Bassett, 'The Factory of the English East India Company at Bantam, 1602-1682', unpublished Ph.D. thesis, School of African and Oriental Studies, University of London, 1955.

31. The rial, or 'rial of eight', the official name for the Spanish "Piastra fuerte" ultimate origin of which was the Royal Mint at Seville.

32. Bassett, p. 85.

33. India Office Records, Original Correspondence Vol. 18, No.1792, p. 2.

34. C.R. Boxer, 'The Surprisal of Goa's Bar', M.M. vol. VI 1930, p.5

35. Morse, Chronicles I, p. 64.

36. Barlow's Journal of his Life at Sea in King's Ships, East and West Indiamen, and other Merchantmen from 1659 to 1703, edited by B. Lubback, 2 vols., (1934) II, p.151

37. See Table No.5

38. Morse, Chronicles 1, p.284

39. The Hoppo was the Chinese official in charge of customs and trade at Canton, usually a grandee from Peking. His official designation was Hai Kwan Pu, corrupted by the British into Hoppo.

40. Previous Manila galleons captured by the British were the Santa Anna by Thomas Cavendish in 1587, the Encarnacian by Woodes Rogers in 1709, and after Anson, the Santissima Trinidad by Admiral Cornish in 1762. The Dutch, on the other hand, in their long struggle with Spain never succeeded in capturing a Manila galleon. In other respects Anson's voyage was a disaster. By the time Canton was reached only 211 men of the original 1939 were left, forty five of whom were seamen, 1051 having died, mainly from disease and exposure. Much of the blame for this lay in the inadequacy of manning and provisioning, and because many of the men were invalids, press ganged into service. Much of the above has been obtained from Leo Heaps, The Log of the Centurion (1974).

41. H.B. Morse was an American, who served for many years in the Chinese Maritime Customs, and made a lifetime study of China's foreign trade and foreign relations. His most important works are, The Chronicles of the East India Company Trading to China, 5 vols., (1926-29), and The Trade and Administration of the Chinese Empire. (1920)

42. For the position of the Danish company see O. Feldbaek, India Trade under the Danish Flag (Odense, Denmark. 1969) (Privately printed Aberdeen 1966)

43. A.A. Cormack. Susan Carnegie, 1744-1821. Her Life of Service.

44. Morse estimates factory expenses as totalling Tls.85,829 in 1821, (approximately £28,609) made up of Tls. 57,110 for factory expenses, Tls. 2,427 for charges extraordinary, Tls.24,871 for charges on merchandise, and Tls.1.421 for expenses on H.M. ships. Chronicles IV p.3, and for 1822 as totalling Tls. 82,520 (approximately £27,507) made up of Tls. 60,934 for factory expenses, Tls. 17,510 for charges on merchandise, and Tls. 4,176 for charges extraordinary. Chronicles IV p.53.

45. C.N. Parkinson elaborates on this theme in Trade in the Eastern Seas, 1793-1813. (1937).

46. BPP 1840 XXXVI (631) p.11

47. Morse, Chronicles III p.344 and IV p. 181.

48. BPP 1847 V p.iv

49. Maurice Collis, Foreign Mud (1946) p.70

50. See Glossary for description of 'chop'.

51. Morse, Chronicles II, pp.45-47.

52. Morse, Chronicles IV, pp.48-49.

53. Collis, p.67, called after Consoo Hall, the Cohong's council chamber.

54. See Glossary for description of 'country ships' and 'country trade'.

55. Morse, Chronicles II, pp.45-47.

56. M. Greenberg, British Trade and the Opening of China (1951) p.41

57. Summarised in Table No.4

58. W. Hickey, Memoirs of William Hickey (edited by P. Quennell) (1975), W.C. Hunter, The Fan-Kwae at Canton Before Treaty Days (1911). The description of Canton and the 'Old China Trade' following, is largely based on M. Collis, Foreign Mud (1946), M. Greenberg, British Trade and the Opening of China (1951), and Morse's Chronicles.

59. Term applied to wealth obtained by private (often illicit trade), which can be loosely equated with 'pidgin' and 'squeeze' in China, for which see Glossary.

60. See p. cxxi

61. In 1830, for instance, petitions came from Hull, Leeds, Limerick, Glasgow and Plymouth, and there were debates in both Houses of Parliament on the renewal, or non-renewal of the charter. Hansard's Parliamentary Debates (New Series) Vol. 22.

62. Journals of the House of Commons, Vol. LXVIII, pp.113, 114, 245, 273, and 332.

63. In giving evidence before a House of Commons Select Committee on Manufactures, Commerce, and Shipping, Mr. John Ewart (a merchant of Liverpool) said that the merchants of Liverpool entertained great expectations from the opening of the China trade, and that during the China monopoly American vessels, and one great house in Boston (Russell and Company) had taken out whole cargoes at a time of our woollen goods to Canton. BPP 1833 VI p.255

64. No complete statistics are available for American shipping and trade between 1784 and 1844. For the first ten years the most reliable are in W. Milburn's Oriental Commerce

(1813), and for the remaining years in the estimates of the Senate Finance Committee in House Document 137, 19th Congress, 1st Series. Details of the Empress of China's cargo are from F.R. Dulles', The Old China Trade (1974) pp. 4-6 and other shipping statistics from his Appendix p. 210. Dulles got his information from Milburn and from House of Congress documents.

65. Milburn II p. 531.

66. After 1772 the method of calculating the tonnage of East Indiamen was to multiply length of keel by extreme breadth, and the product by half the breadth, finally dividing by seventy four. Depth of hold was not considered, and owners were tempted to increase this without compensation elsewhere, particularly in beam. The result was a long, deep, cranky vessel, much too narrow for her size. East Indiamen were inferior to warships in this respect, as the latter had to be broad enough to allow for the recoil of their guns. American tonnage was calculated by a different method. In other trades than the Far Eastern, however, British ships compared in size with American. In The Rise of the English Shipping Industry in the Seventeenth and Eighteenth Century (1962) Professor R. Davis gives examples where British ships had even smaller crews than those of the American ships noted above. The Pearl of seventy tons, when trading round the North Sea in 1720 had only a master, mate, and crew of three; and when going further afield to Portugal or the Mediterranean carried an additional hand. During a sitting of the House of Commons Select Committee on the Affairs of the East India Company on 1 March 1830, J.F. David (a member of the Company's Select Committee at Canton, and later Governor of Hong Kong) states that the number of hands to navigate a Company ship was in the proportion of about ten per 100 tons. When told by the Chairman of the Committee that the proportion in private British and in American ships was about four per 100 tons, he replied that he was not aware of this (BPP 1830 Vol.XLV (644) p.1). After the abolition of East India Company's monopoly of the China trade in 1833, however, and for the remainder of its active life, there was a marked improvement in the manning and performance of Company ships. East Indiamen were fully armed, and - to laymen - indistinguishable from men-of-war. H.C.S. Hope built in 1797 carried thirty eight guns, her length between perpendiculars was 194'0", and of keel 144'0", extreme breadth 43'6", depth of hold 17'5", and tonnage of 1,498.

67. F.R. Dulles, The Old China Trade (Boston 1930) describes the seal fisheries at this period.

68. In 1783 the amount involved was estimated at £1,000,000 per year, and to have increased to £1,500,000 within ten years.

69. Morse, Chronicles IV, p.143 and Table No. 3.

70. Hickey, pp.139-140.

71. Morse, _Chronicles_ IV, p.346

72. Basil Lubbock, _The Opium Clippers_ (1946) p.383

73. _Ch. Rep._ Vol.2 1833-34. p.299

74. A copy of James Matheson's oath of allegiance to the King of Denmark is preserved in the Jardine Archives.

75. Morse, _Chronicles_ IV, p.342

76. Ibid p.349

77. The monopoly actually ended when the last ships of the 1833-34 season left Canton in the spring of 1834.

78. Holden Furber, _Rival Empires of Trade in the Orient, 1600-1800_ (1976) p.178

79. Kiakhta was on the Russian and Mai-mai-ch'eng on the Chinese side of the frontier, some 100 miles south of Lake Baikal.

80. The study of the Sino-Russian Kiakhta trade has been almost completely ignored by Western scholars, and much of the information here comes from M. Mancall 'The Kiakhta Trade', _The Economic Development of China and Japan_, edited by C.D. Cowan (1964) pp. 19-48.

81. 'The Kiakhta Trade', p.42

82. Morse, _Chronicles_ II, p.185.

83. Ibid III, p.2

84. Ibid p.206

CHAPTER 1

First ventures in the China Coast trade, First China War and the beginning of the treaty port era. The agency house system, and the part played by the Cantonese in the development of the coast trade. Approximately 1800-1856.

The first ventures in the China Coast trade took place in the early nineteenth century, during the breakdown of the Canton Commercial System, and the abolition of the East India Company's monopolies of the Indian and China trades in 1813 and 1833 respectively. This was a time of great expansion in the China trade, not only of the tea and opium trades; but of trade in general. It took place against the background of a disintegrating China. By the late eighteenth century, China had entered one of its periodic phases of dynastic decline, with the death in 1795 of Chien Lung, her last great Emperor. Chien Lung reigned for over sixty years; but was senile during his last years. The weakness and corruption of the central government at Peking, and of the provincial authorities at Canton, and the absence of an effective naval force, made it possible for foreign traders to ignore the ban on the opium trade and on the restrictions of foreign trade to Canton.

The first and most important alternative to Canton was Lintin Island, at the mouth of the Canton delta some seventy five miles below Canton. The country ships discharged their opium at Lintin, and then continued to Canton to discharge their legitimate cargo and load export cargo. The freedom from restrictions at Lintin, however, soon resulted in more and more of the country trade being conducted there, beyond the restrictions of the Canton

customs and other authorities. Opium, and an increasing amount of other goods were discharged into receiving ships at Lintin, from where they were smuggled into Canton and other nearby ports by fast 'crab' boats.[1] By 1821 there were twenty five receiving ships at Lintin, and between one and two hundred crab boats. To begin with, the latter delivered their cargoes to places within the Canton River delta, that is within the system of waterways to the north and west of Canton. This is the real beginning of the China coast trade, and began in 1821, when for a short time the Chinese succeeded in stopping the opium trade at Canton itself. During the twenty years before 1842 when opium accounted for some two thirds of British imports, practically all opium was discharged at Lintin, and by the early 1830s, therefore, more trade was conducted at Lintin than at Canton.[2]

It was the agency houses and country firms, the two are almost synonymous, by this time firmly established at Canton and Macao, who were responsible for developing trade at Lintin, and later extending it to other ports up the coast. Three firms in particular led the way, the British firms of Jardine, Matheson and Company, and Dent and Sons; and the American firm of Russell and Company.

The agency house system originated in British India, and was probably the most important single factor in the development of the China coast trade in its early years. Agency houses were private firms, which not only invested in shipments of goods themselves; but also managed such shipments, and ships, insurance, and sales for other parties on a commission basis. They were often a combination of Parsee and British-Indian merchants, many of the former having had experience of the India-China trade in the pre-British era.

era. Over and above the agency houses and licensing them was the East India Company.

The agency houses acted on behalf of merchants in Britain as well as India, from whom they received cargoes on consignment to be sold on a commission basis. They also sometimes bought and sold on their own account, but were primarily middlemen. They provided all the necessary services on behalf of their correspondents - buying and selling, chartering ships, handling freight, insuring cargoes, remitting funds, etc., and charging a fee or commission for every transaction. In this manner Jardines, Dents, Russells, and others, acquired fleets, established insurance companies, and carried on banking operations. Paradoxically, this development of free trade grew up within the monopolistic framework of the Canton Commercial System.[3]

The development of the coast trade can best be illustrated by describing the operations of the largest and most important of the agency houses. Jardine, Matheson and Company employed many of the practices which made the trade unique, and - in fact - pioneered most of these. They included the use of flags of convenience, of partners holding quasi-diplomatic posts, and close relations with associates in London, India, Manila, and elsewhere. During the closing years of the Canton system, Jardines' were known as 'the Firm', while the East India Company was known as 'the Company'.[4]

Under the name of Jardine, Matheson and Company, 'the Firm' came officially into existence in 1832, by which time William Jardine and James Matheson had been trading at Canton individually and with 'the Firm's' predecessors for several years. The unofficial trading system at Lintin had also by this time settled into a

regular pattern. There had also already been ventures in the coast trade by 'the Firm's' predecessors. The first was that of the Anna Felix in 1806.[5] This Spanish sailing ship was chartered by Beale and Magniac to take a cargo of opium from India to Amoy, where Spanish ships enjoyed privileges denied other foreign ships. The opium was expected to command a much higher price at Amoy than at Canton; but the local authorities demanded such exhorbitant fees that the ship returned to Canton without making any sale.

There were other isolated attempts to develop trade north of Canton between 1806 and 1823, but all were failures. Then in 1823 James Matheson, at this time a partner in the Spanish firm of Yrissari and Company, sent the 200 ton Spanish brig San Sebastian to Chinchow Bay, near Amoy, with a cargo of opium.[6] Although the profits on this occasion were not large, Matheson thought the prospects encouraging enough to warrant further ventures.

James Matheson always considered himself the pioneer of the China coast trade. Although it is difficult to decide on a precise definition of the China coast trade, or to distinguish between a coast voyage and a voyage in the interport trade of Asia, Jardine, Matheson and Company's Fairy is a strong contender for the title of 'the first China coaster'. The Fairy ran regularly between Lintin and Chinchew Bay for several years in the early thirties, some ten years after the voyage of the San Sebastian. In the interval, however, there had been other ventures by Jardines' rivals, Dent and Sons and Russell and Company, and by Jardines also. This prompted James Matheson to write as follows: "We have reason to regret that, being the originators of the coasting system, the competition of our neighbours has permitted us to enjoy the advantages of it so little".[7]

Another more important series of coast voyages began in 1832, with that of the East India Company's Lord Amherst, and it was these which laid the foundation of the China coast trade. Although consumption of Indian opium had been increasing rapidly before 1832, production in India had been increasing even more rapidly. In the season 1823-24 when the San Sebastian made her venture, 7,082 chests costing $8,515,100 (approximately £1,773,971) had been imported, and in season 1830-31 the amount was 18,760 chests costing $12,900,031 (approximately £2,687,506).[8] Imports, therefore, had increased some two and a half times, while the cost per chest had fallen from a little over $1,220 (approximately £254) to a little under $688 (approximately £152). This made it necessary to find new markets outside the Canton region, and although this was primarily the concern of the private merchants, led by Jardine, Matheson and Company, the Lord Amherst's voyage was significant.

This took place between February and September 1832, and was led by H.H. Lindsay, one of the Company's supercargoes at Canton. The voyage was authorised by Charles Marjoribanks, the President of the Select Committee; but without the knowledge - let alone approval - of the Court of Directors in London, or of the Chinese authorities. The object was to investigate the possibilities of trade at ports north of Canton. The Reverend Charles Gutzlaff accompanied the expedition as interpreter, and both he and Lindsay wrote exhaustive accounts.[9]

It had been intended to employ the Company's own sloop of war Clive on the expedition, but her commander refused to sail under a civilian, and so the Lord Amherst, a schooner of 350 tons was chartered from her consignees for $2,500 per month.[10] Sailing under Company colours, the Lord Amherst carried no opium; but had an

assortment of 223 bales of cotton and woollen goods with which to test the market. This seven months voyage was the most thorough investigation of the coast up to that time. Swatow, Amoy, Formosa, Ningpo, Chusan, Shanghai (which Gutzlaff even then considered as important as Canton), Wei-hai-wei, and finally Korea were all visited; while on the return passage to Macao a call was made at the Loochow Islands.[11] At every port the Lord Amherst was refused permission to trade; but allowed to purchase provisions and water, and Gutzlaff to distribute his missionary tracts and treat the sick.[12] Both he and Lindsay, however, thought the merchants and general public favourably disposed towards foreign trade, and only the mandarins hostile, and determined to obey the Imperial Decree confining foreign trade to Canton.[13]

A month after his return to Macao, Gutzlaff was employed by Jardine, Matheson and Company to accompany the Sylph in a similar capacity. On this occasion the principal cargo was opium; but there was also a consignment of cotton goods worth £4,000, and Gutzlaff's missionary tracts and medicines. The Sylph went to Shanghai and Tientsin; but her voyage was only moderately successful. Two voyages immediately afterwards, however, were much more profitable, in each case the opium being disposed of at prices $100 per chest above current Canton prices. and both ships returning south with several hundred thousand dollars of treasure. The first voyage was that of the Jamesina to Foochow, and the second the John Biggar's to Chinchew Bay.[14]

Other foreign ships were also making coast voyages in the 1830s, not only Russell and Company and other American firms, but also Danish and Dutch ships. In the case of Russell and Company, however, it was Turkish and not Indian opium in which they traded.

Two Danish ships, the Danesberg and the Kronsberg made several voyages during this period, as did the Dutch Carlotta.[15]

A coast voyage with a different objective from those described previously, was that of the American brig Huron in 1835. Until this time the Protestant missionaries had limited their work to places where Europeans resided, that is Canton and Macao. Gutzlaff's voyages, however, when he distributed missionary tracts and medicines while acting as Jardine, Matheson and Company's supercargo, encouraged the London Missionary Society to attempt to spread the Protestant gospel up the coast. To work from an opium ship was, of course, objectionable, and as it was impossible to employ a purely missionary ship, the best method was to make use of a general cargo ship. While this was under consideration, the Huron arrived at Lintin, consigned to the American firm of Olyphant and Company, whose principal, D.W.C. Olyphant, was well known as a philantrophist. No further employment of the Huron being immediately available, Olyphant offered W.H. Medhurst of the London Missionary Society the charter of her for several months.[16]

Captain Winsor of the Huron, however, had no experience of the coast north of Canton, and also considered his brig too lightly manned for such a voyage. He reluctantly agreed to it, however, if an additional $400 per month was paid over the suggested $600, and two extra hands carried. The Huron, therefore, left Lintin on 26 August 1835 on her missionary venture, Medhurst being accompanied by the Reverend Mr. Stevens, who had been with Gutzlaff on the latter's second voyage. Apart from missionary tracts, the Huron carried no cargo except several hundred bags of rice provided by Mr. Olyphant for distribution among the Chinese. During her three months voyage the Huron visited Amoy, several ports in the

Chusan Archipelago, Wei-hai-wei, Shanghai, and Woosung. At Shanghai they were prevented from entering the city itself, but provided with provisions. Their reception was similar to that of previous visitors, the ordinary people being friendly, and the officials hostile. As the missionaries persisted in distributing their tracts although forbidden to do so, the attitude of the latter is not surprising. The Huron's voyage is of no particular significance from either a commercial or navigational aspect, but it does illustrate that the Protestant missionaries shared with the merchants a disregard for the laws of China, a very different attitude from that of their Jesuit predecessors of the sixteenth and seventeenth centuries.[17]

By this time Jardine, Matheson and Company had become convinced of the potentialities of the coast trade, and believed that the abolition of the East India Company's monopoly would inevitably lead to more ports being opened to foreign trade. They were equally convinced that the abolition of the monopoly would lead to an increased volume of trade between India and China and Britain and China; principally of cotton goods from Britain, and other commodities from China in addition to tea and silk. To develop the coast trade successfully required a fleet of different types of vessel. First, clippers to carry opium and other goods from Calcutta to Lintin; second, receiving ships in which to store these goods at Lintin; and third, coasters to deliver these goods from Lintin to other coast ports. Dents and Russells employed similar methods; but on a smaller scale. The first regular coast voyages were those of Jardines' Fairy.

The Fairy was built in Liverpool in 1833, originally intended as a packet boat between Calcutta and Lintin. As cargo

capacity was not a major consideration, she was only seventy feet long by twenty two and a half beam, and eleven feet eight inches deep, of 161 registered tons.[18] By the time she arrived in Calcutta in November 1833, however, the success of the Red Rover on this service made the Fairy superfluous, and it was decided to employ her on the coast between Lintin and Chinchew Bay, where the receiving ship Colonel Young was permanently stationed.[19] For over two and a half years the Fairy was employed in this service, until her untimely end, on her twenty first voyage, when she disappeared on her return to Lintin with some $70,000 treasure on board. The mystery was not cleared up until six months later when news filtered through from Canton that fifteen members of Fairy's crew were in prison in Foochow. When the full story was eventually pieced together, it transpired that the six Manila sea cunnies had suddenly attacked and murdered the captain, the two mates, and the Serang, on the morning after leaving Chinchew.[20] They then put the rest of the crew into the longboat and cast them adrift, several of them being drowned in the surf when they reached the Fukien coast. The survivors eventually madé their way to Foochow, from where they were returned to Canton. The final part of the mystery, the fate of the Fairy, was cleared up in Manila early in 1837, when several sailors with gold bars with Chinese chops on them were arrested. These were the sea cunnies, who confessed that after sending the crew off in the longboat they had taken the Fairy to Luzon, and there scuttled her, after landing the treasure. In due course all six were tried, condemned and executed.[21]

A major factor in Britain's success in developing the coast trade was the skill and daring of the British country captains in navigating these dangerous and unknown waters. Many captains

of these country ships were ex-naval officers. Prior to these voyages of the 1820s and 30s, the China coast was virtually unknown and uncharted. There had been several visits to some of the ports by the East India Company in the seventeenth and early eighteenth centuries, but presumably navigational records had been lost. When the Macartney and Amherst missions had gone north to Peiho (Tientsin) River in 1793 and 1816 respectively, their naval escorts had taken a course well clear of the coast.

The Royal Navy commenced regular charting and surveying of the China coast in 1840, during the First China War. Much of this was done by Captain Collinson, R.N., who wrote in The Navigation of the China Sea: "Comparatively little was known before 1840, and most charts were calculated rather to mislead than aid the seaman. Now, a large portion of the coast (800 miles) is correctly delineated, the Government having kept vessels constantly employed surveying. The passage to Shanghai from Hong Kong is now made constantly, against the monsoon, which was formerly deemed impracticable".[22] During the first China War several captains of Jardines' opium clippers assisted the Royal Navy in its operations on the China coast.

The coast voyages of the 1820s and 30s, which have been described above, aroused great apprehension among the Canton authorities, who protested strongly to the East India Company's Select Committee. The latter, however, denied any knowledge, even of the Lord Amherst's voyage, and reminded the Chinese that they had no authority over private British ships, nor of other Western ships. With no naval power behind them, the Chinese were powerless to prevent such voyages, and could only threaten to stop all trade at Canton. This was a sanction they left to the very last resort,

as they now depended on foreign trade for a large part of the revenue, and also for private profit.

By 1839 Jardine, Matheson and Company owned a fleet of at least twelve ships, with Dent and Company and Russell and Company having smaller fleets.[23] These comprised clippers running between India and China, receiving ships at Lintin, and coasters distributing the opium and other goods from the receiving ships to other ports up the coast. There was no rigid line of demarcation between the three classes, and the same ship could be employed at different times in all three roles - as a clipper, a receiving ship, or a coaster.

Because of the widespread and common practice of chartering, the number of ships actually employed and controlled by Jardines was much greater than the number they officially owned. The _Sylph_, for instance, which they employed on a coast venture in 1832, was owned by the Parsee firm of Manockjee and Dadabhoy of Calcutta, where she had been built in 1831, having been specially designed by Sir Robert Seppings, the Surveyor of the Royal Navy, to beat the _Red Rover_.[24] Then until 1846, when they bought her outright, Jardines only owned half of the _Red Rover_, the other half belonging to Captain Clifton, her first captain. There was tremendous rivalry between the opium clippers, even when they belonged to the same firm. The _Sylph's_ eighteen days from Calcutta to Lintin in August-September 1832, during the favourable monsoon, is accepted as the record India-China passage of that period.[25]

Under the agency house system, of which Jardine, Matheson and Company were the greatest exponents, ships consigned to the company were in practice under its complete control. This meant that Jardines dominance in shipping was much greater than the number of

ships they officially owned would suggest. In a list of shipping in China of January, 1841, (Hong Kong, Canton and Whampoa), of eight ships described as Jardine ships, only one, the Lady Hayes, is included in Greenberg's Fleet List of 1839.[26]

The versatility of these ships is illustrated by the career of the Jamesina. Built for the Royal Navy at Bridport in 1811, and christened H.M.S. Curlew, she was bought by Magniac and Company (Jardines' predecessors) in 1823, from whom she was chartered by Dent and Company for a coast voyage in 1824. She later passed into Jardines' ownership, who employed her in an experiment to beat the north east monsoon in 1830, when - with a cargo of opium - she was towed from Calcutta to Lintin by the steamship Forbes.[27] This experiment was not repeated because of the success of the clippers against the monsoon soon afterwards. Jardines employed the Jamesina later asboth a coaster and a receiving ship; but she too is not included in Greenberg's Fleet List.

There were several reasons for the sudden development of the coast trade in the 1820s and 30s. These included the increase in opium production in India, the ability of the new clippers to make two or three India-China passages in a season against only one previously, and British industry's need to develop new markets abroad to compensate for the increasing competition she was experiencing in European and American markets. Of the private British merchants in China, only Jardine, Matheson and Company seemed to realise that the long term future of the China trade lay in the development of legitimate trade. When the Fairy came to China on her maiden voyage from Liverpool in 1833, she brought a full cargo of cotton piece goods worth £15,000.[28] The East India Company at Canton also realised the future importance of legitimate trade, and when the Lord Amherst was

sent north in 1832, H.H. Lindsay was instructed by the Select Committee "To ascertain how far the Northern Ports of the Empire may gradually be opened to British Commerce, which would be most eligible, and to what extent the disposition of the natives and local governments would be favourable to it".[29]

The years between the abolition of the East India Company's monopoly of the China trade in 1833, and the establishment of the treaty port system in 1843, following the Treaty of Nanking, is one of the most colourful and confusing periods in Sino-Western history. Missionaries and opium smugglers worked hand in hand, Scotch captains complained that selling opium on Sundays interfered with bible reading, and opium ships fought their way through Imperial war junks and pirates, to deliver opium to Chinese merchants defying their country's laws. From the abolition of the Company's Indian monopoly in 1813, to the abolition of its China monopoly twenty years later, the situation at Canton had been becoming increasingly chaotic and unsatisfactory to both Chinese and foreigners. Neither the Chinese authorities nor the Select Committee were able to protect the lives and property of foreign residents, and the substitution of the British Superintendents of Trade for the Select Committee did nothing to improve matters. The British merchants at Canton and Macao had been dissatisfied for many years, and naturally put the blame on the Chinese authorities at Canton. As early as 1831 they had petitioned the British Government urging the appointment of a representative of the King to Peking to protect their interests. This began: "Your petitioners, having long submitted in silence to the absolute and corrupt rule of the Chinese Government ....".[30] The British merchants, like the British Government itself, had a touching belief that if only the Emperor and his Government at Peking

knew of the state of affairs at Canton, they would put matters to right. It was a long time before they realised that corruption was as endemic at Peking as at Canton, and that the Peking Government had little authority over the provincial government at Canton.

The early coast trade, as described above, was an illegal extension of the country trade, and primarily concerned with promoting the opium trade. Between 1820 and 1839, when the First China War broke out, opium was smuggled - more or less openly - into about a dozen ports in Kwangtung, Fukien, and Kiangsu. During these years the annual import increased from 4,244 chests in season 1820-21, to 9,373 chests in season 1825-26, to 16,550 chests in 1831-32, and finally to 40,200 chests in season 1838-39. The total amount imported in the nineteen seasons was 342,521, of which all but a few thousand chests came from India.[31] A chest of opium contained from 100 to 200 catties, that is from 133 to 266 pounds, and cost between $500 and $1,000 per chest, that is between £104 and £208, the wide fluctuations being caused by the state of the market, and the exactions imposed by the Chinese authorities.[32]

The one redeeming feature of the opium trade was the skill and daring displayed by the seamen engaged in it; but the attitude of people in Britain should also be considered. At that time the import of opium into Britain was legal, and in 1840 17,125 pounds were imported.[33] It was used in various forms, and as laudunum was common in artistic circles.

An early illustration of Jardine, Matheson and Company's enterprise in developing legitimate trade is provided by the voyage of their Sarah. On 22 March 1834, as the East India Company's monopoly was coming to an end, they dispatched the Sarah, a brig of 488 tons, from Canton to London with a cargo which consisted of 2,965

piculs of Nanking silk, 11,250 pieces of silk goods, 8,000 Nankeens, and small lots of cassia bark, rhubarb, and other medicines. The value of the silk and silk piece goods alone exceeded $1,000,000, about £208,333.[34]

Jardines had already been responsible for bringing the first steamship to China, when on April 26, 1830, their chartered steamship Forbes arrived in Lintin from Calcutta with their opium ship Jamesina in tow.[35] This was in an experiment to bring opium to China against the monsoon. The second was the Jardine, owned - as the name suggests - by Jardine, Matheson and Company, and intended to run between Canton, Lintin, and Macao as a dispatch boat. The Jardine was a very small paddle steamer of only fifty nine registered tons, and arrived at Canton at the end of 1835. The Chinese authorities, however, refused to allow her to run on the river, and she was sent back to Singapore where, because of her unreliability, she was converted to sail.[36]

Commissioner Lin Tse-hsu arrived at Canton from Peking on 10th March, 1839, with explicit authority from the Emperor to stop the opium trade. From that date a confrontation between Britain and China was inevitable. Lin's first step was to demand the surrender of all opium stocks at Canton, and for the foreign merchants to sign a bond promising never to import opium in future. Captain Elliot, R.N., then Chief Superintendent of British Trade, agreed to the first of these demands; but not to the second. Lin then blockaded the factories and withdrew all the Chinese servants, and Elliot surrendered some 20,000 chests of opium which Lin - with some difficulty - destroyed. The British merchants were then allowed to leave the factories, and retired to Macao. Later, in August, 1839, under further threats from Lin, they went to Hong Kong,

and it was when they were living on the tea ships there that hostilities at last broke out. The actual cause was an attempt by Chinese junks to prevent the British from obtaining food and water from the mainland opposite the island. The resulting fracas, on 3rd November, 1839, was dignified by the title of the Battle of Chuenpi, and the ensuing war lasted from then till the signing of the Treaty of Nanking on 29th August, 1842.

After the Battle of Chuenpi, hostilities continued in a desultory manner until the arrival of strong British reinforcements in the following November. There was an air of unreality over the entire proceedings, and the tea and opium trades were prosecuted with more vigour than the war during this period. The Americans had remained at Canton, and they made the necessary purchases of tea for their British rivals. This was then brought to Hong Kong in American ships, where it was transferred to British ships - a profitable operation for the Americans. The opium trade carried on much as before, and when the British expeditionary force went up the coast to Shanghai in the following year, and then up the Yangtze to Nanking, the opium clippers followed in its wake, and so opened up new markets.

The First China War, popularly known as the 'Opium War', ended with the British expeditionary force anchored off Nanking, threatening to attack the 'Southern Capital'.[37] This war is often cited as the classic example of imperialist aggression; but its most notable feature was probably the successful passage of the 200 miles of the uncharted Yangtze to Nanking, a brilliant example of combined operations. By this time the principals on both sides had been changed. Captain Elliot had been superceded by Sir Henry Pottinger, and Commissioner Lin (disgraced by the Emperor for his failure), by another Imperial Commissioner Chi-san, and the latter in turn by

I-shan. The military and naval commanders on the British side had also been changed by this time, and in the advance up the Yangtze, Major General Sir Henry Gough and Admiral Sir William Parker were in command of the greatly strengthened British forces.[38]

The Treaty of Nanking was the first of many treaties and agreements between China and the Western Powers, all designed to open China to Western trade and influence.[39] The one-sided and humiliating nature of these - known collectively to the Chinese as the 'Unequal Treaties' - was largely responsible for the unsatisfactory relations between China and the West which persisted for the next century. Their relevance in the present context, however, is that they established the conditions under which the development of the China coast trade by foreign - mainly British - ships became possible.

H.B. Morse described the years between 1834 and 1860 as "The Period of Conflict".[40] For seven of those years a state of war existed between Britain and China, and for most of the remaining years the situation at times approached actual war. The years between 1843 and 1856 were spent in attempting to enforce the provisions of the Treaty of Nanking, and making the intricate treaty settlement work. During this time the first treaty ports were opened, British Consulates established at each, Hong Kong became a British Crown Colony, and the first regular shipping services were inaugurated on the Canton River, and between Hong Kong and the treaty ports.

For the first time in her long history, Chinese officials were in direct communication with Western officials, attempting to enforce complicated commercial agreements between mutually incompatible parties; while in distant Peking the Emperor and his Court

remained completely ignorant of the situation. From there, the British and other Westerners in the south were still looked on as merely another tribe of troublesome "barbarians" on the frontiers of the Empire. There was another complication in that until the end of this period Britain was the only Western Power with an effective Consular service at the treaty ports, and with adequate naval power to support her consuls.

The British Consuls were faced with an almost impossible task, the most difficult part of which was to control the actions of the British merchants - now used to working without the restraint or the protection of law - and ensure that they as well as the Chinese observed the treaty regulations. The Treaty of Nanking had made no mention of the opium trade, apart from providing compensation for the opium handed over to Commissioner Lin at Canton and destroyed. It was still illegal, and the Chinese still had no naval force capable of suppressing it. The Consuls tried to ensure that the opium trade was not carried on within the limits of the treaty port harbours, and this meant that the dual system of trade evolved in the Canton River estuary in the pre-treaty years, continued into the new era. Legal trade was carried on within the treaty port harbours, and illegal trade - often by the same ships - at anchorages outside port limits. Each treaty port had at least one outer anchorage, where the opium ships carried on their trade, and there were soon more outer anchorages than treaty ports.

From 1846 the China Mail devoted a separate table to the receiving ships and their stations, which would normally list some forty ships, with particulars of their tonnage, flag, captains and owners. These ships were distributed along the 800 miles of coast between Canton and Shanghai. There was Cumsingmoon, twelve miles

north of Macao and about thirty five miles west of Hong Kong; Namoa off Swatow; Chimno Bay a little north of Amoy; Chinchew Bay half way up the Fukien coast; Tinghai off Chusan Island; Lookong a few miles outside Ningpo; and finally Woosung twelve miles below Shanghai.[41]

Hong Kong became the largest receiving station of all, although this development was unpremeditated by the British Government. There were sometimes as many as fifty opium ships in the harbour at one time, and in 1850 it was estimated that "fully three-fourths of the entire Indian opium crops from 1845 to 1849 were deposited in, and later re-shipped from Hong Kong. Total shipments from India over this period were 220,717 chests, and the value of three quarters of this at an average of $500 per chest, would be $82,700,000, about £18,450,000".[42] Both Jardines and Dents dispensed with receiving ships at Cumsingmoon, and stored their opium in godowns in Hong Kong protected by Sepoy guards, a saving to Jardines of about $2,000 per month in salaries.[43] While the opium merchants benefited from Hong Kong's status as a British Crown Colony, the colony benefited from the opium ships' use of the port's facilities. Without the opium trade, it is doubtful if the colony would have survived its early difficult years.

The British and Hong Kong Governments would have preferred to legalize the opium trade, and so have some control over it. They were unsuccessful, however, until after the Second China War. In a dispatch from the Foreign Office dated February 26, 1841, during the First China War, Lord Palmerston wrote as follows to Rear Admiral Elliot and Captain Elliot:

"Gentlemen,

Her Majesty's Government, having taken into consideration

the circumstances connected with the Chinese opium trade, I have to instruct you to endeavour to make some arrangement with the Chinese Government for the admission of opium into China as an article of lawful commerce. In bringing this matter before the Chinese Plenipotentiaries, you will state that the admission of opium into China as an article of legal trade, is not one of the demands which you have been instructed to make upon the Chinese Government, and you will not enter upon the subject in such a way as to lead the Chinese Plenipotentiaries to think that it is the intention of Her Majesty's Government to use any compulsion in regard to this matter. But you will point out that it is scarcely possible that a permanent good understanding can be maintained between the two Governments, if the opium trade is allowed to remain on its present footing. It is evident that no exertion of the Chinese Government can put down the trade on the Chinese coast, because the temptation both to buyers and sellers is stronger than can be counteracted by fear of detection and punishment. It is equally clear that it is wholly out of the power of the British Government to prevent opium from being carried to China, because even if none were grown in any part of the British territories, plenty of it would be produced in other countries, and would then be sent to China by adventurous men, either British or of other nations.

But the present state of the Chinese law which makes the trade illegal .... as it is attested with acts of violence ..... battles between Chinese war junks and British smugglers .... By making the trade legal a considerable increase in revenue might be obtained by the Chinese Government.

I am, etc., "
signed Palmerston 44

The principal duty of the British Consuls newly installed at the treaty ports was to promote British trade; but legal was so intimately linked with illegal trade, that their position was often ambiguous. The largest opium firms, such as Jardines and Dents, were also the most important in legitimate trade, and had influential friends in official circles. Over zealous consuls or naval officers were unlikely to further their careers by enquiring too closely into some of the activities of these firms. In 1843 for instance, the senior British naval officer on Chusan ordered British opium ships anchored outside Shanghai to leave within twenty-four hours, and was later severely reprimanded by Sir Henry Pottinger.[45] The opium clippers were often used by the Hong Kong Government and the Consuls for carrying mail and bullion, and they also provided the fastest and most reliable means of communication between India and China, and between Hong Kong and the treaty ports.

By the time the treaty ports were opened Jardines and Dents had established a near duopoly on the coast, and resented outsiders encroaching on what they considered were their preserves. This is illustrated by the case of the Peninsular and Oriental Steam Navigation Company's Lady Mary Wood at Shanghai in 1850.[46] The Lady Mary Wood had previously operated the Far-Eastern leg of the P. and O's Southampton to Hong Kong mail service, and in 1850 was transferred to their new Hong Kong to Shanghai service. Jardines and Dents were strongly entrenched in this service, in which they employed about seven clippers between them. These carried opium to the receiving ships at Woosung, and then continued up river to Shanghai to work legitimate cargo. Naturally, this P. and O. intrusion was unwelcome. On one occasion when the Lady Mary Wood, after discharging her opium at Woosung, returned there from Shanghai and loaded

silk without paying export duties, the matter was brought to the notice of Consul Alcock, by A.G. Dallas, Jardines' Shanghai agent. It was a complicated case, and Dallas was actually suspected of planting the silk on board the Lady Mary Wood to incriminate her.[47] Alcock imposed a fine of $200 on the ship, plus duties, etc., against which the P. and O. appealed. The appeal was successful, but soon afterwards the Lady Mary Wood was withdrawn from the Hong Kong-Shanghai service. The Lady Mary Wood case illustrates the influence of the old established country firms, who were involved in both legal and illegal trade, and who opposed any evasion of dues and duties by newcomers.

Lorchas had been common in the Canton River estuary in the pre-treaty years, and after the opening of the treaty ports their numbers increased and their operations were extended north to Shanghai.[48] Some were foreign owned, and some Chinese owned, and they played an important part in the coast trade at this time. Many flew the Portuguese flag, and there was a revival of Portuguese activity on the coast, part of an ambitious - but unsuccessful - plan, to revive Portuguese influence, and restore Macao to its former importance.

A more important development at this time, however, was a revival of piracy. So widespread did piracy become that it became common for fishing and trading junks to sail in convoy, and for lorchas to act as protection vessels for such convoys. This was often found to be more profitable than normal trade. In November 1847, for example, the new British lorcha Amoy Packet of 140 tons, accompanied by a Portuguese lorcha, escorted a convoy of thirty junks from Chinchew to Ningpo, and then returned to Chinchew with another thirty. For the round trip of several days she received $5,000,

about £1,042.[49] The British Consul at Foochow wrote on 15 January, 1848: "The defence of native junks trading to and from Foochow has been entirely in the hands of Macao Portuguese lorchas, which are found singly to afford safe convoy to a large fleet of them, and without which they scarcely ever venture to perform a voyage." [50]

Unfortunately, the unsettled and chaotic conditions which had characterised the last years of the 'Old China Trade', and those between the abolition of the East India Company's monopoly of the China trade in 1833 and the opening of the treaty ports ten years later, continued into the new era. In 1851, for instance, the editor of the Chinese Repository listed nineteen cases of either piracy, mutiny, or plunder, and many other disasters of the kind known as 'Acts of God', all of which took place in the Canton River or within the neighbourhood of Hong Kong. These were printed in a part of the magazine called 'A Journal of Occurrencies.' [51]

In contrast with such distressing events were many instances of progress. Immediately after the Treaty of Nanking, the Royal Navy began extensive surveys of the 800 miles of the coast between Canton and Shanghai. [52] On 2nd March 1851 the Schooner Iona was launched from Lamont's yard in Hong Kong; on 19th June the Mariners' Church at Hong Kong was opened, and on 15th August of the same year Mr. N. Bayliss was appointed harbour master at Shanghai by the Chinese Taotai. [53]

On the coast itself, however, difficulties persisted. It was difficult to distinguish between convoy protection and pirate hunting, or between trading, fishing, official and pirate junk. Inevitably mistakes were made both by the Royal Navy and the so-called

'protection vessels'; and there were instances of foreign schooners and lorchas deliberately plundering innocent fishing and trading junks. In 1848 the Spec, a British schooner of 105 tons, was discovered by H.M.S. Childers plundering a fishing junk, after having killed some of the crew. Spec was taken to Shanghai by H.M.S. Childers, and after assessing the evidence, Consul Alcock sent her to Hong Kong under the charge of a naval officer, where Spec's crew were arrested and jailed on the charge of piracy. They were eventually discharged on the ground that the evidence against them was inconclusive. It is a measure of the times, that a China Mail editorial regretted making such an example of the Spec and her commander, "so long and honourably known in China".[54]

The case of the Spec demonstrates that the most difficult part of a British Consul's work was to control the highly questionable activities of some British merchants and seamen. Since the collapse of the Canton system such men had become accustomed to operating outside the law, or of interpreting the law to suit their own particular interests. His work was further complicated by British merchants acting as consuls, or vice-consuls, for foreign countries which had no professional representation at the treaty ports, another practice which had been carried over from the pre-treaty days. The protection afforded these 'merchants consuls' by their diplomatic immunity resulted in the British consul being unable to exercise effective control over them.

The Royal Navy itself was not completely blameless in its anti-piracy operations, for which the bounty system of 'head money' for killed or captured pirates was at least partly responsible. For the four years 1847 to 1850 inclusive, 139 pirate vessels were captured and bounties paid for 7,325 pirates killed or captured;

and by the time this system was abolished in 1868, the British Government had paid out £149,243 in bounty money to the Royal Navy.[55]

In spite of the insecurity and lawlessness of the early treaty port years, British shipping on the coast continued to increase, and the increase was much greater than that of British trade with China. This was because it was employed in long established domestic trades, rather than in the distribution of British goods to the newly opened treaty ports, or the collection of Chinese goods from these ports for export to Britain. The treaty ports had been chosen by men who knew that they were centres of the coast and South-east Asian trades. Amoy, for instance, had been second only to Canton in the trade between China, the Straits, and the Philippines, and within a few years British ships had captured much of this trade, especially of the Straits trade, which was the oldest and most profitable section of the Chinese junk trade. Foochow had always been the main port in the Formosan trade; but although much nearer the main tea producing areas than Canton - British trade was slow to develop there. Ningpo was even more disappointing. Although it had long been a centre for trade with North China, Korea, and Japan, as at Foochow, the only foreign trade to develop in the early treaty port years was the opium trade.

Shanghai, however, came nearest to fulfilling the hopes of the treaty makers, and success there did much to compensate for comparative failure elsewhere. Foreigners who visited the port soon after it was opened, described the tiers of junks moored side by side in the harbour, and estimated that when the tribute rice was being loaded for Peking some 4,000 junks were in the harbour.[56] As we have seen, the East India Company had always known of the importance of the first treaty ports, and had attempted to trade at them

both before and after being established at Canton.

Table No.8 illustrates the insignificance of Foochow and Ningpo in the early treaty port years. Because of this, Sir George Bonham, British Superintendent of Trade and Governor of Hong Kong, proposed to the Foreign Office in 1850, that these two ports should be exchanged for one or more of the following ports - Chinkiang, some 165 miles up the Yangtze, Hangchow, or Soochow. By making these places treaty ports, especially Chinkiang and Soochow, British goods would be able to byepass some of the inland customs barriers which were believed to be preventing their admission into the interior. The Chinese Government, however, refused to consider this.

There had been no specific reference to foreign ships participating in the coast trade in the Treaty of Nanking, or in other treaties of the 1840s, and this did not develop in any systematic fashion. The weakness of the Chinese Government and the lack of an effective naval force, allowed foreign adventurers to take advantage of the immunity which foreign flags and foreign nationality gave them, and allowed them to engage in many dubious activities. It was a profitable period, therefore, for daring and unscrupulous seamen, and for those able to employ them.

In addition to their superior speed and greater immunity from piracy, foreign ships had other advantages over Chinese ships. Under the treaty port system they were not subject to the arbitrary taxes and imposts of the - often corrupt - Chinese officials, and they could insure themselves and their cargoes through the foreign insurance companies which had been established at Canton even before the Treaty of Nanking.[57] Chinese merchants were quick to appreciate the advantages of patronising foreign ships, at first for the most

valuable of their cargoes which could afford the higher freight charges. One effect of the foreign invasion of the coast trade, therefore, was to force junks out of the most profitable trades; but lack of reliable statistics relating to native shipping, makes it impossible to determine whether or not the overall expansion of trade on the coast prevented any absolute decline in the number of junks employed.

The treaties of the 1840s seemed to open up the prospect of almost unlimited trade between Britain and China; but this increased much more slowly than had been anticipated. In the five years between 1828 and 1832 British exports to China had only averaged £614,366 per year, and for the six years after the abolition of the East India Company's monopoly, 1834 to 1839 inclusive, increased to an annual average of £1,196,200, an increase of some 50 per cent.[58] There was some ground for the belief, therefore, that with the opening of additional ports they would increase much more rapidly. Between 1843 and 1850, however, the first eight years of the treaty port era, exports to China and Hong Kong only increased to an annual average of £1,751,185, a very similar increase to that of the previous years, although in 1844 and 1845 they had reached £2,305,617 and £2,394,827 respectively.[59] The fact was that China's capacity to import foreign goods had been grossly over-estimated, and her poverty and self sufficiency under-estimated.

The large increase in imports in 1844 and 1845 had been due to the need to make up for reduced imports during the First China War, and to over-stocking - a familiar phenomenon in the China trade. Cotton manufacturers in Lancashire, cutlery manufacturers in Sheffield, and even piano makers in London, had been carried away by the prospect of three hundred million customers waiting to purchase

their wares. One famous London firm sent out "a tremendous consignment of pianofortes", in the confident expectation that out of this three hundred million, at least a million Chinese women would want to learn the piano.[60] Needless to say, many of these goods remained unsold for years, and many more rotted in godowns.

From a consideration of shipping statistics for Canton alone (reliable statistics for other ports not being available) the phenomenon of British shipping employed on the China coast increasing at a much greater rate than British trade with China is illustrated. In 1833, the last year of the East India Company's monopoly of the China trade, twenty five Company and eighty two British country ships entered and cleared Canton, a total of 107 ships of 64,493 tons.[61] By 1846 British shipping at Canton had increased to 421 ships of 181,776 tons, a threefold increase in the thirteen years.[62] These statistics also show that with the disappearance of the large East Indiamen, the average tonnage of the British ships had decreased substantially. Considering the modest increase in British trade with China, it is evident that most of this increase in British tonnage was employed in domestic trade, and in trade between India and China.

The great hopes entertained by the British Government for the expansion of British trade with China were reflected in the lavish scale proposed for the early consular establishments. Each treaty port was thought to require a consul, vice-consul, surgeon, interpreter, and other British assistants; and several Chinese clerks and writers. The total salary budget for the first five ports was almost £27,000, a substantial sum at that time, and this - of course - was completely separate from the Hong Kong colonial service budget. This was distributed as follows:- Canton £6,291-19-8½,

Shanghai £6,484-14-0¾, Ningpo £4,786-9-8½, Amoy £5,742-18-5½, Foochow £3,144-14-1¼, and Macao £519-4-10, a total of £26,972-0-10.[63] The staffs and salaries for the consulates at Amoy and Canton were:-

Staff and Salaries for H.B.M. Consulate at Amoy 1843[64]

Consul	£1,500
Vice-Consul	750
Interpreter	800
Surgeon	600

Total British staff salaries £3,650

Head clerk	$1,800
Second clerk	1,200
Two assists.	720

Total for Chinese staff $3,730, approx £845

Grand Total for salaries £4,495

Staff and Salaries for H.B.M. Consulate at Canton 1844

Consul	£1,800	
Vice-Consul	750	
Asst. Interpreter	600	
1st Assistant	405	
2nd "	324	
3 Chinese writers	243	at $30 per month
Total	£4,122	

These arrangements soon proved too expensive, in view of the disappointing trade results, the first casualties were the surgeons, and in spite of the disastrous mortality rates, these were withdrawn within a year. Other economies followed, and by 1846 the total cost of the Consular Establishment had been reduced to £10,259.[65] The commodious and luxurious consulates of later treaty port years were conspicuous by their absence in the early

years. One demoralising feature of early consular life in the treaty ports was its isolation and loneliness. Whereas in the old Canton factories there had been a very lively social life, in spite of the physical and other restraints, the first treaty port consuls led very lonely lives. This was especially so in Amoy, Foochow, and Ningpo, where they might be the only Europeans in these ports for several months at a time. Britain was four months away, and even the official mail by the new overland route across Suez still took three months. Although there were frequent sailings on the coast and between coast ports and Hong Kong, these were irregular, and ports like Ningpo and Foochow might not see a foreign ship for months, apart from the opium clippers. The latter usually stayed outside the port limits, and the British Consul would often have preferred to ignore them. On occasions, however, he was forced to make use of them for urgent communication with the Superintendent of British Trade at Hong Kong, his immediate superior, or with Shanghai, or for the transport of bullion.[66] There were also, of course, occasional and welcome visits from Royal Naval ships.

By the 1850s, the era of the large commercial concerns owning their own ships was coming to an end, and the chartering of individual ships by firms for their own cargoes was also becoming uncommon. Shipowning was developing into a profession in its own right, a process hastened by the introduction of the more expensive and complicated steamships. The old system, however, continued on the China coast longer than elsewhere.

British ships operating on the coast and on the Canton River during the first treaty port years - except those of the Peninsular and Oriental Steam Navigation Company and the Hong Kong and Canton Steam Packet Company - were not owned by specialised shipping

companies, as was to be the practice a few years later. Most of the regular ships were operated by the agency houses and country firms, as had been the practice in the pre-treaty years, although actual ownership may not have been vested in those firms. Many of the lorchas flying the British flag were owned by Chinese merchants of Hong Kong, who were either British subjects or British protected persons, while others were owned by individual British merchants in the treaty ports, and were in effect 'one ship companies'. Such vessels usually carried a British master and mate, and perhaps also a British gunner, with the rest of the crew being a mixture of Chinese, Indians, and Manila men. The Spec, to which reference has been made earlier, had a British master, mate, and gunner; the remaining twenty of the crew including an Indian cook, a Goanese sailor, nine Manila men and nine Chinese. Spec was owned by a British merchant of Ningpo, although she had been built in New York for the American firm of Pybus Brothers.[67] The notorious Arrow of the Second China War, was owned by a Chinese merchant of Hong Kong.

Jardines, Dents, and Russells, were basically agency houses. The ships which they operated and managed, and which flew their house flags, were in most cases owned by, or chartered from, individual partners, or groups of partners, in the parent or in associated firms. They carried goods consigned or belonging to their associates and correspondents, rather than for the general public, and charged a commission for their services. These services included ships' agencies, ship chandlers, insurance brokers, bill brokers, and such. These charges were normally 2½ per cent on bale and piece goods, 5 per cent on gruff goods, and 1 per cent on money received or paid out. The agency houses also benefited from supplying fuel, stores, and performing many other services.[68]

Because of the influence they wielded in so many spheres, and their world wide connections, Jardines were allowed almost complete freedom in the management and operation of ships consigned to the company, and it is convenient to treat many ships which they did not actually own as Jardine ships. As early as 1836 James Matheson was able to write to his nephew Hugh as follows: "What may be the motive of the Public for preferring our Agency, at a dearer rate, to the cheaper Agency of others it is not for me to say, but that they find it to Their Interest to Do So, must be held quite undeniable. I believe that we have an advantage over others from the magnitude of our concerns, which renders our House a general focus or medium for transacting a large share of the business of the port ......". 69 Much the same considerations applied to Dents and Russells, although to a lesser extent. After the Second China War when steamships became more common in Chinese waters, Jardines and Russells would establish shipping companies for which they would supply a substantial proportion of the capital, and for which they would act as general managers.

Although a proportion of the seamen in British flag coast ships at this early period were Chinese, the use of wholly Chinese crews was not so widespread as was to be the case later. A natural consequence of the coast trade being developed by Indian country ships, was that many Indian seamen were employed on the early coast ships, and also that many Indians (particularly Sikhs) were employed in Hong Kong, Canton and Shanghai, as guards, watchmen, and so on. A succession of incidents on Canton River steamers in the 1850s, such as murders, mutinies, attempted poisoning of European officers, and such, led to all European or all Indian crews being employed for a time. The opium clippers were in a class by themselves in this

respect. Because of the dangerous nature of the trade, their crews were often wholly European, and larger than would have been carried on schooners and lorchas of equal size in other trades. They were also, of course, highly paid.

Fairbank describes the Cantonese, and not the British or Parsee country firms, as the real shock troops of the British invasion of the China coast trade. "Only the Cantonese, with their knowledge of pidgin English, and of the mysteries of foreign trade, which they had acquired at Canton in pre-treaty days, could provide the vital link between Europeans and Chinese".[70] To the Chinese of Fukien, Chekiang, and Kiangsu, the Cantonese were as foreign as the British or Parsees, and in a sense the British firms merely financed and co-ordinated the expansionist activities of the Cantonese. Their expansion north came in waves - first opium traders, then individual merchants, and then staff for the new British Consulates. When Captain Balfour, the first British Consul arrived at Shanghai in November 1843, he found Cantonese merchants already well established, many of whom who had moved north with the British expeditionary force in 1841.

This attitude of the Cantonese to foreign trade and foreign influence illustrates one of the many contradictory features of the Chinese scene. The mandarin class at Canton, from the Viceroy down, were almost invariably hostile to foreign influence and trade, and violently xenophobic. Foreign trade was tolerated only so far as it was to their personal benefit and necessary to the economy of the province. So far as could be ascertained, the peasant class shared this attitude. The Cohong and other merchants, however, welcomed foreign trade, and - by comparison with mandarins and peasants - were tolerant of foreigners and even at times friendly disposed

towards them. They had become accustomed to trading with foreigners for centuries, and adopted the same attitude towards the Westerners as they had previously adopted towards Arabs, Malays, and Indians in earlier times. This also applied to the many Cantonese who earned a living from foreign trade and from working for foreigners as linguists, clerks, stevedores, domestic servants, tailors, and such.

Another section of the Chinese population of Kwangtung Province which welcomed the British and other foreign traders at Canton and Macao was the Tanka, or boat people. The Tankas were treated as pariahs by other Cantonese, and from the early eighteenth century had been forbidden to settle on land, to sit the literary examinations, or intermarry with other sections of the population. From the earliest days of the East India Company at Canton they had been trusted allies of the British, supplying boatmen, pilots, and provisions to East Indiamen and country ships. They were among the first Chinese to settle in the new colony of Hong Kong, where they continued and expanded these activities.[71]

The first British Consul to take up his post at the treaty ports was G.T. Lay, who opened the British Consulate at Canton on 27 July 1843. He was followed by C.R. Thom at Ningpo om 1 October 1843, H. Gribble at Amoy on 2 November 1843, Captain G. Balfour at Shanghai on 14 November 1843, and finally G.T. Lay (transferred from Canton) at Foochow on 1 July 1844. In some cases trade had already begun at the new ports before the British Consuls arrived. Although a regular system of reports from the treaty port consuls was immediately instituted, it was not until after the establishment of the Chinese Maritime Customs at these ports, beginning with Shanghai in 1854, that these consular reports became accurate and

reliable as regards shipping and trade. The early reports, however, contained valuable information on the ports and their environs, which in some cases was the first reliable information of these parts to reach the West. The first foreign administered custom house was opened at Shanghai in 1854, the second at Canton in 1859, and at the remaining treaty ports within a few years after 1860. From that time statistics relating to commerce, shipping, and trade become more and more accurate.

Steam navigation, and regular shipping services in China, were pioneered on the Canton River in the years immediately following the First China War, at the same time as the first treaty ports were opened. For all practical purposes, the fleeting appearance of the _Forbes_ at Canton in 1830, and the abortive attempt of the _Jardine_ to operate a passenger and dispatch service between Canton, Macao and Lintin can be ignored. The first successful steamships to operate in Chinese waters were those of the Royal Navy and of the East India Company which arrived with the British expeditionary force in late 1839. These were eight in number: H.M. Ships _Medusa_, _Pluto_, _Spiteful_ and _Vixen_: and the H.C.S.S. _Akbar_, _Philegathem_, _Prosperine_, and _Sesestria_.[72] A year later the famous _Nemesis_ arrived, an iron paddle steamer which drew only six feet of water when fully loaded. _Nemesis_ was built for the East India Company and chartered to the Royal Navy for the war.[73] She was the first iron steamship to round the Cape of Good Hope, and her exploits in shallow waters were very largely responsible for convincing foreign and Chinese merchants of the value of steamships in China. _Nemesis_' feats in the war were said to have demoralised the Chinese more than the rest of the British squadron put together. By the end of the war there were twenty steamships in the services of the British

forces.

The British victory in the First China War resulted in Chinese objections to steamships on the Canton River being withdrawn; but it was the Americans - through Russell and Company - who were responsible for the first steamship service on the river. On 21 May 1845 Russells' Midas arrived at Hong Kong from Boston, and shortly afterwards began a twice weekly service between Hong Kong and Canton. Midas was a wooden twin screw steamship of 145 gross tons, built in Boston the previous year, and was the first American, and the first screw, steamship to round the Cape of Good Hope. She was followed a few years later by the British Corsair, a slightly larger wooden paddle steamer, originally built for the Irish Sea service, but which arrived in Hong Kong from Australia early in 1846, consigned to Jardine, Matheson and Company.[74] Some doubt surrounds the actual ownership of Corsair at this time. Jardines were neither owners nor agents, but there is no doubt that they sponsored her operations on the Canton River. There is equally little doubt that the advertised sailings of both ships were more honoured in the breach than in the observance. Both were taken out of service frequently, either for repairs, or for the more profitable towing or salvage work. Midas, in fact, proved so troublesome, that after two years on the river she returned to America under sail, leaving Corsair the only steamship on the river for the next two years.

The arrival at Hong Kong in 1849 of the Peninsular and Oriental Steam Navigation Company's iron paddle steamer Canton was a great technical advance.[75] Canton was the first P. and O. vessel to operate a local service in China, and was employed mainly as a feeder ship for the P. and O. mail service to Hong Kong, which had

been started in 1845 by the Lady Mary Wood. Canton's freight and passenger charges were considered excessive by the foreign trading community of Hong Kong and Canton, and even before her arrival on the coast it had been decided that it would be in the public interest if a regular daily service between Hong Kong and Canton could be provided independent of the P. and O.[76] This resulted in the formation of the Hong Kong and Canton Steam Packet Company in 1848, with a capital of £30,000 in 120 shares of £250 each, the first Western style business enterprise to be formed in China. Most of the foreign business men in Hong Kong and Canton took shares in the new company, and the directors included Donald Matheson of Jardine, Matheson and Company; Archibald Campbell of Dent and Company; D.J. Camajee of D.N. Camajee and Company; J. Heard of A. Heard and Company; and W.H. King of Russell and Company.[77] The first three of the above represented British, and the last two American interests.

The company ordered two wooden paddle steamers from W. Pilcher of Northfleet, Kent, the Canton and Hong Kong. These were sister ships of 235 gross tons, 133'0" long by thirteen feet beam and eleven feet nine inches deep, which arrived at Hong Kong in August and September 1849 respectively. Although their machinery was a considerable improvement on that of their predecessors, neither was completely satisfactory, and their advertised sailings were also often interrupted, either for repairs, or for charter work and towing.

In the next few years several other steamships arrived for the Canton River service, while Corsair was withdrawn, and disappeared from the scene, probably because of her age being dismantled or allowed to fall to pieces. At the end of 1854 the China Mail was able to write: "We are now pretty well supplied with river steamers

having no fewer than seven (Hong Kong and Canton of the Hong Kong and Canton Steam Packet Company; Canton, Sir Charles Forbes, and Tartar of the P. and O., and Spark and Ann of Russell and Company). The River Bird is on its way out from America, and three others (Rose, Thistle and Shamrock) are being assembled in Hong Kong from frames sent out from Britain.. There is plenty of room for all of them, however, for every day seems to raise steamer traffic higher in the estimation of the natives, and a very short time will elapse before Chinese merchants become steamship proprietors".[78]

Two years later there were twelve steamers on the Canton River, as listed in the China Mail, seven of which were British and five American.[79] So much competition, however, proved fatal to the Hong Kong and Canton Steam Packet Company, which had been unprofitable from its earliest days. In their first six months Canton and Hong Kong made average losses of $50.00 and $85.00 for their seventy-three and fifty-one trips respectively; and the total loss for the six years of the company's life was $113,190.41 (£23,581).[80] The two ships were advertised for sale at the end of 1854, and in the following year each was sold for $33,000 (£6,875); but continued to run on the river for some years, Canton under the Peruvian flag.

At this time the Taiping rebels became active on the river, inducing many Chinese merchants to patronise foreign steamships and lorchas. Then two years later the Second China War broke out, and between October 1856 and February 1858 there was no commercial traffic on the river. By the latter date the negotiations were under way which would lead to the Treaty of Tientsin of 1858, and a change in the conditions under which foreign shipping and trade in China would be conducted.

When the Second China War broke out towards the end of

1856, regular services by British ships had been established on the Canton River, and between Canton and Hong Kong and the newly opened ports to the north. Hong Kong, however, proved disappointingly slow to develop as an entrepôt for south China, as many overseas ships - British and foreign - preferred to trade directly at the newly opened ports, only calling at Hong Kong for intelligence, repairs and stores. American ships also continued to trade at Whampoa in preference to Hong Kong until after the Second China War. Of the new ports, Ningpo's proximity to Shanghai inhibited any great development of trade there, apart from the opium trade, carried on outside the harbour limits. The situation at Foochow was very similar, where for more than ten years after being opened to foreign trade the only trade was in opium, also carried on outside the port limits.

Foochow was a provincial capital, and the seat of a Governor-General or Viceroy. It was an important city in the eyes of both Chinese and foreigners, and from the British point of view the failure of trade to develop there was particularly disappointing. It was only 250 miles from the Bohea Hills where some of China's finest tea was grown; but not until 1853 did tea exports from Foochow become of any importance. Foochow's development as a tea port, therefore, will be treated in the following chapter. Of the new ports, therefore, only Shanghai, and to a lesser extent Amoy, came anywhere near to fulfilling the hopes of the treaty makers.

Several years after the experience of the Lady Mary Wood on the Hong Kong-Shanghai service, the Peninsular and Oriental Steam Navigation Company withdrew all their coast services, no doubt influenced by the Lady Mary Wood's experience.[81] These had included, in addition to the Hong Kong-Shanghai service, the service between

Canton and Hong Kong by the _Sir Charles Forbes_ (chartered from the Bombay Steam Navigation Company to replace the _Canton_), and a service between Hong Kong and Amoy by the _Canton_ and _Juno_. At the same time, however, P. and O. expanded and extended their overseas services to the Far East. The 'China Extension' of the monthly mail service from Southampton to Hong Kong was extended to Shanghai and in 1852 became a fortnightly service. Then several years after the opening of the Japanese treaty ports after 1855, P. and O. extended its overseas mail service to the Japanese treaty ports. By the end of the Second China War in 1860, therefore, P. and O. was only directly concerned with these overseas services to China and Japan.

Other companies operating between Hong Kong and Shanghai at this time included Russell and Company; Dent and Company; and Jardine, Matheson and Company. All these companies had maintained a frequent, if irregular, service between Calcutta and Hong Kong by their opium clippers and country ships in the pre-treaty era. In 1854, Jardine, Matheson and Company ordered three paddle steamers on the Clyde for this service, _Lancefield_, _Fiery Cross_, and _Chevy Chase_, all of them built by R. Napier and Sons of Glasgow. The first two were of 1,142 gross tons, and the last of 943 gross tons, and they entered the service in 1854, 1855 and 1859 respectively.[82]

It is a measure of the times, technically and politically, that these three steamships were schooner rigged and armed, their armament consisting of one eighteen and two six pounders. The last of the three, _Chevy Chase_, is credited with a very elegant saloon, a bathroom with shower and plunge, and more elbow room than passengers on P. and O. steamers. _Chevy Chase_ used superheated steam, and had one boiler forward and one aft of the engine room.[83] These three ships formed the nucleus of the passenger and cargo service

between Calcutta and China and Japan, which was incorporated into the Indo-China Steam Navigation Company's schedules in 1881. It was a combination of an Asian interport and China coast service, and - with the exception of the years between 1942 and 1946 of the Pacific War - continued until very recent times.[83]

As has been described earlier, the increase in British shipping employed on the China coast was much greater than the increase of British trade with China.[84] This increase, however, apart from the Canton River trade, was almost wholly conducted by sailing ships and lorchas. Technical difficulties, combined with shortage of bunkering facilities and expensive coal, made steamships uncompetitive with sailing shipsin many trades until after the Second China War and the opening of the Yangtze. A considerable part of the coast trade in the period between the two China Wars was carried on by vessels flying the flags of countries which had no treaty relationship with China, and were thus free from consular control, and their trade - much of it illegal - did not figure in statistics. Merchants owning or chartering such vessels were able to bargain with the Chinese customs officials for evasion or reduction of duties, while bona fide British and American merchants had to pay in full. These merchants, therefore, were handicapped in comparison with those operating ships flying flags of convenience, and resulted in strong protests from the Shanghai British Chamber of Commerce. Lord Palmerston was Foreign Secretary at this time, and instructed Sir George Bonham, British Superintendent of Trade and Governor of Hong Kong, to inform the Chinese Government that "as it had failed to act up to the manifest intention of the treaties between Great Britain and China, the British Government feels itself entitled to withhold for the future all interference on the part of

the British Consular authorities for the protection of the Chinese revenue".[85] This implied abrogation of Article II of the Treaty of Nanking, and the almost certain loss to China of the duties on British trade, which comprised the major part of the customs revenue. Faced with this prospect, the Shanghai Taotai issued new regulations, which - had they been enforced - might have succeeded in their object.[86] In the situation prevailing at the time, however, enforcement was impossible, and the old corrupt system continued. The opportunity for reform, however, was at hand in the situation created by the Taiping Rebellion.

The Taipings captured Nanking on 8th March 1853, and made it their capital. Then on 7th September the Small Sword Society - a secret society loosely allied with the Taipings, captured the native city of Shanghai. In the ensuing disturbances a mob broke into the Customs House in the British Concession, looted it, and frightened the staff into flight. As a result trade was disrupted, silver coins and 'sycee' went to earth, and the payment of customs duties on what trade remained became impossible.[87] Several temporary methods of customs collection were tried and all failed, and the Taotai threatened to establish customs barriers inland, the last thing the foreign merchants and consuls wanted. With the situation in a state of chaos, the British, American, and French Consuls proposed to the Taotai that foreign inspectors of customs be appointed, with reliable linguists and Chinese clerks to assist. These would work in the Customs House, inspect and check all documents and duty receipts, and also Chinese records and registers. Rutherford Alcock, then British Consul at Shanghai, was one of the prime agents in this development. The outcome was a meeting at Shanghai on 29th June 1854, between the Taotai and the British, American, and French

consuls. At this historic meeting the Imperial Chinese Maritime Customs was created.[88]

By the mid 1850s, a great variety of foreign flag ships were operating on the China coast, although limited to the ninety odd miles of the Canton River between Canton and Hong Kong, and the 800 miles of coast between Hong Kong and Shanghai. There were sailing vessels from lorchas of around 100 tons to large barques of nearly 600 tons, and steamships - paddle and screw - from eighty to nearly 500 tons. By this time the large East Indiamen of over 1,000 tons had disappeared from Chinese waters. The abolition of the Company's monopoly, and the ability of clippers to sail against the monsoon, had resulted in smaller and faster ships with a quicker turn round. Apart from the steamships, most of which had been built in Britain or America, most ships employed on the China coast and between India and China had been built in India, and it was only towards the end of this period that Clyde built ships began to appear on the China coast in any considerable numbers.

Nearly all sailing and steamships were still built of wood, although beams, frames, and such parts were increasingly being made of iron, and copper sheathing was common. Most steamships were auxiliary vessels equipped with sails, and there was no demarcation between coast and river vessels, and between those employed on the coast and those in the India-China trade. The opium clippers, for example, often alternated between the India-China and coast trades.

The earliest steamships to operate in Chinese waters were built for the Canton River; but often exchanged river work for voyages between Hong Kong and the northern ports up to Shanghai. Not until after steamships had been operating for some years on the Lower Yangtze after the mid 1860s, did specialisation between coast and

river steamers become common. Then paddle steamers - or side wheelers as the Americans called them - became confined to the Canton and Yangtze rivers, and screw steamers to the coast. Unlike in other parts of the world, however, paddle steamers had a comparatively short life on Chinese rivers, and - with rare exceptions such as Pioneer and several other steamers on the Upper Yangtze - few paddle steamers were built for the Yangtze after 1880.[89]

By 1860 many steamships in China were equipped with compound engines; but their fuel consumption was still very high and their horse power low. Average speeds were only about seven knots, and when steaming against the monsoon they tacked almost like sailing ships. This accounts for the great disparity in passage times on voyages between India and China, and between Hong Kong and Shanghai. Even as late as the 1930s, the older and lower powered coasters often took what was known as the 'inside passage' when going north from Hong Kong to Shanghai against the north east monsoon. This passage took advantage of the shelter provided by the many small islands lying off the coast. Although it involved anchoring during darkness, the total time on the passage would be little - if any - more than by steaming outside, and considerable fuel would be saved.

In 1854 the P. and O's Tartar of 499 gross tons established a record when she covered the ninety eight miles between Hong Kong and Canton in seven and a quarter hours, just over thirteen and a half knots.[90] Two years later the Fei Ma (Flying Horse) improved on this by taking only seven hours and ten minutes, nearly thirteen and three quarter knots.[91] These passages were almost certainly made under favourable tide and weather conditions. The mail steamers, Rose, Shamrock, and Thistle, were designed to do the passage in twelve hours in all states of tide, which meant a speed of a little

over eight knots.[92]

The high consumption, and the high cost of coal, restricted these early steamships to the carriage of cargoes which could afford high freight charges. Until the late 1880s, practically no native coal was available on the China coast, and the first coal came from Britain and Australia in sailing ships. This, of course, was very expensive; but the fuel situation improved after the 1860s, when cheaper coal from Japan and Formosa became available. As the fuel situation improved, steamships also became more efficient and their consumption decreased. This made them more competitive with junks in certain domestic trades concerned with low cost goods.

By the end of the period under consideration in this chapter, the mid 1850s, British ships had gained a firm foothold on the China coast, and had no foreign rivals of any importance. During the following quarter century they would develop new trades on the coast, and extend their operations into the Lower and Middle Yangtze, eliminating in the process United States shipping on the Yangtze and in the Shanghai-Tientsin trade. By the end of this period too, sailing ships and lorchas would practically have disappeared from the coast and river trades, although still very important in overseas and South-east Asian trades.

It is remarkable that the coast trade was not covered specifically in any of the Anglo-Chinese treaties or agreements of the period, although certain provisions tacitly admit its existence, by attempting to limit its range of operations. Most of these are in the Treaty of Hoomun-shi of 1843. Here Article XIII grants permission to all persons, Chinese or otherwise, to carry goods from any of the five ports of Canton, 'Fuchau', Amoy, Ningpo, and Shanghai to Hong Kong and vice versa, on payment of the requisite duties etc.,

Article XVI refers to the necessity of obtaining permits for these operations from the customs officers who must make monthly statements of the goods conveyed and of the vessels employed; while Article XVII draws a clear distinction between large vessels engaged in overseas trade and small vessels operating between Canton and Hong Kong.[93] The Treaty of Tientsin of 1858 contains further tacit references to the coast trade, in particular Article XLV which allows British merchants to re-export goods (upon which duty has been paid) to any other treaty port with permission of the Superintendent of Customs without payment of additional duty.[94] When the Hoppo of Canton attempted to prevent British river steamers from carrying Chinese cargoes between Canton and Hong Kong, Sir George Bonham, then Governor of Hong Kong and British Superintendent of Trade, protested so vigorously that the Cantonese authorities yielded the point.[95]

One very important provision in the Treaty of Hoomunshi is that of Article X. This states that an 'English man-of-war' shall be stationed at each of the five ports open to foreign trade "in order to restrain the sailors of the English merchant vessels, which power the consuls may avail themselves of to keep in order the merchants of Great Britain and her colonies". Such men-of-war when arriving to relieve the others shall not be interrupted by Chinese war junks, and as they do not carry cargo or conduct trade are to be exempt from the usual measurement dues etc. This meant a remarkable volte face on the part of the Chinese authorities, who had hitherto shown a strong aversion to foreign warships in Chinese waters. It implied recognition of their inability to control maritime trade in their own waters, and led to what became known as gunboat diplomacy, the first instances of which occurred in the late

1840's.

Gunboat diplomacy is associated with Lord Palmerston's days at the Foreign Office, and was enshrined in a dispatch he sent to Sir John Davis, Governor of Hong Kong and Superintendent of British Trade, on December 10, 1846. This stated: "Wherever British subjects are placed in danger, in a situation which is accessible to a British ship of war, thither a British ship of war ought to be and will be ordered, not only to go, but to remain as long as its presence may be required for the protection of British interests".[96] These instructions were passed on to the British Consuls at the treaty ports, and within eighteen months the first instance of gunboat diplomacy occurred at Shanghai. Some Chinese sailors discharged from the grain junks attacked three missionaries at Tsingpu, thirty miles west of Shanghai, and well within the authorized radius from Shanghai in which foreigners were allowed to travel. Alcock, then British Consul at Shanghai, demanded full redress from the Taotai, and when this was not forthcoming, gave him an ultimatum. Unless satisfaction were given and the criminals produced within forty eight hours, no duties would be paid on British imports and exports, and the ten-gun brig Childers, then in Shanghai, would blockade the harbour and prevent the 1,400 grain junks from leaving for the north with their tributerice.

The Taotai thought Alcock was bluffing, and ordered some of the junks to sail; but the Childers took up a position from which it threatened to blow up any junk which attempted to leave harbour. Even then the Taotai refused to arrest and punish the missionaries' assailants, and Alcock sent his vice-consul, and Parkes, his interpreter, to Nanking to lay a complaint before the Viceroy. Fortunately, another gunboat, the Espiegle, had arrived by this time, and

took the two to Nanking. Here the sight of a British warship had an immediate effect on the Viceroy, who must also have been afraid of punishment from Peking if the grain junks were delayed. He ordered the Taotai to arrest the culprits, and three weeks after the attack on the missionaries they were arrested and punished, and the grain junks allowed to sail. The value of gunboat diplomacy in China was thus confirmed, and Alcock won many admirers. Harry Parkes, the young interpreter, also won great prestige. The vice-consul who accompanied him to Nanking spoke no Chinese, and so Parkes conducted all the negotiations with the Viceroy's officials, thus assuring his future promotion.[97]

Most of the incidents which caused gunboat diplomacy to be employed by Britain, were anti-missionary in origin. One important cause of hostility towards foreign missionaries was the privileged status they claimed under extraterritoriality. They also came into competition with the scholar gentry class in such matters as welfare for the destitute, shelter for orphans, and such like activities and so tended to supplant them in some of their customary and traditional functions. Professor Fairbank concludes a description of anti-missionary activity on the part of the gentry: "Judging by modern standards of nationalism, it would be hard to imagine a more solid base for gentry hostility towards the incoming priest or evangelist, with his strange speech, uncouth ways, and apparently subversive aims .... Rather what calls for explanation, is the mildness of the Chinese opposition".[98]

REFERENCES FOR CHAPTER I

1. Sometimes called smug boats, large and fast craft propelled by sixty or seventy oars. The oarsmen sat on benches like galley slaves. These craft had also rattan and mat fore and mainsails, and living quarters for brokers' agents. B. Lubbock, The Opium Clippers (1946) p.55

2. Morse, Chronicles IV, p.339. In 1832, of $18,250,000, approximately £3,802,183, imported into Canton on private account, opium accounted for $12,185,000, approximately £2,670,000.

3. This description of the agency house system has been drawn from:- J.K. Fairbank, East Asia: The Modern Transformation (Tokyo 1965); E. le Fevour, Western Enterprise in Late Ch'ing China (Harvard University Press) 1968, and Michael Greenberg, British Trade and the Opening of China, 1800-1842 (1951).

4. Chapter 8. The Great Hongs.

5. Greenberg, p.48

6. Ibid, p.47

7. Letter to Yrissari and Company, 12/2/1824. Ibid. p.138-9

8. Canton Register and Price Current, 1828-32, passim.

9. Gutzlaff was a Prussian, and commenced his career as a medical missionary at Bangkok, where he learnt Chinese from immigrants. He left Bangkok in 1831 in a Chinese junk for Tientsin, visiting many other ports en route, and from Tientsin went south to Macao, arriving there on 13 December 1831. Good interpreters being scarce, Gutzlaff was employed on many official and unofficial missions. His second wife was the aunt of Harry (later Sir Harry) Parkes, who was taught Chinese by Gutzlaff. The Lord Amherst's voyage is described in G. Gutzlaff, Three Voyages Along the China Coast (1834), and H.H. Lindsay, Report of Proceedings of a Voyage to the Northern Ports of China in the Lord Amherst (1834).

10. Chronicles IV pp.332-334.

11. Now called the Ryuku Islands.

12. BPP 1833 XXV (410) p.599. When Lindsay's and Gutzlaff's reports reached the Court of Directors in London they replied: "After having attentively read Mr. Lindsay's Narrative and the Report of Mr. Gutzlaff, the impression upon our minds .... is that of pain and regret at the line of conduct which has been pursued in the prosecution of the mission".

13. Chronicles IV p.334

14. Chronicles IV, p.334

15. Ibid p.334

16. Ch.R.IV pp.308-335.

17. The Huron's voyage is fully described in W.H. Medhurst, China, Its State and Prospects (1838).

18. Captain A.R. Williamson, O.B.E., D.S.C., Eastern Traders (privately printed 1975) p.149

19. The Red Rover, a barque of 255 tons, is often described as the first opium clipper. She was designed by her first captain and part owner, Captain W. Clifton, R.N., who is said to have modelled her along the lines of the famous American privateer Prince de Neufchatel. Captain Clifton promised the Governor-General of India, Lord Bentinck, that the Red Rover would make three voyages between Calcutta and China each year instead of the usual one. This was accomplished to the plaudits of the Governor-General and the Calcutta Chamber of Commerce. On her maiden passage from Singapore to Macao in January-February 1831, Red Rover averaged 100 miles per day in the teeth of the monsoon, an unheard of feat at that time. During her early years, Red Rover was under charter to Jardine, Matheson and Company, who eventually bought her in 1846. She continued in their service until she was lost in the seventies. Lubbock, pp.71-72, and pp.77-78.

20. Sea cunnies were quartermasters and petty officers, and at this time many came from Manila.

21. Williamson, p.153

22. BPP 1847 V p.521.

23. Greenberg p.224, lists twelve ships as owned by Jardine, Matheson and Company in 1839.

24. Lubbock, p.93

25. Ibid, p.96

26. Ch. R. Vol. X p.61

27. Chronicles IV, p.223.

28. Williamson, p.149

29. Chronicles IV, p.332.

30. BPP 1833 XXV (90) p.470

31. H.B. Morse, The International Relations of the Chinese Empire, 3 Vols., (1920-28) I, p.209-210.

32. M.Collis, Foreign Mud,(1946) p.76

33. BPP 1843 LV p.97

34. Chronicles IV, p.344

35. Ibid, p.223

36. Ch. R. IV, pp.437-8

37. Nanking was known to the Chinese as the 'Southern Capital', while Peking was the 'Northern Capital'.

38. Edgar Holt's The Opium Wars (1964) has a good description of the First and Second China Wars.

39. See Appen.No.5 for the main provisions of the Treaty of Nanking.

40. Morse, International Relations, Sub title of Volume 1.

41. C.M. 10 September, 1846.

42. Memo to Sir G. Bonham, Governor of Hong Kong, 1 November,1850.

43. C.M. 8 May, 1845, describes an attempt,to rob Jardines' opium godown in Hong Kong.

44. BPP 1857 XLIII (221) p.3.

45. F O 17/67, 29 April 1843 contained a confidential letter from Pottinger to Admiral Parker censuring Captain Charles Hope.

46. A wooden paddle steamer of 553 gross tons.

47. J.K. Fairbank, Trade and Diplomacy on the China Coast (1953), p. 363-365.

48. Of Portuguese origin, defined in the Oxford Dictionary as a "fast sailing craft built in China after the European model; but rigged in Chinese fashion". The largest were over 100 feet long by thirty feet beam and could carry 150 tons of cargo. Allusions to Portuguese trading junks in the Japan trade in the sixteenth and seventeenth centuries probably refer to lorchas.

49. Fairbank, Trade and Diplomacy, p.337

50. BPP 1849 XX1X (1119) p.105

51. Ch. R. Vol. XX 1851, pp. 553-560.

52. BPP 1847 V p.521, 'The Navigation of the China Sea' by Captain Collinson, R.N.

53. Ch. R. XX 1852 p. 558

54. The _Spec_ was typical of this class of vessel. She was 70'0" long by 19'0" beam, and 8'0" deep, with one deck and two masts. She was owned by W. Davidson of Ningpo, and licensed to fly the British flag. Her armament of nine guns plus an assortment of muskets, pistols, and cutlasses, meant that she was not afraid of any Chinese vessel on the coast. Such foreign flag vessels were a law unto themselves. C.M. 20 July, 3 August, and 5 October 1848.

55. G. Fox, _British Admirals and Chinese Pirates_ (1940) pp. 179, 190, 110-111, and 210-214.

56. Lindsay, _Lord Amherst_, pp.58-59

57. Greenberg, pp. 171-173.

58. BPP 1854-55 LII, p.429.

59. BPP 1864 XLII, p.23

60. C.C. Allen and A.G. Donnithorpe, _Western Enterprise in Far East Economic Development, China and Japan_ (1954) pp. 17-18.

61. _Chronicles_ IV p.370

62. _Ch. R._ XVI, 1847, p.311

63. BPP 1846 XXVIII (260) p.3

64. Letter from Sir Henry Pottinger, Governor of Hong Kong and Superintendent of British Trade to British Consuls at Amoy and Canton, 25 September 1843. Ibid. p.5

65. BPP 1846 XLlV (746) p.10

66. After the British Embassy was established at Peking in 1861, the treaty port consuls reported to Peking, and came under the authority of the British Ambassador or Minister there.

67. Fairbank, _Trade and Diplomacy_, pp.338-340.

68. Holden Furber, _Rival Empires of Trade_, 1600-1800. (1976) p.289

69. Letter from James Matheson in Canton to Hugh Matheson in Calcutta, December 1836, from _Jardine, Matheson and Company, an Historical Sketch_, privately printed, p.11

70. Fairbank, _Trade and Diplomacy_, p.219

71. E.J. Eitel, _Europe in China_, (Taipeh 1968) pp.168-9, and _Hong Kong 1967_ (Hong Kong Government Publications 1968) pp. 238-9.

72. H.C.S.S. - Honourable Company Steamships.

73. _Nemesis_ was built by Laird and Company of Birkenhead in 1839, with engines by Forrester of Liverpool. She was 184 feet long by twenty nine feet beam, and of 630 tons gross.

74. Corsair was built by J. Wood & Company of Port Glasgow in 1827. She was of 186 net tons, 136'0" long by 18'0" and 11'9" deep, with machinery by D. Napier of Glasgow.

75. Canton was built in 1848 by Tod & Macgregor of Glasgow, who also built her machinery. She was of 349 gross tons, 172'7" by 21'4" and 10'7" deep, with 150 horse power.

76. C.M. 22/2/1849.

77. Ch. R. XVIII, p.664.

78. C.M. 21/12/1854.

79. Ibid.

80. Ibid.

81. See p.21-2

82. C.H. 21/9/1859, quoting from the China Telegraph.

83. Jardine, Matheson and Company: an historical sketch (privately printed) p.46.

84. P.25

85. Palmerston to Bonham, Despatch No.49, 24/5/1851. F.O. 228/123.

86. Woo Chien-chang, formerly a Hong merchant at Canton known as Samqua.

87. See Glossary for definition of 'sycee'.

88. The Chinese Maritime Customs is treated more fully in Chapter 7.

89. Pioneer, one of the most famous steamers to operate in China, is described in

90. C.M. 22/8/1854.

91. Fei Ma (Flying Horse) of 193 gross tons was built at J.C. Coupar's yard at Whampoa where she was launched on 28 June 1856. Coupar was an American, and his yard was afterwards transferred to Hong Kong and became the Hong Kong and Whampoa Dockyard. E.K. Haviland, 'Early Steam Navigation in China; Hong Kong and the Canton River', A.N. 1962, p.22 and C.M. 21/8/1856.

92. Haviland, p.27

93. The Treaty of Hoomunshi is fully described in Appen.No.6

94. Appen.No. 7 describes the main provisions of the Treaty of Tientsin affecting shipping and trade.

95. E.J. Eitel, Europe in China, (Taipeh 1968) p.257.

96. E. Holt, <u>The Opium Wars in China</u>, (1964) p.163.

97. This account of the Tsingpu affair is derived from the <u>Ch. R.</u> 1848 Vol. XVII, p. 151-157, and E. Holt, <u>Opium Wars</u>, p.173-175.

98. J.K.Fairbank, E.O.Reischauer, and A.F.Craig, <u>East Asia: The Modern Transformation</u>, Tokyo 1965, p.334

CHAPTER 2

The Second China War and the expansion of British shipping after the Treaty of Tientsin and the Convention of Peking; with descriptions of some of the more important ports in China and adjacent countries at which British China coasters traded. Approximately 1856 to 1883.

By the early 1850s it had become apparent that the treaties of the 1840s had not succeeded in bringing about the great increase in the China trade for which the Western powers, and especially Britain, had hoped. Nor had they succeeded in establishing normal diplomatic relations between China and the West. A clause in the Treaty of Wanghia of 1844 between China and the United States provided for treaty revision after twelve years. Although there had been no similar clause in the Treaty of Nanking, there had been a reference to treaty revision in the Supplementary Treaty between Britain and China signed at Canton the following year of 1843. China, however, refused to consider any treaty revision when this was suggested by Britain, in spite of British contention that the 'most-favoured-nation' clause was applicable.

In the event it was the continued refusal of the Chinese to allow foreigners into the city of Canton (as provided in the Treaty of Nanking), which caused the Second China War. The actual outbreak of hostilities, however, was caused by the seizure by the Canton authorities of the crew of the Hong Kong lorcha <u>Arrow</u>, and the pulling down of the British flag. This occurred on 8th October,

1856, when the Arrow was anchored at Whampoa, the Chinese alleging that at least one member of the crew was a pirate, and denying that the British flag was flying at the time. The truth about this incident has never been satisfactorily established. [1]

There had been a series of untoward incidents at the newly opened ports before the Arrow incident, several much more serious. [2] These had begun with the burning of the Canton factories on 20 December 1842, just four months after the Treaty of Nanking, and continued with disturbances at Shanghai, Amoy, Foochow, and again at Canton. The most serious of these was the murder of six British merchants on the outskirts of Canton in December 1857. [3] Had it not been for the Crimean War of 1853-56 (the actual hostilities of which came to an end in late 1855), Britain might have taken military action earlier. For a time during the Crimean War, however, the prospect - although remote - of a Russian naval descent into the South China Sea limited the Royal Navy's freedom of action in Chinese waters. It was this Russian scare which led to the founding of Hong Kong's volunteer corps in June, 1854, with an initial enrolment of 127 men.

France was allied with Britain in the Second China War, although her commercial interests in China were small compared with Britain's. Her treaty rights, however, permitted her to send missionaries into the interior, and the judicial murder of a French priest in Kwangsi Province was the actual casus belli in her case. The real reason, however, was undoubtedly the ambition of Napoleon III to extend French influence in the Far East.

The Second China War lasted from the Arrow incident of 8 October 1856 to the Convention of Peking of 25 October 1860. Like the First China War. it began at Canton and spread north, and

ended in a humiliating defeat for China. In a war spread over four years, and which contained many bizarre features, the burning of the Emperor's Summer Palace at Peking was the one most remembered. This was intended by Lord Elgin as a punishment on the Emperor for the ill treatment of allied emissaries.[4]

The Convention of Peking ratified the Treaties of Tientsin of July 1858, which had brought the first phase of the war to an end. The most important provisions of these diplomatic agreements affecting shipping were the opening of the Lower Yangtze and of nine additional ports to foreign trade and shipping, the legalization of the opium and emigrant trades, and the extension of the new style Customs Houses to all treaty ports. On the diplomatic side, the most important concessions by China were permission for the Western Powers to establish embassies at Peking, and for their representatives to be received in audience by the Emperor. Both parties considered this last concession as of special importance. It meant that at last China regarded the Western Powers as of equal status as herself, ending the meaningless assumption that they were in an inferior tributary relationship. In furtherance of this, the custom of referring to Westerners as 'barbarians' was formally banned.

This second treaty settlement, with the tariff agreement concluded at Shanghai in November 1858, had the general effect of opening almost the whole of China to Western trade. It enlarged the rights and privileges already granted Britain under the Treaty of Nanking, and confirmed her leadership in China's foreign shipping and trade. Hong Kong's security was increased by the cession to Britain of Kowloon Peninsula opposite Hong Kong, and of Stonecutters' Island east of the harbour, so that the harbour was now

completely encircled by British territory.[5]

Neither the first or second Anglo-Chinese Treaty settlements gave Britain precise legal right to carry produce between the treaty ports, the Treaty of Nanking merely legalising the import of foreign goods into the treaty ports and the export of Chinese produce from these ports by foreign ships. In 1857, when the British merchants at Canton petitioned Lord Elgin for the right to participate in China's domestic trade, he replied: "This right to participate... has never been granted to British subjects by express enactment; but as this is now well established and is rapidly growing in importance, it has become very requisite to guard it by specific regulation".[6]

The practice of bonding cargo was not at first either accepted or understood by the Chinese, nor mentioned in the Anglo-Chinese treaties. The re-export of part cargoes, however, was provided for in the American treaty of Wanghia of 1844, and so under the 'most-favoured-nation' clause, British ships automatically shared this privilege. Until the Chinese Maritime Customs was established at Shanghai in 1854, and at the other treaty ports within the following decade, ad hoc local agreements often solved such technical commercial problems. As a free port, Hong Kong to some extent acted as a bonded warehouse for the southern section of the coast, and the Western system of drawbacks was gradually accepted at all the treaty ports.[7]

The definition of China's international commitments was always a difficult problem, as many countries claimed benefits or privileges on the strength of informal letters or conversations, not always officially recorded. Most treaties and agreements between China and Western Powers were accepted by China under some form of duress, and their interpretation was often decided unilaterally by

the Western Power involved. Hence their collective description as the 'Unequal Treaties'.

It was also equally difficult to describe the Chinese attitude towards foreign shipping and trade. Defeat in the Second China War had at last compelled the Peking Government to realise that it was imperative to come to terms with the Western Powers, and that China must open her doors to Western trade. How to convince provincial governments which had not experienced Western military and naval power, to accept this unpalatable fact, was probably themost difficult problem of all. The attitude of the Chinese people themselves again varied from one part of the vast country to another, and from one section of the population to another. The part played by the Cantonese - as compradores, clerks, linguists, etc. - in extending British trade north from Canton has already been described.[8] Such Cantonese had been in contact with Europeans for many years, and although the Cantonese as a whole, and the Cantonese officials, were noted for their xenophobia, the merchant class was favourably disposed towards foreign trade. At Shanghai, on the other hand, and in the province of Kiangsu generally, the population as a whole was favourably disposed towards foreign trade. If any general pattern can be discerned, it is that the mandarins and scholar-gentry were hostile towards foreign trade, while the merchant class was sympathetic. The latter made this clear by their early patronage of foreign ships in the coast trade, and by their investment in the shipping companies formed by the British and American agency houses from the 1860s.[9]

On the other hand, the attitude of junk owners and junk men was understandably hostile. These people saw their livelihood directly threatened by the foreign steamships, and took what action

they could to protect their interests. In several instances they were successful to the extent that - as on the Upper Yangtze - they managed to delay the invasion of their trade by the steamships. Regrettably, there are no reliable statistics available on the number of junks employed in the various sections of the coast trade, as for most of the period being considered the Junk trade came under the Native, and not the foreign administered Chinese Maritime Customs.

Strange to say, in one junk trade about which we have fairly reliable statistics, the threat came from a Chinese steamship company, the China Merchants Steam Navigation Company. All foreign visitors to Shanghai in the pre-treaty port and early treaty port years, comment on the vast number of junks employed carrying the 'tribute rice' from the Lower Yangtze to Peking. Fairbank speaks of some 6,000 junks of about forty five tons capacity being involved in this vast operation. As the Grand Canal connecting the Lower Yangtze with Peking was gradually silting up, one aim of the China Merchants Steam Navigation Company was to provide a reliable and alternative means of transport for this rice, the safe delivery of which at Peking was considered essential to the Imperial régime. Some 70,000 junkmen were said to be employed in this operation.[10]

The first two decades after 1860 were - compared with the previous two - something of a honeymoon period in Sino-Western relations, although the Taiping Rebellion continued to complicate the situation until 1866. The Western Powers had sympathised with the rebels in the early stages; but soon became disenchanted with them because of their excesses, and in the final years supported the Manchu régime.[11] It was thought that such a policy would better serve their political and commercial interests. These two decades

saw the formation of several foreign shipping companies to trade on the coast and on the Lower Yangtze, the first of which was the Shanghai Steam Navigation Company formed by the American agency house of Russell and Company in 1862. In addition the established agency houses of Jardine, Matheson and Company; Dent and Company; and others operated steamships under the old system.[12]

Although Britain had been responsible for opening the Lower Yangtze to foreign ships and shipping, and British trade was predominant there, it was the American Shanghai Steam Navigation Company which pioneered regular steamship services on the river. America, of course, had been a serious rival in the China trade for many years, and in the 1850s and 60s during the clipper ship era, American ships carried almost half the foreign trade at the treaty ports.[13] In fact, when the Yangtze was opened to foreign ships, American shipping, especially river steamers, was generally considered as superior to British, and this was only partly due to their greater experience of river navigation gained on the Hudson and Mississippi Rivers. This was acknowledged by some of the early British Yangtze steamers - those of Dent and Company, for instance - being built in America. In 1865 the Commissioner of Customs at Shanghai reported as follows: "The Americans at Shanghai are, as is the case everywhere else (in China), in the ascendant as regards shipping; it is impossible to compete with their steamers, except by opposing them with others of the same kind, and built on the same model. On the Yangtze line, seven steamers out of nine are American; the others are distributed on the Ningpo, Hong Kong, and Japan routes".[14]

By 1866 Russell and Company estimated that between one half and two thirds of steamship cargoes on the Yangtze were carried

by their Shanghai Steam Navigation Company.[15] Rival companies had either withdrawn by then, or sold their ships to the American company. Dent and Company failed in the Overend-Gurney financial crisis of 1866-67, and most of their steamships were sold to the Shanghai Steam Navigation Company.[16] At the same time Jardines agreed to withdraw their steamships to the coast in return for Russells agreeing not to increase their shipping services south of Shanghai. This left the American company in a near monopoly situation on the Yangtze until the end of 1872, when two powerful rivals appeared, one British and one Chinese. This development will be treated in the following chapter on the Yangtze.

The Shanghai Steam Navigation Company also operated between Shanghai and Tientsin, and between Shanghai and Ningpo; but on neither route achieved such a dominating position as on the Yangtze.

In the south and based on Hong Kong, other shipping companies were also operating between the treaty ports, and such companies are included in Table No. 16 already referred to. In addition, overseas companies trading between Europe and the Far East participated in domestic services between Hong Kong and Shanghai, and also made occasional calls at intermediate treaty ports. These included - in chronological order - the Peninsular and Oriental Steam Navigation Company; Messageries Maritime French Imperiale; Ocean Steamship Company (Blue Funnel); Ben Line, and the Glen, Castle, and Shire Lines.

The discovery of gold in California and Australia in 1847 and 1851 respectively, created a demand for fast passages to both places from the eastern United States and Britain respectively. After landing their passengers, many of the fast clippers in these

trades went on to China to load tea, as return cargoes from California and Australia were scarce. Some of those from Australia, like many which came direct from Britain, brought coal cargoes. Cutty Sark and Thermopylae were among many famous tea clippers which brought coal to China, thus hastening their eventual downfall.

The supply of suitable fuel was a difficult problem for the early steamships on the China coast, but has attracted little attention from maritime historians. Some of the first steamships which came to Canton returned to India under sail or burning wood. From about 1858 coal was regularly included among Shanghai's imports, 28,485 tons being imported that year from Britain, Australia and America.[17] There were wide variations in imports from year to year; but with a steadily upward trend, and in 1875, 143,793 tons were imported, of which 79,127 tons came from Japan, 10,552 from Britain, of which 9,214 tons were from Wales, 34,981 from Australia, and 15,683 tons from Formosa.[18] The most expensive coal was the 3,450 tons from the United States, which cost Tls.10.19 per ton, about £3.8/-. Then came the Welsh coal at Tls. 8.71, about £2.19. 7d., English at Tls.8.25, about £2.15/-., Australian at Tls.6.95, about £2. 6. 4d., Japanese at Tls. 4.31, about £1. 9. 6d., and finally the cheapest, the Formosan coal at Tls. 2.21 per ton, about 15/-.[19] By 1883 coal imports at Shanghai had increased to 191,645 tons at a cost of £264,692, which averaged at £1. 7. 8d. per ton, illustrating how costs had decreased with increasing production in near at hand locations, mainly Japan and Formosa.[20]

The first Japanese coal had arrived at Shanghai in the Zenzai Maru in 1862. This was Japan's first overseas trading venture for over 200 years, and the cargo also included seaweed, isinglass, and Japanese ware, all from Nagasaki.[21] As we have seen above

by 1875 Japanese and Formosan coal had all but excluded British and Australian coal from the Shanghai market. In the former case, this was accomplished by the adoption of European machinery and mining methods, and so bringing the quality closer to that of Britain and Australia.

Although China had extensive coal resources of her own, some of the greatest in the Yangtze Valley, mining methods were primitive, and not until the early 1880s was domestic coal able to compete with Japanese and Formosan coal in the Shanghai market. The K'aiping Mines, half way between Tientsin and the Great Wall at Shanhaikwan, began production in 1877, and within a few years was a major producer. In 1883 production reached 75,000 tons per year, and increased steadily from that time. Most was consumed in the Peking and Tientsin area, however, within a hundred miles radius of the mines, and it was several years later before there was any substantial export.[22]

The high cost of fuel for the early steamships, and their high consumption, meant that they were only able to carry cargoes which would bear high freight charges, leaving cheaper cargoes to lorchas and junks. Fuel costs decreased, however, as increased domestic and Japanese supplies became available, while at the same time technical improvements in marine steam engines resulted in decreased consumption, and this progressively enabled steamships to compete with junks in the transport of cheaper cargoes. Some statistics on fuel consumption are included in Appendix 8.

Tea and silk continued to be China's principal exports during the 1856-1883 period, and during the tea season clippers arrived at the tea ports from all parts of the world. These belonged to individuals or small companies owning one or a few ships.

The high capital and running costs of steamships, however, made their ownership by joint stock companies almost inevitable, so that steamships brought about a commercial as well as a technical revolution. However colourful the history of the clippers may be, they were engaged in overseas trade, and so have no direct relevance to the development of the China coast trade.

Tea and silk, however, so important in China's overseas trade, were not so important in the coast trade, as most tea and silk was loaded direct on overseas ships in Canton, Hong Kong, Foochow, Shanghai, and Hankow. After the decline of the tea races, however, much of Hankow's tea exports went by river steamer to Shanghai. Opium continued to be important in the coast trade all through the period described here. Almost all Indian opium was imported into Hong Kong and Shanghai, and went from there in coast steamships, mainly British, to other coast ports, and this was also the case with British and Indian cotton goods. The most important foreign commodities carried in steamships between Shanghai and Hankow in 1867 were opium valued at Tls.2,422,200, about £807,540; cotton goods at Tls.3,301,731, about £1,100,577; and woollen goods at Tls.2,402,622, about £800,874. The corresponding statistics between Shanghai and Tientsin were Tls.4,403,989, about £1,467,966; Tls.2,973,928, about £991,309; and Tls.784,731, about £261,577. The most important Chinese commodities carried from Shanghai to Hankow in the same year were silk goods valued at Tls.1,469,064, about £489,688; raw cotton at Tls.3,626,010, about £1,208,670; and sugar at Tls.830,666, about £276,888. Between Shanghai and Tientsin the most important Chinese commodities were tea at Tls.966,064, about £322,021; and silk goods at Tls.618,374, about £206,124. In the export trade from the two ports, apart from tea valued at

Tls.5,767,121, about £1,989,041, from Hankow to Shanghai, there were no outstanding items; but a bewildering variety of miscellaneous items, some of an exotic nature. This included bêche-de-mer, cuttle fish, tigers' bones, deers' horns, jade stone, joss paper, ginseng, melon seeds, sea weed and so on.[23] Hong Kong's free port status precluded the collection of similar statistics on imports and exports; but the import of Indian opium featured largely during this period, also cotton goods from India.

Between 1856 and 1883 overseas ships engaged in the Far Eastern trade often made coast voyages in the interval between discharging their outward cargo and loading for Britain and Europe, if no suitable outward cargo was available on completion of discharge. This applied ~~mainly~~ equally to sailing ships and steamships, and can be illustrated by reference to some early Ben Line voyages. In 1859 the Ben Line made its first venture to the Far East when its wooden barque Araby Maid I, of 329 tons, took a cargo of coal from Sunderland to Singapore, and then continued to Macao with general cargo. From Macao, and probably on the master's initiative, she then did some trading between Chinese and Japanese ports until she loaded a full cargo at Yokohama for Callao. She finally loaded a cargo of nitrates on the west coast of South America for Cuxhaven.[24] This voyage lasted almost exactly two years. By 1881, the Ben Line was operating a regular monthly service to the Far East; but after reaching Singapore the ships traded around the Far East before returning home. In 1886, for instance, the Bengloe took 2,500 tons of general cargo from London and Antwerp to Singapore. She then traded in the Far East, including two voyages between Japan and Hong Kong with coal, four between Saigon and Hong Kong with rice, with some shorter legs in between, before eventually returning to

London with tea and general cargo.[25] After this period this practice gradually fell into disuse with both overseas and coast ships developing more and more regular liner trades.

It is difficult to draw a clear distinction between a coast and a way-port voyage, although the latter may be described as a voyage between different ports in different countries of the Far East, in which overseas ships in the Far Eastern trade took part. On outward voyages, which usually ended in Japan, overseas ships commenced discharging part cargo at Colombo, and continued to discharge at other ports as they continued east - Penang, Singapore, Hong Kong, and Shanghai. Other cargo would be loaded at these ports for further east, so that when discharge was completed in Japan little of the original cargo might remain in the holds. A similar practice obtained on the homeward passage.

In addition to the wayport trade described above, overseas ships sometimes called at the larger treaty ports, such as Hankow and Tientsin, and in the tea season homeward bound ships sometimes called at Foochow. In some cases therefore, they might engage in the coast trade, and this was resented by the regular Hong Kong and Shanghai based coast companies. The latter wanted coast cargoes from the treaty ports to be taken to Hong Kong and Shanghai in their coast ships, stored and insured by them in their godowns, until loaded into homeward bound overseas ships, and this process reversed for import cargoes. This coast-overseas conflict of interest was complicated by the fact that the two principal British coast companies concerned - the China Navigation and the Indo-China Steam Navigation Companies - were closely linked through their general managers with some of the principal overseas companies. Butterfield and Swire, general managers of the China Navigation Company, were also agents

throughout China and Japan for the Blue Funnel Line; while Jardine, Matheson, and Company were similarly placed with regard to the Indo-China Steam Navigation Company, and to the Glen Line and other overseas companies.

The Repeal of the Navigation Acts in 1849 allowed American ships to trade directly between China and Britain, and Russell and Company were quick to take advantgge of this. Their clipper Oriental of 1,003 tons, built at Boston in 1849 by the famous Donald Mackay, arrived in London on 3rd December 1850, after a record breaking voyage of ninety seven days from Hong Kong. Her speed, so vital then in the tea trade, had enabled her to load 1,600 tons at £6 per ton of forty cubic feet, about £2 per ton above the rate the slower British ships were able to get. Oriental's freight on her first China voyage is said to have amounted to nearly three quarters of her original cost.[26]

Oriental was much admired when she lay in the West India Docks, as she was the largest clipper to have visited London until then, and this was the first of the international tea races. The Admiralty received permission to take off her lines when she was in Green's Blackwall drydock, and the design of the Oriental must have influenced the design of later British clippers which were to prove successful in overcoming the American challenge. When this challenge was at its height in 1853, twenty American clippers brought China tea to London.

Anglo-American rivalry continued on the China coast for nearly twenty years after it ended in the overseas China trade. Not until 1877, when Russell and Company sold the Shanghai Steam Navigation Company's fleet to the China Merchants Steam Navigation Company, did it come to an end in Britain's favour. In the latter

years, this rivalry was maintained by Russell and Company for America, and by Jardine, Matheson and Company and Butterfield and Swire for Britain, and was largely concentrated on the Yangtze. In 1873 the United States flag represented 51.4 per cent of all outward tonnage from the treaty ports bound for other treaty ports - 1,643,700 tons out of the total of 3,194,922 tons. In 1878, the year after the sale of the Shanghai Steam Navigation Company to the China Merchants, this figure fell to 116,982 tons out of the total of 5,179,812 tons, only 2.2 per cent. British flag tonnage for these years was 1,174,598 and 2,195,325 tons respectively, 36.7 and 42.5 per cent of the total.[27] In the combined coast and overseas trade, the British share was always much greater than that of any other country.

Owing to the combination of several factors, shipping and trade statistics become increasingly accurate after 1860, including those from the nine additional ports opened by the Treaty of Tientsin. The most important of these factors were the extension of the new foreign administered customs service to all the treaty ports, a process completed when Newchang received its customs house in 1864, and the legalization of the opium trade, so important to British shipping and to Indian trade. Another important factor was the establishment of full diplomatic relations between Britain and China, resulting in the opening of a British Embassy at Peking. From soon after 1860, British Consular Reports from the treaty ports were forwarded to Peking, instead of to the Superintendent of British Trade at Hong Kong, which post was abolished. The Legation staff included a commercial attaché, who collated these reports, and periodically embodied them in a comprehensive report covering the whole country, which was sent to the Foreign Office. These reports, as well as

describing commercial conditions in the treaty ports, described Sino-British relations, and included information on social and political conditions. They covered almost the entire aspect of the British presence in China.

The Treaty of Tientsin also allowed British subjects to travel in the interior of the country, and from the early 1860s British Consuls made many exploratory journeys through little known parts of China, and wrote exhaustive reports on their journeys.[28] There had been journeys by British and other foreign travellers before the Treaty of Tientsin, but many had been undertaken secretly, and the travellers had been in Chinese dress. Robert Fortune, the botanist, travelled in this manner when he was collecting tea plants to send to India to establish a tea industry there.[29]

Even before the Yangtze was opened to foreign trade in 1860, Shanghai had surpassed Canton, and become the most important port in the country. Its relative importance increased further after the opening of the Yangtze, and it soon became the principal centre of British investment and trade in China. While other ports increased and decreased in relative importance during the period under conaideration, Shanghai's importanee steadily increased, and it always accounted for over fifty per cent of China's foreign trade.[30]

The most important developments in the coast trade after the Treaty of Tientsin - apart from those on the Yangtze which will be described later - were between Shanghai and Tientsin, between Newchwang in Manchuria and south China, and the emigrant trades from Amoy and Swatow to South-east Asia and other foreign countries. In addition, the pre-Treaty of Tientsin trades continued and expanded, in particular that between Hong Kong, Shanghai, and the intermediate

ports.

The Shanghai Steam Navigation Company, which pioneered regular steamship services on the Lower Yangtze in 1862, began a service between Shanghai and Tientsin in 1866, and between Shanghai and Ningpo in 1867. By the latter year a newly formed British company, the North China Steamer Company, was also operating in the Tientsin trade, and David Sassoon and Company in the Ningpo trade. Five years later the position was that the Shanghai Steam Navigation Company had six steamships on the Tientsin service, and two on the Shanghai-Ningpo service; while the North China Steamer Company (now managed by Jardine, Matheson and Company) had five steamships on Shanghai-Tientsin service.[31]

Although all these companies were joint stock enterprises, their methods of raising capital differed. Both Russell and Company, and Jardine, Matheson and Company were reluctant to employ much of their own capital when forming the steamship companies which they managed and controlled. As commission and agency houses, their normal policy was to shun direct and permanent investment of any kind, including investment in shipping. Russell and Company, therefore, obtained the initial capital for the Shanghai Steam Navigation Company of Tls. 1,000,000 (approximately £330,000) from three separate sources, each of which contributed about one third. These were - the partners and associates of Russell and Company; foreign business men in Shanghai, many of them British; and, Chinese business men in Shanghai.[32] Jardine, Matheson and Company adopted a similar method when forming the China Coast Steam Navigation Company in 1869. Of the initial capital of Tls. 325,000 (approximately £108,333), Jardines themselves took up some 64.2 per cent; other foreign subscribers 15.5 per cent, and Chinese subscribers the remaining 20.3

per cent. Correspondence between the Jardine partners at the time reveals that they thought the contribution of the firm too great.[33] Jardines adopted a similar method when forming the Yangtze Steamship Company in 1879.

John Swire, however, when forming the China Navigation Company in 1872, adopted an entirely different method, obtaining all the necessary capital of £360,000 in Britain from himself, friends and associates.[34] This was the first time that a major steamship company in China was financed fromabroad. The company commenced its Yangtze service with the two small steamers of the Union Steam Navigation Company, while its own first ships were being built on the Clyde. The purchase of this company included shore properties, among which was a strategically situated wharf on the Bund at Shanghai. An important feature of the Russell, Jardine, and Swire strategy was to solicit as much Chinese freight and passenger business as possible, and for this wharves near the Chinese business quarter were essential.

In 1881 when Jardines amalgamated all their shipping interests into the Indo-China Steam Navigation Company, they adopted a combination of the two methods. Of the initial capital of £498,000, £210,000 was obtained in Britain, where the principal shareholders were James McGregor of the London and Glasgow Shipbuilding and Engineering Company and a director of the Glen Line, and Thomas Reid, a Glasgow merchant. Of the remaining capital allocated to Hong Kong and China, Jardines subscribed £100,000, and the rest came from British and Chinese business men. The company's first new ships were built at the Glasgow shipyard of the London and Glasgow Shipbuilding Company. The new company began life with thirteen steamships of 12,771 tons, and operated on the Yangtze, three routes on

the coast, and between Calcutta and Hong Kong.[35]

The China Merchants Steam Navigation Company, however, formed almost at the same time as the China Navigation Company, adopted an entirely different method of capital organisation from any of the foregoing. This company was the brain child of Li Hung-chang, Governor General of Chihli (the metropolitan province in which Peking was situated), and the most powerful official in China. Li wanted China to share in the expanding steamship trade, and also a secure method of transporting the tribute rice from the Yangtze provinces to Peking. This was China's most important tax-in-kind, and the regular delivery of this rice to Peking was considered essential to the stability of the régime. Some 275,000 tons were due at the capital each year, and it was estimated that - allowing for collection costs and transport losses - the Yangtze provinces provided about 400,000 tons of rice every year.

The China Merchants was intended to operate on the old Chinese method of 'a merchant undertaking under government supervision', and its founding was a major event in China's modern economic development. Li arranged a central government loan of Tls. 136,000 in 1872, approximately £45,530, and in the following two years the two Chinese business men who managed the company under Li, raised another Tls. 476,000, approximately £158,666, from their business associates. No foreigners were allowed to invest in the new company. After that further funds came from several sources, including native banks, all of which charged high interest rates and demanded quick returns.[36]

The appearance of the Chinese company's steamships on the Shanghai-Tientsin and on the Lower Yangtze services in 1873 and 1874 respectively, upset the equilibrium which had recently been

achieved between the Shanghai Steam Navigation Company and the China Coast Steamship Company on the former, and between the Shanghai Steam Navigation Company and the China Navigation Company on the latter service. As a result all four companies went through a very difficult period. Although the China Merchants paid dividends of 15 per cent and 10 per cent in 1875 and 1876 respectively, this was a face saving exercise made possible by the artificially high freight rates paid by the government for the carriage of the tribute rice, and by only laying aside Tls. 57,116 for depreciation over the two years.

During this period, the American company's dividends, which had been maintained at 12 per cent for the twelve years previous to 1873, were only 7 per cent for 1874, 1875 and 1876, and the company had dipped into reserves to provide for depreciation and renovations. By the end of 1876 the shares (Tls. 100 par) had fallen to Tls. 70. The China Coast Steamship Company's results were even worse. After a dividend of 10 per cent in 1874, and 5 per cent in 1875, nothing was paid in 1876; by which time the shares had fallen from the par of Tls. 100 to Tls. 56.[37]

The China Navigation Company had been equally hard pressed; but profits had shown a slight improvement towards the end of 1874, because of the transfer of the _Glengyle_ from the Yangtze to more profitable trading on the coast. Dividends were maintained at 5 per cent over these years, with some assistance from a short term loan of £57,000 at 5 per cent from Alfred and Philip Holt.[38] Unfortunately the _Glengyle_ - which had inaugurated the company's Yangtze service in 1873 - was wrecked off Amoy at the end of 1875.[39]

Both the Shanghai Steam Navigation Company and the China Coast Steamship Company thought the outlook so unpromising, that each

considered selling its fleet to the China Merchants. While the Jardine principals in London were considering this, however, they were forestalled by Russells, and the Shanghai Steam Navigation Company fleet and shore properties were sold to the China Merchants early in 1877. The purchase price was a total of Tls. 2,220,000, approximately £634,286; comprising Tls.2,000,000, approximately £571,428, for the fleet and properties, and Tls.220,000, approximately £63,428, for the waterfront properties in Shanghai and at other three ports.[40]

Meanwhile in the early 1860s, soon after the formation of the Shanghai Steam Navigation Company by Russells in Shanghai, there were developments in coast and river shipping by British companies based on Hong Kong in the south. The first was in 1863, when Mr. Douglas Lapraik formed the Douglas Lapraik Company, with a capital of H.K. $1,000,000, approximately £200,000.[41] This company operated a regular service between Hong Kong and Foochow, with calls at the intermediate ports of Swatow and Amoy, and usually operated from four to seven ships. Mr. Lapraik had been concerned with shipping at Hong Kong for many years, and was able to enlist capital and support from Chinese merchants.

The second company was the Hong Kong, Canton, and Macao Steamboat Company, formed in 1865. After the failure of the Hong Kong and Canton Steamship Company in 1854, the Canton river service had been operated by several small companies owning one or two ships each, also by ships on the Shanghai-Hong Kong service including Canton i n their schedule. The new company was originally an Anglo-American concern, but being based in Hong Kong, the ships flew the British flag. The original capital was H.K. $750,000, about £150,000.[42] A few years after its formation, William Keswick of

Jardines became a director, and from then Jardines were closely associated with the company, and American interest decreased. In 1875 the China Navigation Company transferred its Ichang from the Yangtze to the Canton river service, as part of a plan to increase cargoes for the Blue Funnel overseas ships, and this is considered to be the origin of the Jardine-Swire rivalry, personified for many years between William Keswick and John Swire.[43] The Hong Kong, Canton and Macao Steam Boat Company eventually owned eleven steamships on the river.

The sale of the Shanghai Steam Navigation Company to the China Merchants, and the latter company's aggressive policy, combined with the knowledge that Jardines had also been contemplating selling the China Coast Steamship Company to the China Merchants, caused some foreboding in foreign commercial circles. Almost simultaneously, the American Pacific Mail Steamship Company, which had operated between San Francisco, Japan and China, was sold to the Japanese. It was believed that Li Hung-chang was planning to supplant foreign influence in China, or at the very least severely restrict foreign shipping in Chinese waters. Hong Kong's China Mail concluded a leading article as follows:- "It naturally occurs to our minds how long a period will elapse ere the remaining foreign owned steamers on the China coast will be swallowed up by Messrs. Li, Tong Kong-sing, and Company".[44] In the event, the reverse happened. Within a short time the China Merchants began to decline, and - because of several factors - its existence came to benefit, and not hinder, the development of foreign shipping in China.

Only one year after the purchase of the American company, the British Consul at Chefoo wrote as follows:- "The existence of a native steamboat company under the auspices of the Government, was

by many hailed as the dawn of a new era of progress. It has disappointed all the expectations of its friends .... with a capital mostly subscribed by Government it has, owing to corruption and mismanagement, been unable to pay its way. In the last account not only was nothing allowed for depreciation of stock; but the capital account was credited with the full cost and repairs of the steamers which have been wrecked and are mere rotten hulks. The Company has taken away a part of the junk trade and impoverished junk owners. Lastly, by enabling Peking to obtain treasure and food by sea, it causes still greater neglect to be shown to inland water communications." 45

A few years before this, however, John Swire had shown his optimism and resource by starting a new coast service which proved to have great potentialities. This was the carriage of soya beans and bean products from Newchwang in Manchuria to South China, where return cargoes of sugar were often available for return north. In south China, soya beans, mainly in the form of bean cakes were used as fertiliser for sugar production, and Swatow in Kwangtung was the main port into which they were imported. This was a long established trade, which until Newchwang and Swatow were opened to foreign trade in 1860 had been one of the most important junk trades on the coast. It was a charter trade, and soon after 1860 was invaded by sailing vessels, mainly North German. Chinese merchants chartered vessels either for a single, or for a series of voyages.

In 1874 the China Navigation Company was unable to finance this new venture out of its own resources, being hard pressed to maintain its services on the Yangtze. John Swire, however, with H.J.Butterfield, brother of his former partner, and John Scott, the Greenock shipbuilder, formed a new company to exploit this new trade. This was

called the Coast Boats Ownery, and commenced operations at the end of 1874, with two second hand steamships called the William Batters and the Teresa Batters.[46] Both ships had been built in Scotts' shipyard at Greenock for service in South America; but this project falling through, John Swire had been able to purchase them for a bargain price of £32,000 each, renaming them Foochow and Swatow, and putting them under the Butterfield and Swire management. They were of shallow draft with large cargo capacity, and proved very suitable for the new trade. This proved so successful, that in 1876 another two steamers costing £40,000 each were built, also at Scotts' of Greenock, the Chefoo I and the Tientsin I.[47]

When the Coast Boats Ownery bought the William Batters and the Teresa Batters, the China Merchants bought a sister ship, the Eleanor Batters; but instead of placing her on the Newchwang-Swatow trade for which she was so well suited, she was put on the Shanghai-Swatow trade. The Coast Boats Ownery was granted several valuable years in which to develop this new trade, before being joined by the China Merchants and Jardines' Indo-China Steam Navigation Company. In 1879 the Commissioner of Customs at Swatow commented:- "The trade between Swatow and these ports of China (Newchwang and Chefoo) is chiefly carried on by steamers of Messrs. Butterfield and Swire .... They are gradually driving away the sailing vessels, taking cargo at very moderate prices, and giving great satisfaction to the Chinese merchants, who are beginning to charter them by the trip in the same manner as sailing vessels".[48]

Paradoxically, while British shipping on the China coast was increasing at the expense of American, and in spite of the appearance of the Government sponsored Chinese company, the golden age of

the British China trade was coming to an end. The British market for silk and tea was decreasing in the face of competition from Japan in the silk trade, and from India - and later Ceylon - in the tea trade. At the same time, British exports to China were stagnating, and Indian opium facing increasingly successful competition from domestic production in Szechuen and Yunnan provinces. This latter development, incidentally, had an adverse effect on exports of Manchester cotton goods to India. These developments took place during the period often described as 'The Great Depression', which lasted, apart from several short booms, from about 1873 to 1896. In a letter from Peking to the Foreign Office of 31 May 1894, the British Minister, Mr. O'Connor, wrote as follows:- "Striking changes have taken place in the China trade in the last 20 or 25 years. The direct imports from England are now actually some 6% less than in 1872, and exports have fallen in value by as much as 25%. In 1872 the imports from England were slightly over 50% of the whole trade, and imports from England, India, and all British possessions together amounted to more than 90% of the whole. In 1893 the same imports only formed 80% of the whole, and the direct imports from England had fallen to 32% of the whole. Similarly, direct exports to Great Britain, which formed 65% of the trade in 1872 have fallen to only 15% in 1893".[49]

The Great Depression was a world wide, and not a purely British, phenomenon, and cannot be explained in solely British terms. One British historian described it as "the end of one phase of ~~industrialisation~~ economic development - the first, or if we prefer, the British phase of industrialisation - and the start of another".[50] The salient fact with which this study is concerned, however, is that during this period of depression, British shipping on the China

coast increased substantially. Unfortunately, shipping statistics covering all the treaty ports over the whole period are incomplete; but are complete for Shanghai. As Shanghai accounted for over 50% of China's foreign maritime trade from after 1860, statistics for Shanghai can normally be taken as representative for the treaty ports as a whole. The following statistics illustrate the growth of shipping calling at Shanghai in the thirty years from 1863 to 1893, and also British predominance over this period. They also illustrate the steady increase in the size of vessels over this period, from just over 305 tons in 1863 to just over 1,116 tons in 1893.

Shipping Statistics at Shanghai 1863, 1873, 1883, and 1893.

Year	Total Shipping ent. and clearing.	British Shipping ent. and clearing.	Brit. %
1863	6,394 of 1,943,207 tons	3,600 of 1,095,638 tons	56.4 [51]
1873	3,368 " 2,238,216 "	1,511 " 934,910 "	41.8 [52]
1883	4,788 " 3,843,496 "	2,580 " 2,102,926 "	54.7 [53]
1893	5,643 " 6,302,113 "	2,982 " 3,586,594 "	56.9 [54]

From soon after the Second China War and the establishment of regular shipping services on the coast, British Consuls and merchants continually comment, and complain, of Chinese merchants in the outports encroaching on the trade of British merchants at these outports. The steady increase in the foreign population of the outports, however, does not appear to warrant this. In 1851 the total foreign population of the five original treaty ports and Macao was 499, distributed as follows:- Canton and Macao 298, Shanghai 135, Ningpo 22, Foochow 14, and Amoy 30. [55] By 1883, by which time there were nineteen treaty ports, the total had increased to 3,995.[56] In addition the foreign population of Hong Kong amounted to 490 in 1851, and 10,063 in 1883. [57]

The increasing regularity and cheapness of passenger services between Hong Kong and Shanghai and the outports during this period, made it possible for Chinese merchants in the outports to travel to Hong Kong or Shanghai and conduct their business there personally, thus byepassing the foreign merchants in their own ports. This was especially the case with Chinese merchants living at ports within a night time's sailing of Hong Kong or Shanghai, such as Swatow and Ningpo. These were 176 and 134 miles from Hong Kong and Shanghai respectively, and connected with these ports by regular and frequent night sailings. In 1865 the Customs Commissioner at Shanghai made the following comment about Ningpo:- "Every day a steamer leaves one port for the other, and carries the native dealer for three dollars for the round trip. Some small money is spent in Shanghai, he has no other expenses, and he thus saves the commission he formerly paid" (to the local European agent).[58]

In the case of Tientsin, and it must have been very similar at other ports, the Commissioner of Customs wrote:- "By 1867 the native firms of Tientsin also developed the practice of purchasing imported goods from foreign firms in Shanghai, and not from their branches in Tientsin (thus avoiding the additional cost of high overhead). In early 1867 at least ten or twelve Tientsin firms had their own agents in Shanghai, who, with the help of brokers or compradores, arranged for the shipment of merchandise on steamers".[59] In a later report the same Commissioner wrote:- "The mere operation of buying goods in their own country is one for which the Chinese have always been considered thoroughly qualified. It was a merely temporary condition of affairs under which for a year or two, foreign imports were sold through secondary foreign agents at secondary ports. As soon as the Chinese merchants became accustomed to the manner of

doing business with foreign vessels, they resumed their old practice of making their purchases at the headquarters of the import trade - Shanghai".[60]

The situation at Hankow is described by the Customs Commissioner there in a letter of 31 January, 1870:- "The chief dealers in Opium are Cantonese, in Cotton and Silk Piece Goods Chekiang people, the Crockery and Medicine trade is done by Kiangse merchants, the Tobacconists are all Fuhkien men, whilst Tea, Oil, Tallow, Furs, and Miscellaneous goods are dealt in by Natives from almost every province".[61]

In spite of all evidence that Chinese merchants were perfectly capable of making their own purchases of foreign goods and sales of Chinese goods, the British and other foreign merchants continually hark back to a supposedly Golden Age when they were able to make easy fortunes by performing such simple commercial operations for unsophisticated 'natives'. It was only under special, and usually temporary, conditions, that this was the case.

Another factor affecting the Chinese economy and Sino-Western trade - especially during the latter part of this period - was the depreciation in the value of silver relative to gold, reflected in the declining value of the tael, which began about 1872. During the treaty port era Britain and China had different monetary standards, Britain having adopted the gold standard in 1829, while China remained on silver. No great difficulty was experienced in commercial transactions until after 1872, however, because the exchange rate between the two did not fluctuate greatly. Then the price of silver began to depreciate, and this continued steadily, and sometimes rapidly, until 1914.[62] The tael had remained practically constant at 6/8d., three to £1, since it began to be used in foreign trade

after about 1860. Basically the fall in the value of silver was due to an increased world demand for gold, and a decrease in world demand for silver, at a time of rapidly increasing production of silver. By 1874 the tael had fallen to 6/4d., by 1883 to 5/7d., and finally in 1914 was only 2/8¾d.

An important result of the fall in the value of the tael was to stimulate the export of many miscellaneous products which it would previously have been unprofitable to process and transport. Much of this additional produce found its way into the holds of the British coast steamships, and the increased exports of these miscellaneous items contrasted with the reduced exports of tea and silk. In 1871, when these traditional staples still dominated the export trade, tea accounted for 50 per cent of total exports and silk for 33 per cent; miscellaneous items accounting for the remaining 17 per cent.[63] By 1883 the share of tea had fallen to 45.8 per cent while silk still accounted for 31.4 per cent, and miscellaneous items had increased to 20.1 per cent.[64] This process would continue at an accelerated tempo after 1883. The fall in the value of silver, therefore, was not an entirely unmitigated disaster for the Chinese economy, and among the many miscellaneous exports which increased in importance were eggs, vegetable oils, bristles, straw braid, and wool.

The decline in tea and silk exports was not related to the fall in silver values, and did not attain serious proportions until ten or more years later. It was due to other factors. The Chinese producers of both proved unable to maintain a constant quality of their products, nor prevent adulteration. On top of this British taste changed in favour of the blacker and stronger Indian teas, which became available in increasing quantities from

the 1880s. In the case of silk, although Japanese silk was basically inferior to Chinese, superior finishing and the maintenance of uniform quality enabled it to supplant Chinese silk in European markets within a few decades after Japan was opened to foreign trade.

During the period under review in this chapter, there was also a change in the pattern of the coast trade, in the proportion of imported goods to domestic goods carried. While the steamships served an ever widening circle of Chinese merchants, because of the high cost of operation, they could at first only carry goods able to bear high freight costs, in most cases imported goods. For the first years of the treaty port era, therefore, imported goods dominated the steamship trade between the treaty ports. In 1867, for instance, over 60 per cent of the total trade between Tientsin and other treaty ports was in imported goods; but this proportion fell to just over 50 per cent in 1872, and this trend continued.[65] This was because the increasing efficiency of steamships, combined with the increasing cheapness and availability of coal, made it profitable for them to trade in cheaper commodities, in many cases domestic goods.

By 1883 the original five treaty ports had increased in number to nineteen, which covered the whole China coast, and the first 1,000 miles of the Yangtze to Ichang. American competition had been completely eliminated from the China coast, and British shipping had successfully withstood competition from the government sponsored China Merchants Steam Navigation Company. British shipping entering and clearing Hong Kong and the eight most important treaty ports had doubled between 1863 and 1883; and out of a total of 490 foreign firms and 3,995 foreign residents in the treaty ports, 299 and 2,070 respectively were British.[66] In 1881 all the

Jardine, Matheson and Company shipping interests had been amalgamated into the Indo-China Steam Navigation Company, in response to which move the China Navigation Company had taken over the Coast Boats Ownery. The combined fleet of the two companies in 1884 was thirty five steamships of 45,771 tons, and they were strongly entrenched in all sections of the coast and river trades open to foreign ships.[67] Although German and Japanese ships were beginning to appear on certain routes, neither posed a serious challenge to British predominance. The latter years of this period came within the 'Great Depression', and from 1876 to 1883 British trade with China decreased from £24,259,286 to £18,885,397, and from 4.0 per cent to 2.6 per cent of Britain's total foreign trade. In the former year Britain's total foreign trade had amounted to £631,931,602, and in the latter to £732,328,649.[68]

Britain's trade with China was always a small, almost insignificant, percentage of her total foreign trade. Its importance lay in its potential - or supposed potential - for expansion, at a time when other foreign markets were being progressively closed to British goods, and it may have received undue publicity and prominence. On the other hand, China's commercial links with India made it an important factor in Imperial considerations. China, for most of the period under consideration was an important market for Lancashire cotton goods and for Clyde built ships.

Before describing the development of British shipping at the most important Chinese ports and at Hong Kong and some important ports in neighbouring countries, a brief summary of some of the most important political and other events between the end of the Second China War and 1883 might be apposite. Provision had been made in the Treaty of Tientsin for revision after ten years, and in

1868-69 Sir Rutherford Alcock (now British Minister at Peking) conducted lengthy negotiations with Sir Robert Hart, Inspector General of the Customs in order to reach agreement on alterations to the treaty settlement which would partly meet the demands of the British merchants and still not be unpalatable to the Chinese Government. Alcock's objective was to stabilise and restrict the Western impact on China, and his 'Convention' was violently attacked by the British merchants only interested in narrow commercial aims. The moderate party at Peking, led by Prince Kung, looked on it as a diplomatic victory for China, and it was almost immediately ratified by the Emperor. When it was unexpectedly rejected by the British Government under pressure from the China lobby, it was a serious setback to the policy of Anglo-Chinese co-operation which Prince Kung and the moderate party had been pursuing since the end of the Second China War.[69]

The Tientsin Massacre of 21st June 1870 was even more damaging to Sino-Western relations. This was preceded by a period of great excitement at Tientsin, when wild rumours that behind the walls of the orphanage run by the French Sisters of Charity, the eyes and hearts of Chinese orphans were being removed for some sinister purpose. The fact that the nuns paid a small fee for unwanted orphans delivered to their care, lent some substance to this rumour among the superstitious Chinese mob, which was being incited by the scholar-gentry-patriots. In the massacre twenty one foreigners were killed, including the French Consul, ten French, two Belgian, one Italian, and one Irish nun - the latter the only British victim. The French Consulate, Roman Catholic Cathedral, and hospital were burned down.

The news of the massacre was brought to Shanghai by

Jardine, Matheson and Company's Dragon, which, on the suggestion of the British Consul gave up a profitable contract in order to undertake this mission.[70] Immediately the news was received, concerted action by Britain, France, and the United States resulted in foreign gunboats being sent to all places where the lives of foreigners appeared at risk on account of anti-foreign riots. Russell and Company put the Shanghai Steam Navigation Company's Shantung at the disposal of the British and French authorities, in order to take reinforcements to Tientsin. This display of Western solidarity forced the Chinese Government to take strong action. An Imperial Decree ensured that the officials at Tientsin considered responsible were punished in different degrees of severity, and an indemnity of Tls. 250,000 was raised from Customs revenue for the families of the victims.[71]

Five years after the Tientsin Massacre came what was later called "The Margary Affair and the Chefoo Agreement", in which Britain was the only Western Power concerned.[72] In the course of a British expedition from Burma into Yunnan in 1875, with the objective of opening up an overland trade route from Burma to exploit the supposedly fabulous wealth of South-west China, a British interpreter, A.R. Margary, was murdered by armed Chinese. Margary was a member of the China Consular Service, and had obtained passports for his journey from the relevant Chinese authorities. Sir Thomas Wade, then the British Minister at Peking, seized this chance to obtain - as well as an indemnity for the families of the victims - trade concessions, an apology, and improvement of the rules for Sino-foreign intercourse. The long drawn out Anglo-Chinese negotiations took place at Chefoo between Wade and Li-Hung-chang, with a considerable British naval force hovering in the background, resulting in the Chefoo

Agreement of 13 September 1876, often called the Chefoo Convention. The most important concessions concerning shipping and trade in the above were, the opening of the Middle Yangtze to foreign trade, the opening of four additional treaty ports - Ichang, Wuhu, Wenchow, and Pakhoi - and the opening of several ports of call on the Yangtze. Britain was also allowed to station a consul at Chungking on the Upper Yangtze, although the river above Ichang was still not open to foreign ships.[73] The Chefoo Agreement meant a considerable increase in concessions and privileges to foreign merchants, but because of the opposition of British merchants, it was not ratified by the British Government until 1885, although most of the provisions took effect immediately. The British merchants would have preferred Britain to concentrate on forcing China to implement existing rights and concessions more effectively.

The Chefoo Agreement was the last major diplomatic event in the period ending in 1883. The Franco-Chinese War of 1884-85 would be the first of a series of Sino-foreign and foreign conflicts on Chinese territory in the next period between 1883 and 1914, some of which would have important effects on foreign shipping and trade.

It is impossible to describe in detail developments at all the nineteen ports open to foreign trade by 1883. Only developments at the more important of these ports will be described, therefore, and developments at Hong Kong and several ports in Japan and South-east Asia which were closely linked to the China Coast trade.

Canton, as the only port in China open to foreign trade in the centuries preceding the Treaty of Nanking, inevitably declined in relative importance with the opening of other ports, and with the establishment of a free port on the island of Hong Kong, only

ninety miles away. Until 1860, however, and the opening of the British Embassy at Peking, it retained much of its political importance. After then it declined politically as well as commercially, in favour of Peking and Shanghai respectively. It did not lightly surrender its pre-eminence as the commercial entrepôt for south China to Hong Kong, however, and there was keen rivalry between the two ports all through the treaty port era. At times this reached dangerous levels, and was mainly concerned with the junk trade, and the smuggling activities of Hong Kong registered junks. There were times when relations between the Kwangtung provincial authorities and the British colonial authorities at Hong Kong were severely strained, and those between Britain and China at Peking were harmonious.

As has been described in the previous chapter, the first steamships in China operated between Canton and Hong Kong, and for at least the first decade of the treaty port era, steamships were comparatively common on the Canton River when they were almost unknown elsewhere in China. American ships continued to trade at Canton (or Whampoa) in preference to Hong Kong for most of the first twenty years after Hong Kong became a British colony.

In 1863, one of the first years when accurate shipping statistics for the port became available, 1,734 vessels of 600,638 tons entered and cleared Canton; 1,015 of 384,079 tons of which were American and 525 of 148,834 tons British, 53.9 and 26.4 per cent respectively.[74] From this time, however, the superior facilities and advantages being developed at Hong Kong resulted in American ships calling at Hong Kong in preference to Canton, and British shipping overtook American at the latter port. By 1873, the total shipping entering Canton had increased to 1,510 vessels

of 656,149 tons, of which 1,291 vessels of 541,792 tons were British, 82.6 per cent of the total, while the American share had decreased to insignificance. In that year, the total trade of the port was £7,477,960, of which £4,943,026 was with Britain and British possessions.[75]

The opium trade had been legalized by the Treaty of Tientsin, and after the establishment of the foreign administered customs figured in the trade returns. It was now conducted at the ports themselves, and not at the outer anchorages, as had been the practice previously, and has been described in Chapter 1. In the first accurate returns for 1862 for Canton, opium valued at £576,300 was imported out of total foreign imports of £1,393,390, 41.1 per cent of the total.[76] In 1884 opium imports of £340,149 entered the port out of total foreign imports of £1,475,117, just 24.3 per cent of the total.[77] In his report for that year, the British Consul at Canton wrote:- "There can, I think, be no doubt that the importation of foreign opium is doomed to die a natural death owing to the increasing cultivation of the drug in various provinces of China and in Manchuria, and to the improvements effected both in the tilling and in the preparation of the drug".[78]

The British Consul also noted that Hong Kong was competing more and more with Canton industrially as well as in shipping and related industries. He spoke of the development and expansion of sugar refining in Hong Kong, and of furniture making, and predicted that other industries were likely to follow suit. In a later part of this chapter the rivalry between Hong Kong and Canton over the junk trade and opium smuggling will be described.[79]

Foochow was of special importance in the eyes of Chinese and foreigners alike, and great significance was attached to its

being included in the first five treaty ports. It was the capital of Fukien Province, the seat of a Governor-General, and one of the most historic cities in China. It was situated 456 miles north of Hong Kong and 432 miles south of Shanghai.[80] Although the natural outlet for tea from the Bohea Hills, only 250 miles inland, where much of China's best tea was grown, little tea was exported from Foochow until 1853, ten years after the port was opened to foreign trade. This was because the vested interests which controlled the tea trade at Canton were powerful enough to ensure that Bohea tea went by the overland route to Canton, which was much longer and more expensive. These same interests were also able to induce the Emperor to forbid the export of tea from Foochow to Canton by junk. Rutherford Alcock was British Consul at Foochow from 1845 to 1846, and played an important part in the development of Foochow as a tea port.

In the early years practically the only trade carried on at Foochow was the opium trade, which was illegal until 1860. This still continued to be important after the rise of tea exports, and in 1862 opium valued at £1,447,374 was imported out of total foreign imports of £2,169,524, 66.7 per cent.[81]

From 1853 tea exports from Foochow increased steadily, reaching a peak of 98,242,100 pounds in 1880, after which a steady and continuous decrease set in. In 1883, the final year of our period, 81,301,887 pounds were exported, of which 56,728,483 pounds went to Britain.[82]

In 1869 the Suez Canal was opened, and as it was banned to sailing ships, this was the death knell of the tea clippers in the China trade, especially in the tea trade from Foochow in which they had been predominant. They were now unable to compete with

steamships able to make a much faster passage via Suez, where bunkering facilities were soon installed, and so were unable to command the high freights necessary for profitable operation. During its greatest days, however, from the late 1850s, Foochow's Pagoda Anchorage, twelve miles below the city, had accommodated some of the finest clippers in the world. In The China Run, Neil Paterson described Foochow at this time as a "malodorous river port, which owed its wealth and much of its squalor, to the illustrious tea of its hinterland".[83] Some of the tea came to the port in buffalo trains, and some in sampans; but it was all packed in the lacquer boxes for which Foochow was famous. In 1866, at the height of the clipper era, and the year of the 'Great Tea Race', British ships exported 56,571,705 pounds of tea out of total exports of 62,641,564 pounds.[84] Because of the tea duties, Foochow was second in importance among the treaty ports as regards customs revenue, as shown below:-[85]

1	Shanghai	Tls.	2,126,790
2	Foochow	"	1,539,327
3	Hankow	"	943,844
4	Canton	"	889,476
5	Amoy	"	533,165

At this period, Foochow was more important as an overseas port than as a coast port, so that its decline was inevitable when the China tea trade declined. British predominance at Foochow is illustrated as follows:-

Return of Tea Exported from Foochow 1866[86]

Flag	No. of Vessels	Tonnage	Pounds of Tea
British	79	44,965	56,571,705
Hanseatic	6	1,827	2,100,650
Prussian	7	1,520	1,789,080
Others	8	1,874	2,180,129
Total	100	50,296	62,641,564

In 1886 the foreign population of Foochow amounted to one hundred, of whom seventy six were British, and most of the remainder Americans or Germans.[87]

British predominance at Foochow continued after the tea trade declined, and in 1883 Britain accounted for over eighty per cent of the total trade of the port, and British shipping for eighty two per cent of the total tonnage entering and clearing.[88] Opium was still the most important foreign import, and in 1883 was worth £568,455, almost all of which was imported by the British Indian firms of David Sassoon and Sons, and E.D. Sassoon.[89]

With the exception of Canton, Amoy, 285 miles north of Hong Kong, had the longest experience of foreign trade of any of the five original treaty ports. The East India Company had traded intermittently at Amoy in the century before Canton was designated as the only port for foreign trade, and during that century twenty five Company ships had called there, fifteen between 1677 and 1735, and the last in 1743.[90] It was from Amoy that the Company had made its first export of tea into Britain in 1689. When it became a treaty port in 1842, however, no British ship - apart from opium smugglers - had visited the port for a century.

In addition to being an important coast port, much of China's trade with the Philippines, the Straits, and Malaya, was

carried on through Amoy, and because of the important role of Chinese from Amoy in the development of British territories in the two latter countries, Britain was always specially concerned with the Amoy trade. From the earliest days of the Spanish settlement at Manila, Spain always enjoyed certain vague and ill defined privileges at Amoy, and because of this in the pre-treaty years, Jardine, Matheson and Company found it advantageous to send some of their ships to Amoy under Spanish colours, and to maintain an office in Manila. It was only towards the end of the period now under consideration, however, that the emigrant trade from Amoy became of any great importance to British ships. For most of the period emigrants from Amoy went by junk.[91]

The earliest shipping statistics for Amoy are for 1846, and show that in that year eighty seven vessels of 17,395 tons entered and cleared the port, of which forty five of 9,368 tons were British.[92] As at so many other ports at this time, the most important trade was the opium trade, carried on outside the port limits. Also, and at so many other ports, reliable statistics for trade and shipping do not become available until after the Chinese Maritime Customs was established at the port, and after the opium trade was legalized. The first accurate and comprehensive report for Amoy is for 1862, in which year 946 vessels of 300,874 tons entered and cleared, of which 445 of 167,048 tons were British, 55 per cent.[93] Of the total foreign imports in that year of £780,890, opium accounted for £363,100, about 46.5 per cent.[94] By 1883, the total shipping at Amoy had increased to 1,851 vessels of 1,302,712 tons, some four and a half times greater than 1862, and British shipping to 1,315 vessels of 995,854 tons, some six times greater, and amounted to 76.3 per cent of the total shipping using

the port.[95] This was achieved in spite of the entry of German and Dutch ships into the Amoy trade.

Amoy at this time was both a coast and an overseas port, and of great importance in the South-east Asian and Philippines trades. It was one of the first coast ports to have regular steamship services with Hong Kong and Canton in the south, and Shanghai in the north, and - as we have seen - was of great importance to British shipping.

A notable feature of the latter years of the period, was the great increase in the passenger trade at Amoy, in both the domestic and foreign trades, as illustrated below:-

PASSENGER TRADE AT AMOY IN 1883 [96]

	Passengers to Amoy	Passengers from Amoy
Coast Ports	2,577	3,625
Formosa	6,342	10,986
Hong Kong	4,318	4,759
Manila	11,198	10,626
Straits	24,998	24,196
Bangkok	74	305
Total	45,507	54,497

In his report for 1883, the British Consul lamented that the passenger trade of the port was almost the only important branch of trade left to British merchants in Amoy; but that there had been a decrease from sixty six to fifty eight in the number of British ships engaged in the trade from the previous year. This was because some coolie brokers were engaging non-British ships. Because of the more stringent conditions imposed on British ships by the Emigrant Act enacted by the Hong Kong Government, British ships were restricted to carrying 200 less passengers than other foreign ships

of equal size.[97]

In 1883 the total trade of Amoy was £4,843,174, made up of imports of £3,212,856, exports of £647,493, and re-exports of £992,825. Tea was still the most important export, and opium the most important import. Of the former, 14,234,114 pounds was exported, a considerable decline over previous years, and the lowest quantity since 1875. Opium worth £1,063,806 was imported that year, and although this was only 33 per cent of total imports compared with 46.5 per cent in 1863, the value was three times greater, illustrating how the trade of the port was increasing.[98]

Swatow, 176 miles north of Hong Kong and 109 south of Amoy, had much in common with the latter port. Although opened officially to foreign trade in 1860, it had a long history of illegal trade. In the pre-treaty years one of the most important opium receiving stations was just outside the harbour limits, and in the years between the First and Second China Wars many emigrant ships had loaded their illegal cargoes at Swatow. Both the opium and the emigrant trades were legalized by the Treaty of Tientsin.

Long before becoming a treaty port, Swatow was the southern terminus of the long established trade in soya beans and bean cakes from Newchwang and Chefoo in the north. These were essential to maintain the fertility of the sugar plantations in Kwangtung, and much of this sugar was taken north. The trade was largely concentrated between Newchwang and Swatow, with Chefoo and Canton being of secondary importance. Until 1869 the export of soya beans and bean products abroad was forbidden but in that year a shipment was made to Japan, which soon became a large customer. Not until after the early 1900s, however, did Europe and America become important customers. In China itself, apart from its use as fertilizer, the

soya bean had a wide variety of uses, as human food, for making soy sauce, bean paste, bean curd, cooking oil, and for hog fattening. This north-south trade, one of the oldest of the domestic junk trades, soon attracted the attention of foreign ships. This was, perhaps, the classic example of foreign ships invading an old established trade, rather than creating a new trade.

The first consular report for Swatow was for 1862, by which time both the British Consulate and the Chinese Maritime Customs had been established. The table below summarises the situation regarding shipping for that year, and shows that British shipping accounted for 66.3 per cent of the total:-

SHIPPING AT SWATOW IN 1862[99]

British	322	vessels	of	123,780	tons	entered	and	cleared	
American	42	"	"	21,879	"	"	"	"	
Others	130	"	"	41,156	"	"	"	"	including Chinese
	494	"	"	186,815	"	"	"	"	

Of the total foreign imports into Swatow that year of £1,806,515, opium accounted for £737,000, 40.8 per cent of the total, and most came in British vessels. The next most important import was soya beans and beancakes worth £239,000.[100] At this time these beans and beancakes came to Swatow in junks or North American sailing ships, and the trade had not yet attracted British ships. Sugar was Swatow's most important export, and in 1862, out of total exports of £735,590, sugar accounted for £293,058.[101]

By 1883, the last year of the period now being studied, the trade of Swatow had increased from £2,783,515 in 1862 to £5,617,857, approximately by 100 per cent.[102] The increase in British shipping had been even greater, from 186,126 tons in 1863 to 924,104 tons in 1883, a five fold increase, and now accounted

for 78.7 per cent of the total shipping using the port:-[103]

SHIPPING AT SWATOW 1883

Flag	No.	Tonnage	
British	1,091	924,104	Of which 39 of 16,739 tons were sailing ships.
Chinese	120	121,814	All of the China Merchants Steam Navigation Company
German	136	94,084	Of which 43 of 19,376 tons were sailing ships
Dutch	16	22,014	All of the Netherlands Steam Navigation Company
Siamese	7	4,578	All sailing ships
Japanese	6	3,380	
Russian	2	1,426	
Scandinavian	3	1,041	All sailing ships
American	4	970	" " "
	1,385	1,173,411	Of which 95 of 42,734 tons were sailing ships

The principal increases in imports were of soya beans and bean products from the north, of cotton and woollen goods from Britain, with Indian opium maintaining its place.[104] In 1883 a record 17,810 tons of beans and bean products were imported, whereas in 1874 when British steamships first entered this trade the amount had been 10,600 tons. In the export trade sugar was the most important item, and in 1883 11,120 tons were exported of brown and white sugar. About one third of this went to Hong Kong, one third to Shanghai, and one third to other coast ports.[105]

As at Amoy, the passenger trade at Swatow had increased greatly in the ten years previous to 1883, and was of even greater importance to Swatow than to Amoy. Whereas at Amoy the passenger trades in order of importance were to and from the Straits, Manila, and Formosa; the most important passenger trade at Swatow was the

Straits trade, with Bangkok becoming of secondary importance towards the end of the period. Swatow was the most important emigrant port on the coast, and many ships commenced loading their emigrants at Amoy, completed loading at Swatow, and then called at Hong Kong en route for Singapore or Bangkok for water and stores. Some ships went first to Singapore, then continued to Bangkok, and completed their voyage by loading rice at Bangkok for south China. Swatow, of course, had also a considerable passenger trade with other coast ports, but this was not so important as the emigrant trade to South-east Asia. Most factors affecting the emigrant trade at Amoy were also operative at Swatow, including foreign competition. The principal British shipping companies operating at both ports were the overseas steamships of the Blue Funnel and Glen Lines, which accommodated both ports in their passages up and down the coast. During this period, these emigrant trades were not of great concern to the British coast companies, with the exception of the Indo-China Steam Navigation Company, whose ships on the Calcutta-Hong Kong-Japan service took part in it. The table below illustrates the growth of the emigrant trade at Swatow between 1879 and 1883, the final years of the period now being considered:-

SWATOW EMIGRANT TRADE 1879 - 1883[106]

Year	No. of Ships Engaged	No. of Passengers Departed
1879	27	15,758
1880	28	17,185
1881	53	30,965
1882	122	52,529
1883	123	54,060

In 1883 43,507 went to Singapore and 10,533 to Bangkok.

Although Newchwang was 1,254 miles north of Swatow, and

very different from Swatow climatically, ethnically, and in many other respects, the two ports were closely linked commercially. Most of Newchwang's exports of beans and bean cakes went to Swatow, and a considerable proportion of Swatow's sugar exports went to Newchwang. Newchwang was also 730 miles north of Shanghai, and 1,510 miles north of Canton; but in spite of this remoteness from the principal areas of economic development, it had always been important in the domestic coast trade. The climate and soil of Manchuria, of which vast province Newchwang was for long the principal port, was peculiarly suited to the production of the ubiquitous soya bean; and Newchwang was the main port for the export of soya beans and bean cakes to the south.

The Chinese Maritime Customs was not established at Newchwang until 1864, so that reliable statistics before then are unavailable. The first British Consular Report for 1861, therefore, had little in the way of trade or shipping statistics; but did contain a masterly survey of the province of Manchuria, which came within the jurisdiction of the Newchwang Consul. In 1861, its first full year as a treaty port, thirty four foreign vessels of 11,426 tons entered and cleared the port, all of which were sailing vessels, and of which fifteen of 5,409 were British. The remainder included ten American vessels of 3,593 tons, and eight North German of approximately 2,451 tons.[107]

Trade and foreign shipping increased steadily but modestly until 1874, but without attracting much attention from steamships or British ships. Until after 1861 the bean and bean cake trade had been entirely junk borne; and when it first attracted foreign ships these were mainly North German. The export of these products had been expressly prohibited to foreign ships in the original

text of the Treaty of Tientsin of 1858; but this clause was abrogated in 1861 at the request of the British Minister, Sir Frederick Bruce. In a letter to the Foreign Office of 15 February 1863, Sir Frederick (a brother of Lord Elgin), when enclosing the first British Consular Report from Newchwang wrote:- "The chief trade in exports is in pease and beans (soya beans), and had arisen since the removal of the prohibition to export these articles, which was inserted in the Trade Regulations attached to the Treaty of Tientsin of 1858, and which the Chinese Government at my instance rescinded at the close of 1861".[108] In the first year after this prohibition was removed, some 20,168 tons of soya bean products were exported from Newchwang, most to Swatow. This was valued at £56,902 and was almost 50 per cent of the total exports of £118,537.[109]

In 1874 when the Coast Boats Ownery pioneered British steamship participation in the Newchwang trade, the situation was as shown in Table No.13. German shipping then accounted for 34.0 per cent of the total shipping using the port, British for 27.58 per cent, American for 17.44 per cent, and Chinese for 4.81 per cent.[110] From this time British and Chinese shipping increased at the expense of German and American, and in 1883 British shipping accounted for 52.8 per cent of the total shipping using the port, and 81.0 per cent of the port's total exports was in soya bean products, valued at £1,229,906.[111] This British achievement, which represented an increase in British tonnage of just over 300 per cent between 1863 and 1883, resulted from the steadily increasing involvement of the Coast Boats Ownery in the Newchwang trade, and of the entry of the Indo-China Steam Navigation Company in 1882 with two of its new ships.

Newchwang was some eighteen miles up the Liao River from

the Gulf of Liaotung, and was ice bound for some four months each winter. In the 1884 season, for instance, the first ship entered the port on 24th March, and the last left on 24th November.[112] In spite of this handicap, Newchwang continued to be the main port for Manchuria until the development of ice-free Dalny, later called Dairen, at the end of the century by the Russians, and then from 1905 by the Japanese, after their defeat of the Russians in the war of 1904-05.

Of the additional ports opened to foreign trade by the Treaty of Tientsin, Tientsin itself was the most important, if political as well as commercial factors are considered. Several of the other ports may have developed more rapidly than Tientsin in the early post 1860 years - Hankow, Swatow, and Newchwang, for instance - but for all round importance Tientsin undoubtedly came first.

Tientsin was only a sea coast village some two thousand years ago, but through natural causes over the intervening centuries by the nineteenth century now lay nearly fifty miles up the Tientsin (or Peiho) River. Much of its importance derived from its geographical situation. It was the only sea outlet for the provinces of Chihli, Kansu, Shensi, and much of Honan, and was only eighty miles from Peking. By the most direct searoute it was 713 nautical miles from Shanghai. In spite of all these advantages, Tientsin only ranked as a second class military station until the beginning of the Manchu dynasty. Then - with the completion of the Grand Canal in the late seventeenth century, it began to develop as a distributing centre for much of north China. Like Canton, Hankow, and Shanghai, it became the centre of a network of canals and inland waterways.

Tientsin was opened to foreign trade in 1861, and the first comprehensive British Consular Report was for 1862. In this the British Consul noted a slight increase in British shipping from thirty nine vessels of 10,671 tons in 1861 to forty five of 11,451 tons in 1862, which was just over 50 per cent of the total shipping entering and clearing of eighty six vessels of 21,561 tons.[113] The Consul emphasised the need for small steamers able to cross the bar at Taku off the mouth of the river at most states of the tide, and the expense and delay involved if cargo was worked outside the bar. As at so many other treaty ports, opium was the most important foreign import at Tientsin in the early years, followed closely by cotton goods. In 1863, out of total foreign imports of £2,728,951, opium accounted for £813,720 and cotton goods for £792,562, this was 29.9 and 29.0 per cent respectively.[114]

Unlike some of the other treaty ports, Tientsin was not the centre for any particular export or exports, as were Canton and Foochow for tea, Shanghai and Hankow for tea and silk, and Newchwang for soya beans. While opium and cotton goods continued to be the staples of the foreign import trade, there was a great variety of exports, with none of outstanding importance. Particulars are shown on the next page of the most important items of the import and export trade, domestic and foreign, in 1867, seven years after the port was opened to foreign trade. Opium, cotton, and woollen goods continued to dominate the foreign import trade, in 1867 accounting for over 90 per cent of the total, an even greater per centage than in 1863. Opium alone accounted for 52.7 per cent of the total foreign imports, £1,467,996 out of the total of £2,782,735.[115]

TRADE AT TIENTSIN 1867 [116]

Foreign Imports	Cotton Goods at Tls.	2,973,928	£991,309
	Woollen " " "	764,775	£254,592
	Opium " "	4,403,989	£1,467,996
	Rice " "	56,620	
	Munitions of war "	40,468	
	Metals "	23,770	
	Sundries "	88,656	
	Total "	8,348,206	£2,782,735
Chinese Imports	Sugar at "	980,750	
	Tea " "	866,864	
	Silk Products " "	618,270	
	Wood Oil " "	173,345	
	Sundries " "	3,007,573	
	Total "	5,646,802	£1,882,267
Exports	Miscellaneous Items	860,209	£ 286,736

NOTE: Most of the rice imported into Tientsin at this time came by the Grand Canal. All exports went to other coast ports, as at this time Tientsin was only a coast port, and over 90 per cent of exports went to Shanghai. The only items of importance in the export trade at this time were coal at Tls.90,027 (£30,009), sheepskins at Tls.88,365 (£29,455), deers' horns at Tls.80,490 (£26,830), and tobacco at Tls.75,080 (£25,026).[117]

Like the Canton River trade in the south, the Shanghai-Tientsin trade attracted steamships soon after Tientsin was opened to foreign trade, and by 1866 the Shanghai Steam Navigation Company had a regular service between the two ports. By 1867 there were six steamships on regular service between the two ports; four of 4,217 tons of the Shanghai Steam Navigation Company, and two of 1,063 tons

of the North China Steamship Company.[118] By 1874, shortly after the formation of the China Merchants Steam Navigation Company, and by which time Jardine, Matheson and Company had absoobed the North China Steamship Company, the position on the Shanghai-Tientsin service was as below:-

Shanghai Steam Navigation Company	5	vessels	of	5,290	tons
North China Steamship Company (Jardines)	6	"	"	5,190	"
China Merchants Steam Navigation Company	4	"	"	4,121	"
Total	15	"	"	14,601	" [119]

The British and American companies, therefore, were each responsible for just over one third of the total shipping in the trade, and the Chinese company for just under one third. Most ships in the Shanghai-Tientsin service called at Chefoo on passage between the two ports.

By 1883 the net trade of Tientsin amounted to approximately £5,968,873, comprised of foreign imports of £2,834,540, native imports of £2,968,873, and re-exports of £913,957.[120] The total shipping entering and clearing the port that year was 895 vessels of 601,367 tons, of which 478 of 324,868 tons were British.[121] This represented increases of over eight times in both the total and the British shipping over 1863. The chief foreign imports were still opium and cotton goods; but although the British Consul could not give specific statistics, he estimated that over the previous four years, the importation of foreign opium (Indian) had decreased by 30 per cent. This was "because the native drug is steadily driving out Indian opium". Among the exports were straw braid, skin rugs, horsehair, pigs' bristles, and sheeps' wool - over 1,066,400 pounds of the latter being exported, mainly to America. Many of these products came enormous distances to Peking,

and the Consul noted that the circle was widening each year. He also commented on the Russian overland trade, by which Chinese produce - chiefly tea - was imported into Tientsin and then sent overland via Kiakhta (on the China-Siberia border) to Siberia and Russia by caravan. In 1883 £1,009,750 of Chinese produce went by this route.[122]

By 1883 the steamship trade between Shanghai and Tientsin was almost entirely in the hands of three companies, two British and one Chinese. These were the China Navigation Company, the Indo-China Steam Navigation Company (the Jardine amalgamation of the North China Steamship and other companies) and the China Merchants Steam Navigation Company, which in 1877 had bought the fleet of the Shanghai Steam Navigation Company. The three companies worked in concert, pooling their total earnings, and then dividing them in proportion to the number of ships each company operated during the year. By this means freights were maintained at a profitable level, except when an outside company intruded. When this happened all three reduced their rates and undercut the newcomer. A similar arrangement also operated on the Yangtze, having been introduced in both trades by John Swire of Butterfield and Swire, general managers of the China Navigation Company.

Tientsin was the depot for the tribute rice which came from the Yangtze provinces by the Grand Canal. When it was opened to foreign trade in 1860, however, the Taiping rebels controlled much of the Yangtze Valley, and the annual supply to Peking had been reduced to a few thousand tons. Then from 1863, as the rebel power waned, the number of rice junks began to increase rapidly, although still remaining much below the peak of about 4,000 per year said to have been employed in the early part of the century.

The following table illustrates this increase from 1863:-[123]

In 1863	79	junks imported approximately	11,850 tons
" 1864	77	" " "	10,550 "
" 1865	189	" " "	28,350 "
" 1866	335	" " "	50,250 "
" 1867	484	" " "	73,350 "

In his report for 1867 the British Consul complained that the junks made navigation of the difficult bends of the river along the twenty miles below Tientsin very hazardous during the summer. The southern junks (mainly from Canton and Fukien) were larger than the rice junks, and during this five year period, an average of 133 arrived from the south each year. They anchored at Koku, a large town twenty miles up from the Taku Bar, and this made navigation of the lower reaches of the river difficult. The Consul described the crews of these southern junks as turbulent and lawless, prone to assaulting the crews of foreign vessels passing through their midst. On one occasion they "pelted the crew of H.M.S. Salamis on her way to Tientsin with the Admiral on board".[124]

During 1867 several British ships bye-passed Shanghai and went direct to Tientsin, actually to Taku Bar. One was able to land a large consignment of cotton goods considerably cheaper than those which had come via Shanghai In order to develop any regular and considerable trade by overseas ships, however, many improvements to navigation would require to be effected. The channel over the bar would require to be dredged and buoyed much more effectively. So far there was only a tide pole and signal staff at Taku, and very indifferent buoying of the channel.[125]

The tribute rice arriving at Tientsin by junk via the Grand Canal, and the coal from the Kaiping Mines, which by 1883 were

producing about 10,000 tons per year, did not figure in the statistics of the Chinese Maritime Customs. Most of the Kaiping coal, in fact, was still consumed locally within a sixty mile radius of the mines.[126]

During the Taiping Rebellion part of the deficit in rice supplies to Peking by the Grand Canal was made up by ocean junk shipments. Then after 1873 the China Merchants Steam Navigation Company carried an ever increasing amount of this. In 1878, for instance, the China Merchants received Tls. 272,000 from the government for the transport of tribute rice.[127]

Tientsin suffered from the severe winter of north China; but unlike Newchwang, was never officially closed to traffic, unless for short periods during very severe cold spells. The city was over forty miles up from the bar at Taku, and ice from the river often extended for some miles into the Gulf of Pehchili, making anchoring difficult and hazardous. Regular coasters on the Tientsin run were sometimes equipped with a form of ice-breaker bow, and when the river threatened to freeze over, tug boats made frequent passages between Taku and the bund at Tientsin to keep the channel free.

When considering the junk traffic at Tientsin referred to above, it must be remembered that during this period the junk trade did not come within the cognizance of the Chinese Maritime Customs. At most treaty ports this trade was carried on side by side with the steamship trade, and at some ports was of considerable dimensions. It came under the Native Customs, and was almost entirely concerned with native produce.

The extent of the junk trade at Tientsin in 1862 is illustrated by the statistics on the next page, which are approximate

only, as there are no official statistics at this time. In 1862 the junk trade had not yet been affected by the invasion of foreign shipping.

JUNK TRADE AT TIENTSIN 1862 [128]

Description of junk		No.	Tonnage	Nature of Cargo
Southern	Canton	40	16,000	Rice, sugar, tea, paper, medicines.
	Fukien	40	10,000	Fruit, preserves, silk, opium
	Shanghai	47	7,050	Hardware, birds' nests.
Northern	3 masted	1,000	200,000	Peas, beans, salt, fruit.
	2 "	1,500	225,000	Vegetables, wheat, barley, millet.
	1 "	800	80,000	Medicines, ginseng.
	Total	3,427	538,050	

In his report for that year the British Consul said:- "Junk owners at Tientsin are numerous and comparatively wealthy; and junks, except on the great highways of commerce, where they fail to compete with foreign vessels, still pay well". [129]

Ningpo, one of the five original treaty ports, had been an important coast port in the pre-treaty port era, and as early as the sixteenth century had been an important centre of Portuguese activity, second only to Macao. It also figured prominently in the First China War, and Lookong - one of the most notorious of the outer anchorages used by the opium smugglers - was only a few miles outside the harbour limits. As at Foochow, the opium trade was the only trade of any importance carried on at Ningpo for the first decade or so of the new era. The earliest statistics show that in 1845 only eighteen British ships of 1,824 tons entered and cleared, and twelve of 2,186 tons in 1848. [130]

Trade at Ningpo was disappointingly slow to develop until

after the Second China War, when it began to improve modestly. The first British Consuls complained of the difficulty in compiling accurate reports, and not until 1864 did the first appear. By that time British shipping had increased to 652 vessels of 132,181 tons, out of a total of 1,409 vessels of 296,311 tons, approximately 44.7 per cent.[131] Opium imports that year were worth £477,400 out of total foreign imports of £935,521, approximately 51.0 per cent.[132] Ningpo was only 134 miles from Shanghai, and this proximity to the major commercial and trading centre of the country, may have prevented Ningpo from becoming an important port in its own right. Its long history, however, so important to the Chinese, always ensured that the city retained an aura of importance not warranted by its commercial importance.

In the following twenty years no developments of any importance took place at Ningpo, and trade and shipping increased slowly. In 1883, 338 British vessels of 220,436 tons entered and cleared the port, out of a total of 1,066 of 685,770 tons, approximately 32 per cent. Chinese shipping was particularly strong at Ningpo, and in that year 658 Chinese vessels of 453,537 tons entered and cleared, approximately 66 per cent.[133] British ships had no important foreign rivals at Ningpo. The trade of the port had reached a peak in 1881, and then began to decline, and amounted to £3,202,117 in 1883.[134] Opium was still the most important import and in 1883 7,103 chests were imported, worth approximately £710,300, 48.4 per cent of the total foreign imports.[135]

Chefoo, the third of the northern ports opened to foreign trade by the Treaty of Tientsin, was - until Tsingtao was developed by Germany after 1898 - the principal port in Shantung Province. Situated 514 miles north of Shanghai and 221 miles south-east of

Tientsin, it was conveniently placed for ships engaged in the Shanghai-Tientsin trade. Many called for only a few hours en route between the two ports, so that the tonnage of shipping entering and clearing gives an exaggerated idea of the port's importance. Part of Chefoo's trade was seasonal, the export of fruit and vegetables to Shanghai in summer and autumn, for instance, but it was also important for the export of soya beans and bean products. The first British Consular report was for 1862, in which year 138 British ships of 50,180 tons entered and cleared, out of a total of 178 of unspecified tonnage, so that it is safe to assume that British tonnage accounted for well over 50 per cent of the shipping at the port. Peas, beans, and bean cakes valued at £43,739 were exported, some 40 per cent of the total exports of £109,730. Of total foreign imports of £241,390, opium accounted for £109,837, approximately 45.4 per cent; while sugar and cotton goods were £53,369 and £34,215, approximately 22.1 and 14.2 per cent respectively.[136]

Chefoo was only a coast port, and trade and shipping increased steadily, assisted by the expansion of steamship services between Shanghai and Tientsin from the late 1860s. Until the China Merchants entered this trade in 1873, the Shanghai-Chefoo-Tientsin trade was shared between the Shanghai Steam Navigation Company and Jardines' North China and China Coast Steamship Companies, with the American company enjoying the largest share. This company usually had five ships on the service compared with the British company's three, or at most four. The situation changed in 1873, however, when the new Chinese company put its first five steamships on this service; and the position then was:-

CHEFOO SHIPPING 1873 [137]

Flag	No. of Vessels	Tonnage	
British	488	211,460	
American	299	188,741	nearly all of Shanghai S.S.Co.
German	279	74,443	all sailing vessels
Chinese	30	17,858	all of China Merchants S.S.Co.
Others	123	44,368	
TOTAL	1,219	536,870	

The above table shows that British ships accounted for 39.3 per cent of the total tonnage using the port, American for 35.1 per cent, German for 13.8 per cent, and Chinese for 3.3 per cent. Of the total trade of £2,411,034, Britain accounted for £1,211,427, approximately 50.2 per cent. Soya beans and bean cakes were the most important export, and in 1873 48,920 tons worth £172,596 were exported south. In his report, the British Consul commented on the friendliness of the natives he encountered when travelling in the interior. [138]

The shipping situation at Chefoo changed in 1877 with the purchase of the Shanghai Steam Navigation Company fleet by the China Merchants, and again in 1880, when the China Navigation Company entered the Shanghai-Chefoo-Tientsin trade. These changes resulted in the virtual disappearance of the American flag from the port, and a great increase in British and Chinese shipping, reflected in the shipping statistics below for 1883:-

CHEFOO SHIPPING 1883 [139]

Flag	No. of Vessels	Tonnage	
British	1,074	778,169	57.9 per cent of total
Chinese	550	440,816	32.7 " " " "
German	209	103,493	7.7 " " " "
Others	55	25,363	1.7 " " " "
TOTAL	1,888	1,347,830	100.0

In the ten years from 1873 to 1883, therefore, British shipping increasedfrom 211,460 to 778,169 tons, an increase of over 260 per cent, and as a per centage of the total shipping using the port, from 39.3 to 57.9 per cent. Chinese shipping increased from 17,858 tons to 440,816 tons, an increase of over twenty three times, and from 3.3 to 32.7 per cent of the total. During this period the Haikwan tael decreased in value from 6/3½d to 5/6d., so that while the silver value of trade at Chefoo increased considerably, there was only a slight increase in its sterling value. This fall in silver did not affect trade in native produce, and in 1883 the export of beans and bean cakes reached a record total of 80,312 tons. Foreign imports, however, decreased because of the fall in silver and the decrease in opium imports.[140]

In his report for 1883, the British Consul attributed much of the success of the port to the liberal treatment afforded the regular coasters from the foreign officials of the Chinese Maritime Customs. These coasters belonged to the three companies who, between them, practically monopolised the trade of the port - the China Navigation, Indo-China Steam Navigation, and China Merchants Steam Navigation Companies. Their ships were allowed to commence cargo work as soon as they dropped anchor, and leave again as soon as cargo work was completed, on condition that cargo subject to duty remained on the Customs Wharf until duty was paid. This condition was later waived if the shipping companies' agents gave an annual guarantee for these payments. This made it possible for ships to call at Chefoo for only a few hours, and helped the development of the seasonal fruit trade and passenger trade, the latter of which greatly increased during the final years of our period. In 1883, 18,837 Chinese passengers arrived at Chefoo and 11,577

left; while the corresponding figures for foreign passengers were 561 and 537.[141] Unlike Amoy and Swatow, the passenger trade at Chefoo was a domestic passenger trade to and from other treaty ports, and not an emigrant trade.

An incident at Chefoo in August 1883, illustrates the harmonious relations there between Chinese and foreigners. The China Navigation Company's Foochow was wrecked on an uncharted reef at the entrance to the harbour. No attempt was made at pillage, and before she broke up a few days later the crew were able to salvage much of the cargo.[142]

None of the remaining treaty ports open by 1883 were as important commercially as those already described. Some were of great historical importance, and some provided greater opportunity for scientific and anthropological research than for commercial development. This was the case with the ports on the islands of Taiwan and Hainan.

Taiwan, formerly known to Europeans by its Portuguese name of Formosa (the "beautiful" island), for long occupied a unique and peripheral role in Chinese history. It was not officially incorporated into the Empire until 1689, when the newly installed Manchu régime made it part of the Vice-royalty of Chekiang and Fukien. Some time before this, however, both the Dutch and English East India Companies had attempted to use the island as a base from which to develop the China trade, and the Dutch had had a fort and factory at Fort Zeelandia on the south west coast between 1624 and 1662. They had been driven out in the latter year by Koxinga, a supporter of the fallen Ming dynasty, and after that had concentrated their activities in the East Indies and in Japan.[143]

In 1832 when a local rebellion against the Manchus broke

out on the island, William Jardine wrote: "What an opportunity for us to lend them a hand and gain a footing on the island".[144] At that time Britain was considering acquiring an island base off the south China coast, from which to develop the China trade. Jardine's partner, James Matheson, however, favoured Lintin, and other islands were also being considered, including Chusan and Hong Kong. By this time it was known that there were valuable coal deposits on Taiwan, and in the mid nineteenth century, both the United States and the Royal Navies advocated taking over part of the island for a coaling depot.

As late as 1884 Taiwan was still very unsettled, and only partly pacified, and in his report for that year the British Consul wrote: "The population is peculiar and somewhat interesting, being composed of four distinct elements:-

1 The independent savages.

2 The Penchuans, or reclaimed savages.

3 The Hakka immigrants from the mainland.

4 The non-Hakka immigrants from the mainland.[145]

Note: The Hakkas were a distinct linguistic group who had settled in large communities in many parts of south China, having come from north China many centuries before. They retained much of their cultural identity, and were never fully integrated with the "native" population. Many of the emigrants from south China were Hakkas.

Although Chinese peasants and traders had been settling in the coastal regions of Taiwan for centuries, the aborigines were still motorious headhunters well into the nineteenth century. Unfortunate sailors shipwrecked on the island were unlikely to survive for long. It was because of the murder of such American

sailors that the United States Navy mounted a futile expedition against the island in 1867, five years after the first treaty ports were opened. In the following year Chinese mobs destroyed the Roman Catholic and Protestant churches in the city of Tainan in the south west of the island. Then in 1872, fifty four out of sixty six Ryuku sailors wrecked on the coast were murdered by the aborigines. Until then both China and Japan had exercised vague rights over the Ryukus, and the local kings sent tribute to Peking and to the lords of Satsuma, in the southern Japanese island of Kyushu. When the Chinese Government refused to accept any responsibilty for these murders, Japan sent a force to occupy Taiwan ten years later. After British mediation, however, a settlement between China and Japan was reached, and Japan withdrew her forces from Taiwan, in return for the Japanese claim to sovereignty over the Ryukus being accepted by China.[146] During these events, the shipping company Nippon Yushen Kaisha, a subsidiary of the giant Mitsubishi company, acted as agent for the Japanese Government in Taiwan, and this was the origin of Japan's greatest shipping company.

Tamsuy, in the north near Keelung and Taipei, was the most important port. In the first consular report, that for 1862, the British Consul said that practically all British imports that year consisted of opium, £58,900 out of £59,513. Of exports, camphorwood accounted for £44,652 and coal for £42,268.[147] Ten British steamships and twenty sailing ships called that year. The principal trade of the nine non-British vessels was the import of native cotton goods and the export of coal and rice. The Consul thought the future of the port depended on the development of the coal mines at Keelung, especially if the projected plan of building a

gas works at Hong Kong was carried out. Jardine, Matheson and Company and Butterfield and Swire opened agencies on the island in 1862 and 1892 respectively; but both were concerned with non-shipping business, and neither the Indo-China Steam nor the China Navigation Company operated ships to the island. British shipping was represented by the Douglas Lapraik Company of Hong Kong, whose steamers maintained a regular service between the island and Hong Kong.

During the twenty years after 1862 shipping and trade in Taiwan increased steadily, with British shipping continuing predominant. The British Consul's report for 1883 showed that of the total of 283 vessels of 121,791 tons entering and clearing the Taiwan ports of Tamsuy and Keelung, whose trade was combined and who both came under one British Consul, 171 vessels of 70,637 tons were British, 58.0 per cent of the total. German shipping came next, with sixty eight vessels of 36,328 tons.[148] There had been an increase in German shipping over the previous year, due to a German company chartering the British S.S. China during the tea season, to run in opposition to the Douglas Lapraik steamers. Chinese shipping, apart from junks which did not come within the jurisdiction of the Maritime Customs, was represented by two steam launches which operated between the island and Amoy and Foochow. During 1883, 18,257 Chinese passengers travelled between Hong Kong and Taiwan in steamships.[149]

By 1883 tea had become the principal export from Taiwan, 13,206,727 pounds being exported in 1883, most going to the United States. Because of a serious decline in the quality of coal produced, however, only 31,828 tons of coal were exported that year, compared with 42,212 tons in 1882. The Consul attributed this

decline to the introduction of unsuitable machinery, which produced smaller nuts of inferior quality compared with those previously produced by hand. The result was that only steamers actually calling at Keelung or Tamsuy now used this local coal.[150]

Hainan, with an area of 13,000 square miles, was only slighter smaller than Taiwan, and had many similar features. Although only fifteen miles from the south Kwangtung coast at the narrowest part of the Hainan Straits, it occupied an even more peripheral role in Chinese history. Its population was only about one quarter of that of Taiwan, and like Taiwan its mountainous interior was populated by aboriginal hill tribes, who bore no relationship to the mainland Chinese, nor to the small colonies of these Chinese - mainly from Kwangtung - who had been settled on the coast for centuries.

Kiungchow, the most important town on the island, and the capital, became a treaty port by the Treaty of Tientsin; but was not actually opened to foreign trade until 1876, eighteen years later. The actual port was Hoihow. three miles from Kiungchow, in the extreme north of the island. At that time little was known of Hainan, but as with so many other places, it was reputed to possess great potential agricultural wealth, and many emigrants had gone from there to British territories in Malaya. Two years before Hoihow was opened to foreign trade, France had opened the port of Haiphong in Annam to foreign trade. Hoihow was conveniently placed on the steamship route between Hong Kong and Haiphong, being 250 miles from each. The first British Consular report was for 1877, in which year the total trade was only £404,514, consisting of £202,946 of imports and £201,568 of exports.[151] The principal import was, as at so many other ports, opium from India,

and 96,509 pounds worth £101,771 was imported that year, 50 per cent of the total foreign imports. The next most important import was cotton piece goods, of which £32,473 was imported. The principal export was sugar, of which 8,410 tons of brown and white sugar worth £130,888 was exported. In this report the first mention was made of the export of live pigs, of which 1,709 were exported in 1877. This trade was to become very important later. During 1877, 132 British vessels of 24,474 tons entered and cleared Hoihow, and eighteen German vessels of 6,864 tons.[152] These figures do not include many ships which anchored in Hoihow harbour during darkness so as to begin the passage of the dangerous, unlighted, and uncharted Hainan Straits during daylight. Some of these ships loaded cargo and passengers which was not officially recorded. The passage of these straits was a dangerous venture for junks, and this was an inducement to Chinese merchants to patronise foreign steamships.

By 1883, however, the increase in shipping and trade at Hoihow had been modest, a total of 538 vessels of 201,210 tons entering and clearing in that year, of which 282 of 100,288 tons were British, approximately 50 per cent. Total imports were £354,190, of which opium accounted for 41.0 per cent, and cotton piece goods for just under 40 per cent. Sugar was still the most important export, and 8,269 tons worth £91,514 had been exported.[153] This was a very slight increase in quantity over 1877; but a 30 per cent decrease in value, owing to the fall in silver. There had, however, been a considerable increase in livestock exports, all of which went to Hong Kong. In 1883, 35,343 pigs, 41,789 head of poultry, and 8,584,066 eggs were exported, the Consul noting that the egg trade was carried on by the native crews of the foreign steamships.[154] Hainan, he said, was ideally suited for cattle

raising, but attempts by a British firm to export live bullocks had come to nothing because of official opposition.

The dangers of the Hainan Straits inhibited a great junk trade between Hoihow and Hong Kong, but there was a flourishing junk trade in the opposite direction to Singapore, much of which the British Consul said could be diverted to British steamships. Before the port and island could be developed to any great extent, however, the approaches to Hoihow Harbour would require to be greatly improved, in addition to charting, buoying, and lighting the Hainan Straits. There was a considerable emigrant trade to Singapore, but so far the local agents of the British steamship companies interested had failed to exploit this, and most emigrants continued to travel by junk.[155]

Hoihow was basically a port of call between more important ports, and a quick turn round was essential for steamships. Access to the harbour was difficult at certain states of the tide, and sometimes ships had to wait at the anchorage for several hours to load or unload a few packages of cargo; excessive time being lost in carrying the ships' papers between ship, Customs House, and Consulate.[156]

Pakhoi, 407 miles from Hong Kong and 497 from Canton, was - apart from these two - the only port of any consequence in Kwangtung Province, west of Canton. It became a treaty port by the Chefoo Agreement, as part of British strategy to develop trade with south west China. Pakhoi had only become a port in 1820, and in its early years had been a notorious centre of pirate activity. When the West River was closed to trade during the Taiping Rebellion, however, Pakhoi became important as an alternative port for the distribution of goods to Kwangsi, Kweichow, Yunnan, and even

as far afield as Szechwan. Being in a remote part of the country, Pakhoi and its hinterland were comparatively free of inland customs and likin stations. After the defeat of the Taipings, however, these were established, and with the West River again open to traffic, Pakhoi's trade suffered. A few years later Tongking came under French control, resulting in more trade being diverted to Haiphong. When Pakhoi was opened to foreign trade in 1876, therefore, most imported goods were consumed locally, and very little went inland.

Not surprisingly, therefore, the first British Consular Report from Pakhoi was pessimistic. Trade with Hong Kong and Macao was carried on by junks of about 200 tons capacity, able to make two or three round trips per year. Not unnaturally, the local merchants and junk owners were unwilling to let foreign steamships take over this trade, and during its first nine months as a treaty port only four foreign steamships called. They imported a small quantity of cotton goods, some scrap iron, and five chests of opium; and exported a little sugar and grain.[157] Its situation, 407 miles from Hong Kong and 93 and 508 from Haiphong and Saigon respectively, made it a convenient port of call between these ports. Unlike Hoihow, it had a good harbour with an easy approach, and this held out some hope for the development of steamship trade.

By 1881, however, the total trade of the port only amounted to £510,244, exports of £169,674 and imports of £340,570, after which it began to decrease, and in 1883 was only £375,972, comprising exports of £190,087 and imports of £185,995. As the Consul emphasised, however, these figures gave an inaccurate picture of the situation, as so much of the port's trade was carried on by

junks, and not recorded by the Chinese Maritime Customs. The value of opium imported by steamships, for example, decreased from £160,321 in 1881 to only £1,778 in 1883. This was not because of a decrease in local consumption, but because the trade had been transferred from steamships to junks. The opium duty levied by the Native Customs was considerably less than that levied by the Chinese Maritime Customs on steamship imports. Shipping statistics for 1881 and 1883 are below:-

SHIPPING (STEAMSHIPS) AT PAKHOI IN 1881 AND 1883 [158]

	1881		1883	
	No. of Trips	Tonnage	No. of Trips	Tonnage
British	110	37,262	126	46,462
Foreign	80	36,814	62	20,820
Chinese (foreign style)	20	9,566	14	7,412
Total	210	83,642	202	74,754

The British Consul's Report repeats all the familiar arguments about the disappointing increase in the sale of British goods not being due to the poverty of the Chinese, although this is acknowledged as being one factor, but mainly due to their distribution inland being hindered by the arbitrary and illegal taxes imposed by local officials, and that this - and their corruption - was the result of their inadequate salaries. All the shippers at Pakhoi were Chinese, and there was only one British merchant. The Consul naively commented that "it is difficult to induce them (the Chinese shippers) to give steamers a marked preference over junks, the cargoes of which are more lightly taxed, and which do a large proportion of the trade".[159]

Wenchow, however, proved an even greater disappointment to the British than Pakhoi. Situated in Chekiang, and only 300

miles from Shanghai and 150 from Ningpo, its proximity to both may have contributed to its failure. It became a treaty port after the Chefoo Agreement, and opened to foreign trade on 1st April 1877. The first vessel to call at the new port was the small British steamer Conquest, which arrived from Shanghai on the 18th with a cargo of miscellaneous goods to test the market. The Conquest was owned by F.B. Johnson, a director of Jardine, Matheson and Company, and it is likely that Jardines had an interest in the venture.[160]

Wenchow had a good harbour and easy access to some important tea growing regions; but these were already well served from Shanghai and Ningpo. Trade at Wenchow was also hampered by the excessive and illegal likin taxes imposed by the local officials. Foreign firms which already maintained expensive establishments at Shanghai and Ningpo, had little incentive to set up another at Wenchow. The total value of trade at Wenchow for the first six months was only £77,329, composed of imports of £73,352 and exports of £3,977, and the total shipping entering and clearing during the first year was only thirty six vessels of 12,474 tons. Most of this was accounted for by the frequent visits of the Conquest of 388 tons, which for the first six months maintained a regular service between Shanghai, Ningpo, and Wenchow, making three or four trips per month.[161] She was then taken off the service at the end of July 1877 because of lack of trade.

There had still been no improvement in the trade of the port by 1883, nor the prospect of any in the near future, and no British or foreign ships called for more than a year towards the end of this period. The only shipping activity was provided by calls every ten days by a small Chinese steamer plying between Shanghai,

Ningpo, and Wenchow, and occasional visits by a Chinese lorcha. A Chinese steam launch had been unsuccessful in operating a passenger service between Wenchow and Foochow. The foreign population of Wenchow in 1883 was only seventeen, most of whom were missionaries. There were thirteen British residents, one American, one Frenchman, one German and one Italian.[162] Wenchow was one of several ports opened to foreign trade through British initiative, which failed to live up to the expectations of the British China merchants. The British Consul concluded his report for 1883 thus:- "On the whole, it may be said that the function of Wenchow is that of a safety valve to Ningpo, and even more to Foochow. Should the taxation at the former become too grinding .... Wenchow must of necessity extend its sphere at their expense".[163]

From its first use as an outer anchorage in the early nineteenth century Hong Kong played an ever increasing role in the China trade. Its status as a British colony and free port, close to the Chinese mainland, caused many difficulties in its relations with China, and with the Chinese Maritime Customs, some of which were never fully resolved.

Hong Kong's early years were marked by a series of misfortunes. There were destructive typhoons and fires, and severe fever epidemics, one of the latter so serious that troops were withdrawn from their shore barracks to ships in the harbour, and houses in Happy Valley abandoned. Nor in its early years did the port fulfil the hope that it would become a great emporium for south China. Trade between Britain and China tended to develop directly through the new treaty ports, especially Shanghai. Compared with Shanghai, therefore, Hong Kong had an unpromising beginning, and the future appeared so black that the first Colonial Treasurer,

R.M. Martin, resigned and returned to Britain to protest against the retention of the Colony.[164] Three years later, however, when commenting to the Foreign Office on a House of Commons Select Committee report of our commercial relations with China, Sir John Davis, Governor and Superintendent of British Trade, gave a very favourable view of the Colony, and its prospects.[165] American ships, then second to British in the China trade, continued to trade at Whampoa in preference to Hong Kong for the first years of the port. Within a few years, however, the ever increasing advantages of Hong Kong as a port induced them to change their policy in this respect. In 1860, 484 American ships of 420,419 tons called at Hong Kong compared with 1,332 British ships of 724,693 tons.[166]

Although slow to develop as an entrepôt, shipping was the life blood of Hong Kong from its earliest years, and the first industries to be established were connected with shipping. Within ten years of the founding of the colony, there were 240 ship chandlers, two rope works, and two cannon factories in operation; and within another ten years 427 ship chandlers, ninety three boat builders, and twenty rope works. The first European type ship, the barque Celestial of eighty tons, was built at Captain J. Lamont's yard at East Point in 1843.[167] Then in 1857 Captain Lamomt and Mr. Douglas Lapraik of the Douglas Lapraik Shipping Company, built a new dockyard at Aberdeen on the south coast of Hong Kong, directly across from the city of Victoria.[168] Facilities such as these combined with others, made it convenient for ships not calling at Hong Kong to load or discharge cargo, to call there for repairs, stores, and shipping intelligence.

Hong Kong's importance in the opium trade has been described earlier, and her role in the emigrant trade will be described

later. As late as 1868, Sir Rutherford Alcock, in a letter to the Foreign Office, referred to Hong Kong as "being little more than an immense smuggling depot".[169] Undoubtedly Hong Kong's involvement with these two trades helped the colony through its early difficult years, although sometimes at the cost of embittering relations with the Chinese Government and the Chinese Maritime Customs.

As a free port on foreign soil and geographically an integral part of China, Hong Kong's position in relation to China's coast and overseas trade was never satisfactorily defined. Nor were the problems of customs collection from Hong Kong registered junks trading between Hong Kong and non treaty ports. The provincial authorities at Canton claimed that Kwangtung lost substantial revenue through the malpractices of Hong Kong junks. In 1901, however, junks came under the jurisdiction of the Chinese Maritime Customs and this resulted in some improvement in this respect. All the problems between Hong Kong and China were complicated by the divergence of views held by the Foreign Office, as represented by the British Minister at Peking and the treaty port consuls, and that of the Colonial Office, as represented by the Hong Kong Government.

On 1 January 1867, as part of the anti-piracy campaign, the registration of junks was instituted at Hong Kong. Immediately some 2,000 junks disappeared from the harbour, a traditional Chinese response to any measure savouring of increased taxation. After the initial furore had passed, however, they began to return and register, and by the end of the year over 2,000 junks had registered. Relations between Hong Kong and the Chinese Maritime Customs, however, continued to deteriorate, and in November an informal

blockade of the colony was declared. This never became effective, except i n the creation of ill will, because of Hong Kong's free port status and the immunity from control of foreign flag ships. When the blockade was ended at the Anglo-Chinese Convention of 1886, a provision of the Chefoo Agreement of ten years earlier, the blockade had been a dead letter for several years. The Convention increased duty and likin on opium from thirty to one hundred taels per chest, and provided for the establishment of several Chinese Maritime Customs stations on the border between Hong Kong and China.[170]

The basic cause of the Customs blockade of Hong Kong was opium smuggling by Hong Kong junks into non-treaty ports. The opium trade had been legalized by the Treaty of Tientsin of 1858; but until 1868 opium could be imported only into treaty ports by foreign vessels, where customs duty and likin were paid. Many Hong Kong junks ignored this, and imported into non treaty ports, resulting in a loss of revenue to the Chinese Maritime Customs and to the Kwangtung Provincial Treasury. This resulted from the great expansion of the Hong Kong junk trade taking place at this time, almost wholly by Chinese merchants of Hong Kong, who distributed opium and other foreign goods obtained from the large foreign importers in Hong Kong.[171] Sir Rutherford Alcock sympathised with the Chinese position; but the Hong Kong Government maintained that it was for the Chinese Government itself to suppress illicit trade. There was no doubt however that Hong Kong's free port status and assumption of unofficial treaty port privileges, was a serious threat to China's tariff autonomy and Customs revenue. Basically the struggle between Hong Kong and Canton resulted from rivalry over the entrepôt trade of south China.

When Hong Kong became a British colony in 1842, it was

only natural that the British merchant firms already established at Canton should be the first to acquire property and establish offices and godowns there. Jardine, Matheson and Company led the way, followed closely by Dent and Company and Lindsay and Company. Shipping was the life blood of the new colony, and for the period being studied here, shipping and industries closely connected with it were the principal industries. Apart from these, the most important industry was sugar refining, which began in the 1870s, and increased greatly from the mid 1880s.

In the twenty years from 1863 to 1883, the total shipping entering and clearing Hong Kong increased from 1,806,881 tons to 6,882,381 tons, an increase of 4.4 times. In the same period British shipping increased from 724,693 to 5,093,062 tons, an increase of 6.8 times.[172] During this period the colony became more prosperous, and many of the troubles which had plagued its early years were overcome. Among these were the abuses associated with the early emigrant trade, a subject which will be studied in Chapter 5.

Because of its political stability and security, Hong Kong soon occupied the position in the China trade previously shared between Canton and Macao - the former commercially and the latter socially. Until 1852 the foreign residents continued the old pre-treaty custom of going to Macao for the annual horse races and regattas. After 1852, however, the Hong Kong Derby became the great sporting and social occasion of the year for all foreigners in south China. In this the great rivals Jardines and Dents, projected their commercial rivalry into the sporting world.

From the earliest days of trade between India and China, ships called at the intermediate ports in south-east Asia in their

passages between the two countries, and from ancient times there had been a close commercial relationship between these ports and both China and India. In the Straits of Malacca the most important port was first Malacca itself, and later Penang and Singapore. Britain acquired Malacca from the Dutch in 1795, and Penang and Singapore were founded by the East India Company in 1786 and 1819 respectively. All three were natural ports of call for East Indiamen and country ships on the most direct sea route between India and China.

By the time the first treaty ports were opened in 1843, Singapore had become one of the most important ports in South-east Asia, and the opening of the treaty ports increased its importance. It was a free port, and attracted merchants of all nationalities, the Chinese being the most important and numerous. British commercial and maritime power was by this time paramount over South-east Asia, and although Java had been handed back to the Dutch after its six years occupation by British forces during the later part of the Napoleonic Wars, the Dutch posed no serious threat to British interests in the Far East. Nor did the French; Anglo-French rivalry in South-east Asia and the Far East being political rather than commercial, and concentrated in Siam, Indo-China, and south-west China, rather than in Malaya or Indonesia.

After the opening of the first treaty ports, and the disappearance of the East Indiamen, a considerable part of the trade by British ships in the South China Sea and South-east Asia was wayport trade by ships engaged in trade between Britain and the Far East or between India and China. Until the Ben and Blue Funnel Lines commenced their Far East services in 1859 and 1866 respectively, the principal companies taking part in this trade were the Peninsular and Oriental Steam Navigation Company, and the ships of

the agency houses such as Jardine, Matheson and Company, and David Sassoon, Sons and Company on their India-China services. All three extended their services north to Shanghai and Japan in the late 1850s.

Singapore was founded by Sir Stamford Raffles, and became capital of the Straits Settlements, which included Penang, Malacca, and the small mainland province of Wellesley. It was originally administered by the East India Company from Calcutta, and after 1858 by the Government of India. Finally, in 1867 it became a Crown Colony in its own right, with Singapore remaining the capital.

Being a free port like Hong Kong, there was no differentiation according to nationality in many of the shipping and trade statistics. Raffles had favoured Chinese immigration, and this increased greatly after his time. In the Singapore Report for 1883, included in that for the Straits Settlements as a whole, the arrival of 112,262 Chinese immigrants is recorded, as against 104,177 in 1882. Of this total 61,206 remained in Singapore, 48,419 went on to Penang, 957 went to Malacca, and 1,679 to other places.[173] Only the total shipping, exclusive of native craft was given, and in that year 5,551 vessels of 4,290,619 tons entered and cleared. It can be assumed that about 75 per cent of this would be British, so that the British total would be about 3,000,000 tons.[174] Many British flag ships trading to Singapore were owned by Hong Kong and Singapore Chinese, and they traded between south China, including Hong Kong, Singapore, and other ports in South-east Asia.

Another South-east Asian port which had close commercial links with south China was Bangkok. Throughout the nineteenth century, when European control was being extended over much of South-east Asia, Siam retained its political independence as a

result of a combination of favourable circumstances. It was protected from India by Burma, and from China by Viet Nam, and lay between the expansionist policies of the British from India, Burma, and Malaya, and of the French from Indo-China. It provided the classic example of a buffer state, with a fringe of peripheral tributary states which it gradually surrendered to Britain in the Malay Peninsula, and to France in Cambodia and Laos. At this critical period of its history, Siam was fortunate in being under the rule of two capable monarchs - King Mongkut from 1851 to 1868, and his son King Chulalongkorn from 1868 to 1910. Both were Anglophiles, and their skilful policy of playing Britain against France enabled the country to remain independent; but at the cost of losing some of its territory and of its economic independence.[175]

When Mongkut succeeded to the throne in 1851, he realised that the best way to preserve his country's independence was to open it voluntarily to Western trade. There had already been treaties with Britain and the United States in 1826 and 1833 respectively, which were advance moves in this direction. In 1855, however, Mongkut concluded a Treaty of Friendship and Commerce with Britain, much more comprehensive than the previous treaties. The negotiators on the British side were Sir John Bowring, Superintendent of British Trade and Governor of Hong Kong, and Consul Harry Parkes. This established an unequal-treaty system of the Chinese type, with a most-favoured-nation clause, 3 per cent advalorem duty on goods imported by British merchants, opium to be admitted duty free but subject to certain restrictions; while exports were to be subject to an agreed schedule. British subjects were to be allowed to rent land in and around the capital, and a British consul was to reside at Bangkok, and exercise civil

and criminal jurisdiction over all British subjects in Siam. The Bangkok consuls were members of the China Consular Service, but normally spent most of their careers in Siam.

Within a few years Siam concluded similar treaties with other Western countries, with France and the United States in 1856, Denmark and the Hanseatic cities in 1858, Portugal in 1859, Holland in 1860, and Prussia in 1862. Then in 1868, the year of his death, and because of King Mongkut's great friendship and admiration for Sir John Bowring, the latter was commissioned to conclude treaties on behalf of Siam with Belgium, Italy, and Norway and Sweden. British shipping benefited from this policy, and Hong Kong and Singapore were soon carrying on a steadily increasing trade with Bangkok. British firms conducted most of Siam's foreign trade, and Britain became the largest foreign investor in Siam, while the Bombay-Burmah Corporation obtained the greatest share of the expanding teak industry in northern Siam.

The first accurate shipping and trade statistics for Bangkok are for 1863, in which year 600 vessels of 255,657 tons entered and cleared the port, 160 of 58,966 tons being British, 23.1 per cent. In spite of the Civil War fifty six American ships of 24,141 tons entered and cleared; but at the end of the year the British Consul reported that several large American ships were afraid to leave because of fear of capture by the Confederate cruiser Alabama, which was then operating in South-east Asian waters. The principal exports from Bangkok in 1863 were 906,666 tons of rice and 45,983 tons of sugar, most of the rice going to Hong Kong and south China.[176]

There was a steady increase in foreign trade at Bangkok during the next twenty years; but an even greater increase in

British shipping. In 1883 the total shipping entering and clearing, exclusive of native craft, was 749 vessels of 358,735 tons, of which British shipping accounted for 396 vessels of 229,023 tons, 63.8 per cent of the total. These statistics represent only a 40 per cent increase in total shipping; but a 288 per cent increase in British shipping. Siamese shipping came next with 168 vessels of 58,386 tons, and then German with 115 vessels of 52,152 tons. Other countries played little part in the port's shipping or trade at that time.[177] The above further illustrates the difference between the Chinese and Siamese attitude to the western economic invasion. Already Siamese ships were playing a not inconsiderable part in their country's foreign trade, and by 1883 Siamese ships - so far mainly sailing ships - were trading to Hong Kong, Singapore, and other South-east Asian and Chinese treaty ports. Some random statistics from the latter show how extensive were the activities of Siamese ships. As early as 1863, for instance, twenty Siamese ships called at Chefoo, five at Swatow, and thirty four at Amoy.[178] Then in 1874, forty seven Siamese ships called at Chefoo, fifteen at Newchwang, and ten at Shanghai.[179] Siam had enlisted assistance from foreign advisers and seamen, many of them British.

Of the 396 British vessels which called at Bangkok in 1883, 153 operated between Bangkok and Hong Kong, and 215 between Bangkok and Singapore. These vessels belonged to Hong Kong and Singapore Chinese shipowners, and as yet neither the China Navigation nor the Indo-China Steam Navigation Companies operated a regular service to Bangkok. Bangkok was almost entirely a coast port at this time. The city was some 25 miles up the Menam River from the sea, and the mouth was guarded by a formidable sand bar. This restricted navigation to shallow draught vessels, and coasters of 2,500 tons often had to lighten ship below the bar before

proceeding up river to Bangkok, and if leaving fully loaded to complete loading there also. Of the 396 British vessels which called in 1883, only two were engaged on overseas trade, one going to Australia and one to South Africa.[180]

British commercial predominance at Bangkok was even more pronounced than shipping statistics suggest. Of the total value of trade at the port in 1883 of £13,595,861, £9,497,882 was carried in British ships, Singapore accounting for £5,161,510 and Hong Kong £4,080,086; 73.8 per cent of the trade compared with 63.8 per cent of the tonnage.[181] French trade and shipping was of little importance, and only eight French ships of 2,886 tons entered and cleared the port that year.[182] France, however, had political ambitions in Siam, and at this time a French engineering party was surveying a route for a canal across the isthmus of Kra. The possibility of a canal here, to resurrect an ancient overland trade route between India and countries east of the Malay Peninsula, and avoid the longer and pirate infested Malacca and Sunda Straits, periodically exercised the minds of many interested in developing Far Eastern trade, and still arises in modern times.[183]

After Singapore and Bangkok, the most important ports in South-east Asia for British ships and trade were Saigon, Manila, and Batavia (now called Djakarta). France occupied Saigon in 1859, and with this important city and port as a base, steadily extended her influence over the whole of Indo-China. By the early 1880s there had been considerable agricultural and industrial development, and although there are no precise statistics, it was known that many thousand Chinese had entered the country in the previous few decades. In spite of France's restrictive policy towards non-French interests, British ships had obtained the greatest share of Saigon's

shipping, as illustrated below, from the British Consul's Report for 1882.

SHIPPING AT SAIGON IN 1882 [184]

Flag	No. of Vessels	Tonnage	Flag	No. of Vessels	Tonnage
British	223	179,332	Norwegian	2	1,505
Danish	17	13,835	Russian	8	6,154
Dutch	11	12,399	Siamese	2	404
French	18	13,614	Spanish	3	1,096
German	78	58,181	Swedish	1	281
				365	290,440
			(1) M.M.	92	151,917
				457	442,357

(1) Messageries Maritime were engaged in passenger and mail services between Marseilles and Saigon.

Of the British ships calling at Saigon in 1882, 213 of 174,534 tons were steamships, and ten of 4,798 tons were sailing ships. Apart from the heavily subsidised Messageries Maritime ships on the overseas service, French shipping at Saigon was confined to a few coasters plying between Saigon and nearby ports in Indo-China. As at Bangkok, the British ships trading at Saigon were operated by Hong Kong and Singapore Chinese shipowners, and neither the China Navigation nor the Indo-China Steam Navigation Companies were as yet operating regular services to Saigon from Chinese ports. Rice was the principal export from Saigon, and there was a record crop in 1882. Most rice exports went to south China, and in that year 29,000 tons went to Hong Kong, much of which would be re-exported to Canton, 5,080 tons to Swatow, and 2,800 tons to Amoy.[185]

In spite of its important role in the China trade in the pre treaty era, when so much of the silver which lubricated the

trade came from Mexico via Manila, Manila declined in importance after the last Manila galleon crossed the Pacific in 1815, and again after the opening of the first treaty ports in 1843. During the periodic crises at Canton in the early part of the nineteenth century, Jardine, Matheson and Company made Manila their temporary headquarters, and the company always maintained a strong presence there. The despotic clericalism of the Spanish colonial authorities, however, largely isolated Manila and the Philippines from the economic developments taking place in other parts of South-east Asia. Manila, however, was opened to foreign trade in 1832, and after the Suez Canal was opened in 1869, leading to an expansion of steamship services to and from the Far East there was an increasing market in Europe and America for Philippines hemp, lumber, sugar and tobacco. As at Saigon, British shipping obtained the major share of Manila's trade, and in 1882 about half the total shipping entering and clearing the port, 191 vessels of 123,862 tons were British.[186] The total value of exports that year was £2,800,000, and except for tobacco - most of which went to Spain, the other exports were divided between Britain and America. Less than two thirds of Manila's imports came from Spain in Spanish ships, and only about one fifth of her exports left in Spanish ships.[187] Neither the China Navigation nor the Indo-China Steam Navigation Companies operated a regular service to Manila from any of the Chinese ports, and the only British coast company concerned with the Philippines trade at this time was the China and Manila Steamship Company, which usually maintained a regular service between Hong Kong and Manila with two steamships.

Indonesia played an important part in the East India Company's commercial strategy for the first century of the Company's

existence. It had maintained a factory at Bantam in Java until 1684, which it attempted to make its headquarters for all trade east of India; but had been forced to withdraw then in face of superior Dutch power. After that the Company concentrated on developing trade with India, and again later with China, leaving Indonesia to the Dutch East India Company. Periodically, however, efforts were made to revive factories or bases in Indonesia, primarily as staging points on the route between India and China, than to develop trade with Indonesia itself. Alexander Dalrymple attempted to outflank the Dutch, and develop the China trade by using what was called the 'eastern' or 'outer' passage to China. This avoided the Dutch controlled Malacca and Sunda Straits by proceeding along the west coast of Sumatra, the south coast of Java, and then north through the Moluccas and east of the Philippines to Canton. To achieve this end Dalrymple concluded treaties with the Sultan of Sulu in 1759 and 1761, which would have allowed the Company to establish a trading station on the island of Balambangan off the north east point of Borneo. Dalrymple's plans came to nothing, however, as he failed to win support from the Court of Directors; but later Francis Light and Stamford Raffles worked more successfully towards the same end.[188] Although they also failed to win whole-hearted support from the Court of Directors, their efforts resulted in Penang and Singapore coming under the East India Company in 1786 and 1819 respectively. East Indiamen themselves did not trade at Indonesian ports en route to and from China; but British country ships did, and by the late 1820s a considerable trade in rice had developed between Java and Canton, in which Jardine, Matheson and Company ships played a large part. Sailing ships could make several trips between Java and Canton in one season, and in the 1831-2 season, some 125,000

piculs of rice (approximately 74,404 tons) were imported into Canton from Java.[189]

Chinese had been emigrating to the East Indies for centuries, and their numbers increased as Dutch industrial and agricultural development increased from the mid nineteenth century. In 1882 it was estimated that there were 211,257 Chinese residents in Java and Madura, and another 140,571 in other parts of the Netherland Indies.[190] The situation in the East Indies, however, was different from that in Malaya and in the Straits Settlements. Particularly in Java, there was an abundant supply of cheap and willing labour, and Chinese immigrants in Indonesia were mostly traders rather than agricultural or industrial workers.

Holland being, like Britain, a maritime nation, most of the shipping trading at Indonesian ports was under the Dutch flag, that of Holland itself, or that of the Netherland Indies. Similarly, British ships trading at Indonesia were divided into three categories - overseas ships based in Britain, China coast ships based in Hong Kong, and Straits ships based in Singapore. Indonesian shipping statistics, however, do not distinguish between the different categories.

SHIPPING AT BATAVIA, SAMARANG, AND SOURABAYA IN 1884, INCLUDING COAST TRAFFIC[191]

Nationality	Number of Arrivals and Departures	Tonnage
Dutch and Netherlands India	3,547	4,408,964
British	1,013	1,336,166
Others	508	529,756
Total	5,068	6,274,886

It will be seen from above that non-Dutch shipping, apart from British, was negligible.

Although Sumatra was a much larger island than Java, it was much less developed and much less densely populated. Even at this time it was not completely subjugated to the Dutch. In the north the Achinese were in active revolt, and the small northern ports were being blockaded by the Dutch to prevent arms and ammunition from reaching the Achinese from outside. This meant that practically all trade was confined to Edie on the east coast, where, as reported by the British Consul, the position as regards British shipping was as below:-

SHIPPING AT EDIE IN 1883 (NO TONNAGES GIVEN) [192]

	Steamships	Sailing Ships	Total
Chinese	nil	nil	nil
English	364	40	404
Dutch	168	16	184
German	12	nil	12
Sarawak	70	nil	70
Siamese	nil	nil	nil
Total	614	56	670

It will be seen from the above statistics that British shipping was as predominant at that time in Sumatra as in some of the Chinese treaty ports. One reason for this was that Dutch freights were much higher than British, another that much of the Sumatra trade was channelled through Penang or Singapore. No complete trade statistics are available at this time; but of £236,825 of foreign imports into Edie in 1883, £193,345 came from the Straits Settlements, and £36,250 from British India, the latter consisting of live cattle to feed the Dutch troops fighting against the Achinese, and much of the Straits imports came from China.

The most important development in Sumatra over the previous few years had been the expansion of tobacco production in the Deli district.

This increased from exports of 938 bales (approximately 165,088 pounds) worth £208,333 in 1873 to 92,000 bales (approximately 16,192,000 pounds) worth £1,583,333 in 1883.[193] This was despatched by small steamers, British and Dutch, to Penang or Singapore, and from there to Amsterdam, with very little going to Britain. The Consul commented on the fact that all the tobacco from these Straits ports went by the Blue Funnel steamers of Messrs. Alfred Holt and Company.

There were three classes of labour employed on the tobacco plantations - native Malays, Klings from Madras, and Chinese, each class being employed in a different kind of work. The Chinese were employed in the preparation and planting of the seed, and in 1883 there were 23,000 Chinese employed in the Deli district. The Chinese were unpopular with both British and Dutch officials. Not only had they brought their baneful secret societies with them; but their wages were spent on gambling, on smoking opium, or else sent back to China.

Finally, among the ports outside China at which British ships and British China coasters began to trade in the 1863 to 1883 period were the Japanese treaty ports. The first steps in opening Japan to foreign trade were taken by a United States naval squadron under Commodore Perry in 1853-4, which led to the Treaty of Kanagawa of 31st March 1854 between the United States and Japan. It was several years, however, before there were any appreciable developments in foreign shipping or trade. The Treaty of Kanagawa only opened the two small and unimportant ports of Hakodate and Shimoda in Hokkaido and Honshu islands respectively; but it included the all important most-favoured-nation clause of the Chinese treaty system. Within six months of the signing of the Treaty of Kanagawa Britain signed a very similar treaty with Japan,

and then in 1857 Holland and Russia followed suit. In 1858 the United States signed a much more comprehensive commercial treaty which opened Kanagawa, later called Yokohama, Nagasaki, and Hyogo, later called Kobe, to foreign trade; and Edo, later called Tokyo, and Osaka to foreign residence. These ports were opened at intervals between 1858 and 1863. The opening of Japan, therefore, practically coincided with the opening of the Yangtze and the extension of the treaty port system in China. With British shipping and trade firmly established at Shanghai by this time, Britain was well placed to benefit from this additional field for enterprise.

The Peninsular and Oriental Steam Navigation Company was the first British shipping company to operate a regular service to Japan, beginning in 1859 with the Chusan, a small barque rigged and iron hulled auxiliary vessel which had been in service on the China coast since 1852. Then in 1864 the P. and O's 600 tons Korea was put on the Japan run, as an extension of the mail service to Shanghai. Jardine, Matheson, and Company, however, had been making earlier voyages to Japanese ports before they were officially opened to foreign trade, and in 1859 William Keswick, later to become Jardines' taipan in the Far East, opened an office on the Yokohama Bund, House Number One, or 'Ichi Ban' to the Japanese. Dent and Company opened their office a year later in House Number Three,[194]

Yokohama's growth was as spectacular as that of Shanghai. When it was opened to foreign trade in 1858 it was a small fishing village called Kanagawa with 101 houses; but within ten years became the centre of Japan's foreign trade. By 1863, of the thirty two foreign firms established there, "of the highest class" as the British Consul phrased it, sixteen were British, five American, five Prussian, four Dutch, and two French; and 200 Japanese had

opened shops.[195]

British predominance was also reflected in shipping statistics. Of the 338 foreign ships entering and clearing in 1863, 200 were British, 76 American, 29 Dutch, 15 Prussian, 14 French, and 5 Russian. Of these 200 British ships, 15 were engaged in overseas trade with Britain and Europe, and - except for another to America - the rest were engaged in trade between Yokohama, Hakodate, and Nagasaki, and Hong Kong, Shanghai, and other Chinese ports. Total foreign imports that year were valued at £399,000, of which English woollens accounted for £150,000; while of foreign exports of £1,283,546 raw silk accounted for £1,031,835; tea for £100,820, and raw cotton for £106,551. Raw cotton was an unusual export from Japan, but a world shortage had been created by the blockade of the southern United States ports during the Civil War. [196]

Butterfield and Swire also opened an office in Yokohama in 1867; but their principal business at first was the import of British cotton and woollen goods, and the export of tea to New York and Melbourne. After the Blue Funnel Line extended their service from Shanghai to Japan, they became Blue Funnel agents in all Japanese ports. From then shipping and related interests became more and more important while trading interests declined, the latter being discontinued in 1902.

So rapid was Japan's progress towards Westernisation, that in 1876 she forced a treaty on Korea by which three ports in Korea - Pusan, Chemulpo (now called Inchon), and Wonsan - were opened to foreign trade. Between 1882 and 1886 America, Britain and several other Western countries followed suit, so that by the mid 1880s these Korean ports had been included in the Chinese treaty port system, albeit on its extreme fringe. Apart from a fortnightly service between Shanghai, Chemulpo, and Pusan by the

Indo-China Steam Navigation Company, whose general managers (Jardine, Matheson, and Company) opened agencies in the two ports, the British China coast companies showed little interest in Korea, nor did the British overseas shipping companies. In spite of the long tributary relationship with China, no considerable trade developed between China and Korea. In 1883 there were only ten British residents in the whole of Korea, compared with over 2,500 Japanese. This reflects Britain's disinterest in commercial prospects in Korea, although far from indifferent to Japan's increasing influence there.[197]

It was very different in Japan, however, where Britain maintained and increased her early commercial and shipping predominance. By 1883 there were five ports open to foreign trade - Hakodate, Kobe, Osaka,Yokohama and Nagasaki. Kobe and Osaka were only fourteen miles apart, and for statistical purposes were treated as one port. Yokohama was still by far the most important port in the country, and in 1883 accounted for over two-thirds of Japan's foreign trade, £11,077,456 out of the total of £15,889,514. In the same year British ships accounted for about 66 per cent of foreign shipping, 583 vessels of 724,355 tons out of 946 vessels of 1,098,772 tons.[198] Britain's share of Japan's foreign trade was £5,192,807, about one third of the total, so that the phenomenon of British predominance in shipping being greater than British predominance in trade, common at so many Chinese ports, was repeated at Yokohama and in Japan as a whole.

By 1883 the number of foreign residents and firms in Japan had increased to 2,383 and 208 respectively. Britain had 1,094 residents and 98 firms, America 478 and 39, Germany 269 and 37, and France 225 and 19.[199]

By 1883 the principal features of the treaty port system on the China coast had been fully established, as had the three coasting companies which were to dominate the China coast trade until the end of the treaty port era. During the first forty years of this era, 1843 - 1883, British shipping had maintained its pre-treaty predominance. From the statistics in Table No.22, the total shipping at the most important ports in China and Hong Kong increased from 5,588,384 tons in 1863 (when accurate statistics for most of these ports was first available), to 17,534,238 tons in 1883, just over three fold. In the same period British shipping increased from 2,833,922 tons to 12,224,420 tons, some four and a third xxxx times, and in percentage from 50.8 per cent of the total to 69.7 per cent. During this period British ships extended their trading range over the whole coast of China, and for some 900 miles up the Yangtze. They also extended their operations north to Japan and Korea, although only marginally in the latter country, and south to the Straits Settlements, Indonesia, Indo-China, Siam, and indeed to most ports of South-east Asia.

In 1881 telegraphic communications had been established between Europe and Shanghai by a line across Europe, Russia, and Siberia, and both Hong Kong and Shanghai within a few years later were also in communication with the most important treaty ports.

In evaluating this achievement of British shipping, it must be remembered that the last ten years of the period coincided with the early part of the Great Depression. During the last seven years of this period Britain's trade with China declined, as described in page 143 and China's foreign trade stagnated as shown in the following table:-

THE FOREIGN TRADE OF CHINA IN 1871 AND 1883 [200]

Year	Value of Foreign Trade	Value of Tael
1871	Tls.136,956,338 (£45,652,228)	6/8d., 3.0 per £
1883	" 143,765,395 (£40,330,419)	5/7½d.,3.57 per £

The above statistics show that between 1871 and 1883 there was a modest increase in China's foreign trade in silver value of about 5 per cent; but due to the fall in silver its sterling value decreased by about 11 per cent. One constant factor over the whole period, however, was the continuing importance of the four staples of the trade, although this declined in the latter years of the period. In 1883 opium accounted for 31.7 per cent of the total foreign imports and cotton goods for 29.9 per cent; while tea accounted for 45.8 per cent and silk and silk goods for 34.1 per cent of total foreign exports.[201]

The first two decades after the Treaty of Tientsin have often been described as a 'honeymoon period' in Sino-Western relations, and in some respects this was true. There were, however, several untoward incidents, of which the Tientsin Massacre of 1870 was one of the most notable. Then again at the end of the period the imminence of war with France caused another series of anti-foreign outbreaks at some treaty ports. This resulted in Britain, the United States, Germany, and Japan increasing co-operation between their respective naval forces to protect foreigners in these treaty ports. The Franco-Chinese War of 1884-5 and these developments will be described briefly in Chapter 4.

REFERENCES FOR CHAPTER 2

1. J.K. Fairbank, The Cambridge History of China, Vol.10, Part I (1978). P.13 refers to a recent re-appraisal of the Arrow case by J.K. Wong, 'Harry Parkes and the Arrow War in China', Modern Asian Studies, 9/3/1975, p.303-320. Wong maintains that Consul Parkes lied about the British flag flying when Arrow was boarded. Although her British registration had certainly expired eleven days earlier, by Hong Kong law she was still allowed to fly the British flag until her next return to Hong Kong. The Arrow was owned by a Chinese resident of Hong Kong, her master was a British subject called Thomas Kennedy, and the other twelve members of the crew were Chinese. There appears to be little doubt that she had in the recent past engaged in piracy.

2. BPP 1857 XII (2173) p.1, Correspondence Relating to the Entrance to Canton.

3. Ibid (2173) p.325, Correspondence Relating to Insults in China.

4. For a good description of the Second China War from the British side see D. Bonner-Smith and E.W.R. Lumby, The Second China War 1856-1860 (1954) and E. Holt, The Opium Wars (1964); and the Chinese side in A. Waley, The Opium War Through Chinese Eyes, 1934.

5. App. No. 7 has a description of the Treaty of Tientsin and the Convention of Peking. The cession of Kowloon and Stonecutters' Island was provided in an additional clause in the Convention of Peking. Kowloon Peninsula had been used by British troops as a base camp during the Second China War.

6. L. Olyphant, Narrative of Lord Elgin's Mission to China and Japan, (New York 1970) p.55

7. Fairbank, Trade and Diplomacy p.316-317

8. Chapter I, p. 34-5

9. Table No.16 lists several foreign steamship companies in which there was considerable Chinese investment.

10. Fairbank, East Asia, p.112

11. The British attitude towards the Taipings is described in J.S. Gregory's Great Britain and the Taipings, (1969)

12. Table No.16 lists shipping companies operating in China in 1856-1883.

13. 182 vessels of 78,165 tons cleared from Shanghai in year ending 30 September 1852; 103 of 38,420 tons were British and 66 of 36,532 tons were American. H.B. Morse, International Relations, I (1910) p.343

14. I.M.C., Report on Trade at the Treaty Ports in China, 1865. (Shanghai, 1866) p.133

15. D.K. Liu, Anglo-American Steamship Rivalry in China 1862-1874, (1952) p.55

16. A financial crisis which ruined several important Indian and China agency houses, when tea prices and tea freights collapsed.

17. BPP 1866 LXXI (3707) p.84-85

18. BPP 1877 LXXXIV (1665) p.23

19. Ibid p.24

20. BPP 1884 LXXXII (c.4124) p.151

21. BPP 1871 LIX (c. 567) p.6

22. Ellesworth C. Carlson, The Kaiping Mines (Cambridge, Mass.1957) p. 151

23. I.M.C., Returns of Trade at the Treaty Ports (Shanghai 1868), p.11, 197-215, and 272-291

24. G. Blake, The Ben Line 1825-1955 (1970) p.69-70

25. G. Blake, The Ben Line, p.71

26. Particulars of Oriental and her first voyage from B. Lubbock's The Opium Clippers (1946) p.322, and D.R. MacGregor's The China Bird (1961) p.9-11

27. I.M.C., Returns of Trade from the Treaty Ports, 1873 (Shanghai 1874), Part I, p.22, and Ibid (Shanghai 1879) Part I, p.26

28. The British China Consular Service is described in Appendix 2.

29. R. Fortune, A Journey to the Tea Countries of China (1852)

30. Chapter 3 deals with Shanghai and the Yangtze.

31. See Table No.15

32. Liu, Anglo-American Steamship Rivalry, p.29

33. Ibid, p.141-2.

34. Sheila Marriner and F.E. Hyde, The Senior John Samuel Swire 1825-98 (1967) p.60

35. K.C. Liu, 'British-Chinese Steamship Rivalry in China: 1873-1885' The Economic Development of China and Japan, ed. by C.D. Cowan (1964) p.65

36. Much of this information on the China Merchants is from Liu's

Anglo-American Steamship Rivalry and his 'British-Chinese Steamship Rivalry'.

37. Liu, 'British-Chinese Steamship Rivalry', p.59

38. Ibid p.58

39. C.N. Co. Fleet List.

40. Liu, 'British-Chinese Steamship Rivalry, p.60

41. C.M. 22/7/1863

42. C.M. 10/9/1865.

43. Marriner and Hyde, p.61, 62, and 64-66.

44. C.M. 13/1/1877

45. BPP 1878-9 LXXII (1879) p.51

46. Liu, 'British-Chinese Steamship Rivalry', p.58

47. C.N. Co. Fleet List.

48. I.M.C. Reports on Trade at the Treaty Ports, 1879, (Shanghai 1880), p.205

49. BPP 1895 XCVII (No.1461) p.14

50. E.J. Hobsbawm, Industry and Empire (1968) p.104

51. BPP 1865 LIII (3489) p.61

52. BPP 1876 LXXVII (c.1130) p.196

53. BPP 1884 LXXXII (c.4134) p.221

54. BPP 1894 LXXXV (c. 7293) p.505

55. Ch. R. 1851 Vol. XX p.11

56. BPP 1884-85 LXXX (c. 4480) p.73

57. Hong Kong's figures are from Historical and Statistical Abstracts of the Colony of Hong Kong, Government Printer, Hong Kong, 1932. This does not distinguish between the different foreign nationalities, only between Chinese and non-Chinese. Well over half of the non-Chinese population would be British; but this would include several hundred Indians.

58. I.M.C., Report on Trade 1865, (Shanghai 1865) p.136

59. " " " " 1866 " 1866) p. 96

60. I.M.C., Report on Trade (Shanghai 1867) p.21

61. " " " " 1869 (Shanghai 1870) p.28

62. Table No.6 shows the value of the tael between 1863 and 1914.

63. BPP 1873 LXVI (c.773) p.5

64. BPP 1884-85 LXXX (c.4440) p.71-82

65. I.M.C., Reports on Trade, 1869 (Shanghai 1870) p.28

66. Table No. 13

67. " " 27

68. BPP 1884 LXXXVII (c. 2930) p.2-6 for 1876, and BPP 1886 LXIV (c. 4820) p.2-6 for 1883.

69. Fairbank, East Asia, p.336-338

70. BPP 1871 LXX (c. 248) p.4

71. Ibid p.193-195

72. S.T. Wang, The Margary Affair and the Chefoo Agreement (1940)

73. George H. Beckmann, The Modernization of China and Japan (Tokyo 1965), p.161-2, and Fairbank, East Asia, p.371-2.

74. BPP 1865 LIII (3489) p.80

75. BPP 1874 LXVIII (c.1048) p.5-7

76. BPP 1864 LXIII (3303) p.65

77. BPP 1884-5 LXXX (c.4595) p.296

78. Ibid p.293

79. Ibid "

80. All distances between ports are taken from The China Coasters Tide Book and Pocket Manual (Shanghai 1911)

81. BPP 1864 LXIII (3302) p.47

82. BPP 1884 LXXXII (c. 4029) p.76

83. Neil Paterson, The China Run (1961) p.29

84. BPP 1867 LXVIII (3940) p.39

85. Ibid p.49

86. " p.39

87. BPP 1867 LXVIII (3940) p.42

88. BPP 1884 LXXXII (c.4024) p.73

89. Ibid p.73

90. Morse, 1 p.307-313.

91. Soon after the Act of Emancipation of 1833, and in the early treaty port years, a demand arose for Chinese coolie labour in many parts of the tropical and sub-tropical world, including South America and the West Indies. Amoy became an important centre of the trade which arose from this. Although this study is primarily concerned with British shipping in Chinese and near by waters, some reference to this trade further afield will be made in Chapter 5.

92. <u>Ch. R.</u> 1849 Vol. XVIII p.295-303

93. BPP 1864 LXIII (3302) p.69

94. Ibid p.73-76

95. See Table No. 22

96. BPP 1884 LXXXII (4134) p.187

97. Ibid p.187

98. " 184

99. BPP 1864 LXXII (3302) p.60

100. Ibid p.57

101. " 59

102. BPP 1884 LXXXII (4029) p.140

103. Ibid p.149

104. " 142

105. " "

106. BPP 1884 LXXXII (4029) p.140

107. BPP 1864 LXIII (3302) p.8

108. Ibid p.1

109. " 10

110. BPP 1875 LXXVII (c. 1243-I) p.115

111. BPP 1884 LXII (c.4134) p.218

112. BPP 1884 LXII (c. 4134) p.214

113. BPP 1864 LXIII (57) p.22

114. BPP 1865 LIII (3489) p.122-130

115. BPP 1867-8 LXIX (4079) p.167

116. I.M.C., Returns of Trade, 1867 (Shanghai 1868) p.197-206, and 272-291.

117. Ibid p.280

118. Liu, Anglo-American Steamship Rivalry, p.71

119. Ibid, p.114

120. BPP 1884 LXXXII (4134) p.271

121. Ibid p.278 and Table No. 12

122. BPP 1884 LXXXII (4134) p.277

123. BPP 1867-8 LXIX (4079) p.165

124. BPP 1867-8 LXIX (4079) p.165

125. Ibid p.166

126. BPP 1884 LXXXII (4134) p.275

127. D.K. Liu, 'British-Chinese Steamship Rivalry in China, 1873-1885', The Economic Development of China and Japan ed. by C.D. Cowan (1964) p.66

128. BPP 1864 LXIII (3302) p.25

129. Ibid p.25

130. Ch. R. 1849 XCVIII p.298

131. BPP 1865 LIII (3510) p.236

132. Ibid p.238

133. BPP 1884 LXXXII (4029) p.130

134. Ibid p.125

135. " p.126

136. BPP 1864 LXIII (3302) p.51-2.

137. BPP 1874 LXVIII (c. 1080) p.126

138. Ibid p.24

139. BPP 1884 LXXXII (4134) p.189

140. BPP 1884 LXXXII (4134) p.189

141. Ibid p.192-3

142. " p.192

143. Fairbanks, East Asia, p.18, 28-29

144. J.A.P.L.B. 3/1/1833

145. BPP 1884-5 LXXX (4248) p.2

146. BPP 1875 LXXXII (1164) p.6

147. BPP 1864 LXIII (3302) p.49

148. BPP 1884 LXXXII (4029) p.158

149. Ibid p.158

150. " p.156-7

151. BPP 1878 LXXV (2109) p.93

152. Ibid p.93

153. BPP 1884 LXXXII (4134) p.116

154. Ibid p.121

155. " "

156. " p.130

157. BPP 1878 LXXV (c. 2109) p.125

158. Ibid p.13

159. " p.135-6

160. L.R. 1878

161. BPP 1878 LXV (2109) p.164

162. BPP 1884 LXXXII (4029) p.159-61

163. Ibid p.162

164. BPP 1847 V p.463-474. Report on the Island of Hong Kong by R. Montgomery Martin.

165. BPP 1847-48 XLVIII (929) p.1-2

166. The Historical and Statistical Abstracts of the Colony of Hong Kong, 1841-1930, Government Printer Hong Kong, 1934.

167. E.J. Eitel, Europe in China, Taipeh 1968, p.196

168. E.J. Eitel, Europe in China, Taipeh 1968, p.351

169. Then Minister at Peking. Alcock had previously been British Consul at several treaty ports, including Amoy and Shanghai, and was one of the principal architects of the treaty port system.

170. BPP 1884 LIV (c. 3983) p.5-10. Report of the Commission appointed by the Government of Hong Kong to enquire into Circumstances attending the alleged Smuggling into China of Opium and Other Goods. This found that smuggling from Hong Kong into China, with a few inconsiderable exceptions, was limited to opium, salt, and munitions of war. In the five years 1878-1882 inclusive, 483,829 piculs (approximately 28,000 tons) of opium were imported into Hong Kong, and in 1882 alone 85,565 piculs (approximately 5,092 tons) were imported. Of this 65,709 piculs, 3,316 tons, were re-exported to the treaty ports, leaving a balance of 19,856 piculs, 1,183 tons, to be accounted for. Some of this was consumed locally, some went to Macao, but a considerable proportion went to non-treaty ports by Chinese junks which obtained passes at Customs Stations at Kapsimun and elsewhere on British territory.

171. G.B. Endacott, A History of Hong Kong (1958) p.189-90

172. Government Printer, Historical and Statistical Abstracts for the Colony of Hong Kong, 1842-1930, 3rd edition, p.123-133.

173. BPP 1884-5 LII (4404) p.229

174. Ibid p.232

175. King Mongkut became famous in America and Europe through the musical film and play, The King and I. This was based on the inaccurate and unfavourable description of him in Anna Leonowens, The English Governess at the Siamese Court (Boston 1870). most authorities agree that the most accurate description of Mongkut is in Malcolm Smith's A Physician at the Court of Siam (1946).

176. BPP 1864 LXI (3393) p.314

177. BPP 1884 LXXXII (4104) p.642-3

178. BPP 1864 LXIII (3302) p.54, 60, and 69.

179. BPP 1875 LXXVII (c. 1243) p.91, 113, and 157

180. BPP 1884 LXXXII (4104) p.641

181. Ibid p.642

182. " "

183. " p.640

184. BPP 1883 LXXII (3585) p.302

185. Ibid p.305

186 " (3593) p.510

187. " p.508

188. H.T. Fry, Alexander Dalrymple and the Expansion of the China Trade (1970)

189. J.A.P.L.B. 24/3/1832

190. BPP 1884-5 LXXVIII (4446) p.820

191. BPP 1884-5 LXXVIII (4446) p.837

192. Ibid p.842

193. BPP 1884-5 LXXVIII (4406) p.851

194. Jardine, Matheson and Company, an historical sketch, p.53

195. BPP 1864 LXI (3393) p.157

196. Ibid p.158

197. BPP 1884-5 LXXXI (4244) p.5-23.

198. Ibid (2407) p.195. These statistics are exclusive of the Japanese coast trade from which British ships were banned.

199. Ibid (4207) p.195

200. BPP 1884-5 LXXX (c.4440) p.78

201. Ibid p.79-82

CHAPTER 3

The Yangtze and its importance to Britain, and British-American-Chinese rivalry on the river. The extension of steamship services beyond Hankow, and the entry of German and Japanese ships into the river trade. Description of Shanghai, Hankow, and the principal Yangtze ports. Approximately 1858 - 1914.

Although the existence of the Yangtze was known in Britain for centuries before British ships entered the China trade, it was probably the missions to Peking of Lord Macartney and Lord Amherst in 1793 and 1816 respectively which led to its importance being recognised. Marco Polo knew the Yangtze as the Kiang, or Great River, but his estimates of its shipping and trade did not receive the credit they merited until long after his death in 1324. Polo wrote: "A great number of cities and large towns are situated on its banks, and more than two hundred, with sixteen provinces, partake of the advantages of its navigation, by which the transport of merchandise is to an extent that might appear incredible to those who have not had an opportunity of witnessing it". [1]

It is difficult to determine the extent of Polo's own travels on the Yangtze; but he described several of its most important cities, including Kiukiang and Chinkiang. The latter is at the junction of the Grand Canal with the Yangtze, and Polo describes the fleet of junks carrying the tribute rice from the Yangtze provinces to Kanbalu, the present Peking, the first time this immense operation was noted by a European. Shanghai was then an unimportant village; but by the time the East India Company was established at Canton in the early

eighteenth century, had become important enough to attract its attention.

Between the visit of the East India Company's Lord Amherst to Shanghai in 1831, and the British expeditionary forces' passage up to Nanking in 1842, references to Shanghai and the Yangtze become more and more frequent. All attempts to trade at Shanghai, however, were unsuccessful; although as happened with the Lord Amherst and other ships, foreign ships were usually allowed to purchase food and water. Not surprisingly, therefore, Shanghai was chosen at the Treaty of Nanking as one of the first treaty ports. It became evident as soon as trade began there, that much of Shanghai's trade was with the Yangtze valley.[2] One of the principal aims of the Second China War, therefore, was to open the Yangtze to foreign trade and shipping. In the interval between the signing of the Treaty of Tientsin in 1858, and its ratification in 1860, Lord Elgin took a small naval force the six hundred miles of the Yangtze from Shanghai to Hankow. Hankow was then, after Peking, the most important city in the interior of China, and the fourth most important city of the Empire. It was much more important than Shanghai then was, and this was the first time it had been visited by foreign ships.[3]

The Taiping Rebellion was still raging at this time, and the rebels controlled much of the Yangtze above and below their capital at Nanking. In spite of this, Lord Elgin and members of his mission made shore excursions at several places, which confirmed their belief in the potentialities for British trade on the river. At Hankow, for instance, they found British cotton and woollen goods in the market, most of which had come by the overland route from Canton.

Lord Elgin thought that the people had no sympathy with the rebels, and that they welcomed the prospect of foreign trade. He

also thought that British manufacturers would have to exert themselves in order to supplant native goods. "It is", he wrote, "a pleasing but pernicious fallacy to imagine that the influence of an intriguing mandarin is to be presumed whenever a buyer shows a preference for native calico".[4] Nearly half a century earlier James Matheson frankly admitted the superiority of Chinese nankeens over Manchester cotton goods; while in 1861, in a letter to the Foreign Office, Lieutenant-Colonel Neale, Secretary of the British Legation at Peking put the matter thus: "It is admitted by all best acquainted with this country that 90% of the Chinese require cotton cloths containing three times the quantity of cotton that is put into what is imported from Great Britain, and that we are unable to make cloths similar to what is made by them at anything approaching the same price as their own, which is simply the price of the material, for the labour employed is spare labour".[5] Lord Elgin spoke prophetically when he said: "We have failed to substitute to any extent in China, cotton manufactured by machinery for that manufactured by the hand: let us hope that, at all events, we may succeed in replacing junks by steamers".[6]

In the five years previous to the Elgin expedition there had been several other British and foreign expeditions up the river as far as Nanking. In all cases the purpose was to assess the strength of the rebels and their attitude to foreign trade. The first was by Sir George Bonham, Superintendent of British Trade and Governor of Hong Kong, in H.M.S. Hermes in April 1853, just after Nanking had been captured by the Taipings. Then a more extended visit was made by the British consular officials in June-July 1854, Messrs. Bowring and Medhurst, the former the son of Sir John Bowring, Bonham's predecessor at Hong Kong. Bowring and Medhurst travelled in the steam

sloops H.M.S. Rattler and H.M.S. Styx, and were instructed to investigate coal supplies on the river, it being well known that there were extensive coal deposits in the Lower Yangtze Valley.[7] They did come across a coal store at Nanking; but the rebels refused to supply them with any coal or give any information regarding future supplies. In December of the same year the French Minister also visited Nanking in the French gunboat Cassini, and in the following May the American Commissioner in U.S.S. Susquehanna.[8] Neither the French nor the Americans were favourably impressed by the Taiping government, nor for the prospects of foreign trade should the Rebellion be successful. Foreign missionaries, however, because of the tenuous Christian origin of the Taiping movement, continued favourably disposed towards the Taipings for several more years.

There is some ambiguity about British policy during the Taiping Rebellion.[9] In the early stages it was regarded with a certain amount of sympathy, as a reforming movement with Christian affiliations, and many Europeans welcomed the prospect of a change from the corrupt and reactionary Manchu régime. As a result, the British, American, and French Governments at first adopted a policy of neutrality. This was changed later, and not entirely because of the excesses committed by the rebels. Commercial considerations undoubtedly played a large part. The Treaty of Tientsin had legalised the opium trade; but the Taipings were opposed to both alcohol and opium and in territory under their control banned the trade in both. They also made it clear that under their rule foreign traders would lose their privileges. Because of this the Western Powers abandoned their policy of neutrality. The rebels were described as firebrands and extremists, the Manchu Government as a peaceful and stabilising element, and steps taken to assist it. These included supplying

government forces with arms and munitions of war, with transport - including steamships - and with officers to train and lead government forces. [10]

The Treaty of Tientsin also provided - after the suppression of the Taipings - for the opening of the lower Yangtze and three ports there to foreign trade. By the time the Treaty was ratified in 1860, however, the Taipings were still undefeated; but Lord Elgin persuaded the Imperial Government to open the river and the three ports immediately. To accomplish this a second naval expedition was mounted in 1861 with more comprehensive aims than the expedition of 1858. It was commanded by Vice-Admiral Sir James Hope, and consisted of ten small naval ships, one of which - H.M.S. Cowper - was a survey ship. The British consuls who were to open consulates at the three new treaty ports travelled with the expedition, as did several members of the Shanghai Chamber of Commerce, a Protestant missionary, and a private exploration party under Captain T.W. Blakiston of the Royal Engineers. Captain Blakiston intended to travel up the Yangtze as far as possible, and then continue overland through Tibet to India. [11]

The Hope expedition left Shanghai on 11 February 1861, and after the first hundred miles and until Hankow, signs of the destruction wrought by the Taipings were widespread.[12] Chinkiang, the first of the new treaty ports, 138 miles above Shanghai, was in ruins, and the country for miles around devastated. H.M.S. Bouncer remained at Chinkiang to act as guard ship for the new British consulate. Kiukiang, the second of the new treaty ports, and 433 miles above Shanghai, had been recaptured from the rebels just before the arrival of the expedition, and had not recovered from their occupation. Another gunboat was left behind there, while the expedition continued

the final 140 miles to Hankow, which was reached on 11 March, exactly one month from Shanghai, where a pleasant surprise awaited them.

Hankow, at the junction of the Han and Yangtze rivers, was found to be lively and bustling, and quickly recovering from Taiping occupation. This was the most important commercial centre in central China, European goods were on sale, and the hundreds of junks lying in the harbour testified to a flourishing trade. Like Canton and Shanghai, Hankow was the centre of a network of waterways, connecting it with an immense area of the surrounding country. With its sister cities of Hanyang and Wuchang on the south side of the Yangtze, it constituted Wuhan, the main urban connurbation in the interior of China. At Hankow, the third and most important British Consulate on the Yangtze above Shanghai, was established.

The French priest, M. Huc, who travelled extensively in the interior of China between 1844 and 1846, estimated the population of Wuhan as 8,000,000; an exaggeration of almost Poline proportions.[13] Lord Elgin estimated it to be 2,000,000; while recent estimates put it at just over 3,000,000. The members of the Shanghai Chamber of Commerce were greatly encouraged by what they saw of Hankow. Foreign firms were already being established, and steamship services between Shanghai and Hankow were inaugurated by the arrival of the paddle steamer Yangtze while the expedition was at Hankow. This might be described as an Anglo-American operation, as the Yangtze belonged to Dent and Company, but on this historic voyage was chartered to Russell and Company and flew the Stars and Stripes. The first ocean going steamer to reach Hankow was the British iron screw steamer Scotland which belonged to Lindsay and Company; but on this occasion was under the agency of Russell and Company.

The two smallest ships of the squadron continued another

123 miles past Hankow to Yochow, 723 miles from Shanghai and at the entrance to the Tungting Lake; while the Blakiston party continued in native craft to Pingshan. Pingshan was 240 miles above Chungking, and 1,650 miles from Shanghai. Because of the unsettled conditions ahead, however, which included major rebellions in Szechuan and Yunnan, they were forced to turn back at Pingshan. Captain Blakiston, fortunately, had been able to take scientific observations on the passage up river, and he commented on the fact that foreign goods reached Szechuan from Canton via the Tungting Lake. This expensive route would, of course, be superceded if steamship services could be extended above Hankow.

On both up and down river passages, members of the Hope expedition - including the Admiral himself and Consul Parkes, his political adviser - went ashore at Nanking to confer with the Taiping leaders. There was no attempt to open trade at Nanking; but the rebel leaders gave assurances that they would not interfere with British merchant ships passing up and down river through territory under their control, provided such ships had river passes issued by British consuls. They also agreed to a British naval ship being anchored off Nanking, and promised not to molest British subjects if in future they should attack ports where these were carrying on trade. At this time Britain was actively helping the Imperial Government to protect Shanghai from attack from the Small Sword Society, an ally of the Taipings. The common factor in both cases was, of course, the promotion of British trade.

In May 1861, three months after the departure of the Hope expedition from Shanghai, the United States Navy carried out a similar expedition, their most ambitious Yangtze operation until then. It consisted of the cruiser Hartford, a single screw wooden steamer

of 2,900 tons, and two small gunboats. Flag Officer Stribling of the East India Squadron, who was then Acting United States Minister to China, commanded the expedition, during which the United States Consulate at Hankow was established. The Hartford drew fifteen feet of water, and only went a hundred miles past Nanking; but the gunboats Dakotah and Saginaw which only drew four feet six inches, continued past Hankow and Yochow into the Tungting Lake.[15] Shortly after this the American Civil War broke out, and American naval activity on the Yangtze and on the China Coast as a whole was suspended for nearly fifteen years.

It was during the Hope expedition that the first detailed surveys of the Lower and Middle Yangtze were made.[16] The Jesuits had charted parts of the river in the sixteenth and seventeenth centuries; but they had not used astronomical information to make specific determination of latitude and longitude, as was done by the Royal Naval surveyors. Three naval captains - Bethune, Collinson, and Kellet - had surveyed the estuary and up to Nanking during the British expeditionary forces' ascent of the river to Nanking in 1842. Commander Ward of Hope's survey ship Actaeon, however, completed surveys past Nanking up to Hankow, and for the first part of the Middle River to Yochow.[17] These surveys formed the basis of the compendius Admiralty Chang Kiang Pilot, which continued to be added to by later generations of Royal Naval surveyors right down to the 1930s. Towards the end of the century the river inspectors of the Chinese Maritime Customs, many of them British, made detailed surveys of the river crossings, and other foreign navies - especially the French and United States contributed; but on a relatively minor scale.

As had happened after the Treaty of Nanking nearly twenty

years before, the opening of the Yangtze to foreign trade was greeted with exaggerated hopes in British commercial circles. Lord Elgin himself, however, was more cautious. He took a favourable view of commercial prospects if all political difficulties were removed, but considered "these latter were of a nature calculated, in a great measure, to neutralize all other advantages".[18] One writer described the situation after the opening of the river in almost lyrical terms: "Trade then at once burst on the desolate scene like the blossoms of spring, British trade the most fragrant blossom. On Hope's voyage up the Yangtze scarcely a rag of sail was to be seen; but within three months the surface of the river was alive with Chinese craft of all sizes".[19] An anti-climax was inevitable, the initial boom being followed by a slump, before trade and shipping settled down to a period of steady expansion. Shanghai and its hinterland, however, became the principal area of British activity in the China trade, and British shipping - after an initial period of American success - became predominant for the whole of the treaty port era.

In a letter of 20 June 1861, three months after Hankow was opened to foreign trade, the British Consul described the progress of the port. He listed ten British firms already established there, the most important of which were Jardine, Matheson and Company; Dent and Company; Lindsay and Company; and Gibb, Livingstone and Company. There were also two private British merchants - Messrs. Wilson and Mackenzie. There were also two American firms established at Hankow at this time, Russell and Company; Augustine Heard and Company; and the Prussian firm of Reinhardt and Company. The Consul also reported that there were already two steamships running regularly between Shanghai and Hankow, each making two trips per month, the American Fire Dart and the British Governor General.[20] The former

which started the first steamship service on the Yangtze, was at that time owned by Augustine Heard and Company, who had built her for the Canton River, and transferred her to the Yangtze as soon as it was opened to foreign shipping. On her first three months on the river, before being joined by the Governor General, she is said to have grossed $500,000. She was later sold to Russells' Shanghai Steam Navigation Company.[21]

In 1862 Russell and Company formed the Shanghai Steam Navigation Company to operate regular steamship services on the Lower Yangtze, an important milestone in the history of foreign shipping in China. Although Russells was an American company, the Shanghai Steam Navigation Company could almost be described as an Anglo-American-Chinese enterprise. Of its original capital of Tls. 1,000,000 (approximately £330,000), one third was subscribed by partners of Russell and Company, one third by foreign business men in Shanghai - most of whom were British - and one third by Chinese business men. In addition, many of the officers and engineers on the ships were British. The inspiration and presiding genius of the company, however, was Edward Cunningham, a partner of Russell and Company in Shanghai, and president of the new steamship company in 1862, and again in 1868 and 1869.

The Shanghai Steam Navigation Company was formally established at a meeting on March 27th 1862, in Russells' office on the Bund. The North China Herald described it as: "An occasion unprecedented in the annals of the treaty ports. British, American, and Chinese merchants gathering to drink champagne, and talk about the Yangtze River".[22]

After a disheartening beginning due to a series of mishaps, three serious accidents and breakdowns in the first nine months, the

company began a prosperous period from May 1863. By 1864 there were sixteen foreign steamships employed on the Lower Yangtze, of which ten were American and six British. These are listed in Table No.19. Five of the former belonged to the Shanghai Steam Navigation Company. Three years later, however, the company had overcome practically all opposition, and for the next six years was to have a near monopoly of the Yangtze steamship trade. This was achieved by purchasing some of the rival ships, and by inducing others to withdraw from the river. The ships of Dent and Company; Fletcher and Company; Augustine Heard and Company; and Lindsay and Company were purchased; while Oliphant and Company and Jardine, Matheson and Company withdrew their ships from the river. In the case of the latter company, this came about through an agreement between Russells and Jardines, in which Jardines' withdrawal from the river was counterbalanced by Russells' promise not to increase their services south of the Yangtze, where at this time they were operating two ships between Shanghai and Hong Kong. As a result of this development, the Shanghai Steam Navigation Company's only rivals on the Yangtze by 1867 were two steamships of a small British company, the Union Steam Navigation Company, which had been formed in 1866. The fact that the American company was able to expand its operations so successfully when American naval power in China was conspicuous by its absence, emphasises that at this time the Royal Navy protected all Western shipping and trade on the China coast.

These early years on the Yangtze coincided with the final years of American predominance in shipbuilding and near predominance in shipping. The Americans profited by their experience of river navigation, obtained on the Mississippi and Hudson rivers. They could make two trips per month between Shanghai and Hankow compared

with one and a half by their British rivals. The technical superiority of their wooden steamships, all paddlers, was enhanced by more expeditious cargo work, largely achieved by carrying a larger proportion of cargo on deck. Because of this strong American influence, Yangtze river steamers had many similarities with the Mississippi river steamers which Mark Twain and Hollywood have made so familiar. They had the same tall narrow funnel, or funnels, necessary to assist combustion before forced draught was introduced, especially in steamships operating in sheltered waters. They had the same long promenade deck extending almost the whole length of the ship, with the dining saloon at the forward end and lounge and smoke room at the stern, all luxuriously furnished.

By the time the Yangtze was opened to foreign shipping and trade, Shanghai had become the greatest port in China, and the opening of the northern ports and of Japan a few years later, further increased the importance of Shanghai. Statistics after 1861 illustrate that for once British merchants had not greatly overestimated the importance of the Yangtze. Writing to the Foreign Office from Peking on 7 June 1864, Sir Frederick Bruce, the British Minister, reported that Shanghai's import trade had increased from Tls.41,000,000 in 1860, the last full year before the opening of the river and of the northern ports, to Tls.81,000,000 in 1863, that is from approximately £13,600,000 to £27,000,000. He attributed most of this increase to trade with the newly opened Yangtze ports.[23] Statistics for Hankow were equally impressive. In his report for 186 the British Consul there wrote: "Foreign trade for the year was £6,189,951, an increase of £3,011,337 over 1862. The total tonnage of vessels entering and clearing the port was 301,337, of which 128,475 tons was British and 161,434 tons American, other

foreign tonnage being insignificant, an increase in total tonnage of 196,103 over 1861. British chartered junks numbering 293 also entered and cleared the port during the year". [24]

Hankow was an important tea port during its first two decades, and many famous clippers called during the tea season, the first being the British Challenger in 1862. Cutty Sark called several times in the late 70s, at the end of the clipper era. Like Foochow, Hankow declined as an overseas port shortly afterwards, with the growth of the Indian tea trade; but there was a period when overseas ships calling during the tea season posed a serious challenge to the regular river steamships, and sometimes depressed freights to unprofitable levels. Eventually, and prompted by several expensive and delaying groundings on the river passage, ocean going steamships usually found it more economic to load and discharge river port cargoes at Shanghai. The close relationship between the principal ocean steamships and the river steamship companies also played some part in this. Jardine, Matheson and Company, for instance, in addition to being general managers of the Indo-China Steam Navigation Company were also agents in Shanghai for the Glen Line; while Butterfield and Swire, in addition to being general managers for the China Navigation Company, were also agents in Shanghai for the Blue Funnel Line. Jardines and Swires also provided efficient godown, lighterage, and insurance facilities

This initial boom on the Yangtze was halted by the financial crisis of 1866, sometimes called the Overend-Gurney crisis. In his report from Shanghai for 1866, the British Consul described the situation: "The great commercial crisis of May 1866 struck down this anticipation (of a continuation of the boom), and the ruin which overtook so many firms established in England reacted most unfavourably on the China trade. Six out of the eleven banking establishments operating in Shanghai alone have survived the

pressure. The fall of these banks forced the sale of the teas on which they had advanced, at rates showing large losses. Indeed, the loss may be said to have included all the articles exported from England to China, and all exported from China to England, silk excepted".[25] On the China coast the greatest casualties were Dent and Company, and Lyall, Still, and Company; the latter a prominent agency house in Hong Kong. Most of Dents' ships were sold to the Shanghai Steam Navigation Company, whose general managers - Russell and Company - like Jardine, Matheson and Company, and the recently established Hong Kong and Shanghai Banking Corporation, successfully weathered the storm. Soon after Dents disappeared from the scene, however, John Swire's China Navigation Company appeared on the Yangtze, and was to prove an even greater rival to Russells and Jardines than Dents had ever been.

Before this, however, there had been another British expedition up the Yangtze in 1869, a combined naval and commercial exercise. This was largely inspired by apprehension that the French might forestall Britain and develop a trade route to the Upper Yangtze and west China from Indo-China. In 1868 the Lagrée-Garnier expedition had come down the Yangtze after its journey up Mekong River from Saigon and then overland to Suifu on the Yangtze, 150 miles above Chungking.[26] In 1869 Sir Rutherford Alcock, British Minister at Peking, decided to send a combined naval-commercial expedition up the Yangtze beyond Hankow and into the Poyang Lake. Vice-Admiral Sir Henry Keppel was in command of the naval squadron, and Robert Swinhoe, British Consul at Amoy, was chosen to accompany the squadron as far up river as it went, and then to continue by native craft to Chungking to investigate trade prospects in west China.

When the Shanghai Chamber of Commerce heard of this project

they proposed to Vice-Admiral Keppel that some of its members should accompany the expedition as commercial observers, and on the Admiral agreeing, Alexander Michie and Robert Francis were chosen. Several foreign firms in Shanghai supported the expedition. Jardine, Matheson and Company put their little steamship Faust at the Admiral's disposal, the Shanghai Steam Navigation Company offered to tow Faust the 433 miles to Kiukiang, and the Chamber of Commerce offered to pay for her preparatory overhaul.[27]

The expedition left Shanghai on 23rd March 1869. It consisted of the cruiser H.M.S. Salamis, the gunboat H.M.S. Opposum, and the little Faust, and the squadron reached Yochow, 163 miles above Hankow on 4 April. Here the Salamis remained, while Opposum and Faust continued the 177 miles to Ichang, reaching there on 9th April, and being the first steamships to ascend the river so far. The Chinese pilot refused to take Opposum any further, but was persuaded to take Faust seven miles beyond Ichang and into the Ichang Gorge, the first of the Yangtze Gorges. He refused, howwver, to attempt the ascent of the first rapid beyond the gorge; but Faust had the honour of being the first European vessel to enter a Yangtze gorge.

The final stage of the expedition from Ichang to Chungking began with eight Europeans; five naval personnel including two surveyors, Consul Swinhoe, and Messrs. Francis and Michie. A passenger junk called a 'kwatze' was hired, and a sampan to carry the additional trackers needed to pull the kwatze up the rapids.[28] By the time Kweifoo, 140 miles above Ichang was reached, the naval surveyors had decided that the Upper Yangtze was unnavigable for steamships, and that it was not worth their continuing any further. The naval party, therefore, returned to Ichang to survey the river below

there, while Swinhoe with Francis and Michie continued to Chungking, reaching there on 12th May. This was twenty seven days for the 400 miles passage from Ichang, a creditable achievement at the time. [29]

Over a week was spent in Chungking and neighbourhood. Swinhoe discussed the diplomatic aspects of developing British trade with the local authorities; while Francis and Michie investigated trade possibilities with local merchants, to whom they displayed samples of goods they had brought with them. They found the local people in the city and country friendly, and were able to move around the city freely. They lived in a large empty hong, where they were visited by a French Roman Catholic priest, and when they returned his visit met the Bishop of Kweifoo and other two French missionaries from Yunnan. On 19th May the party moved down river a few miles, and spent another day exploring the countryside. They were greatly impressed by the evidence of agricultural wealth, which confirmed what they had already heard of Szechuen. The winter crop of opium had been harvested by this time; but they saw cotton, rice, tobacco, maize, and millet in abundance. The expedition finally left Chungking on 21st May, reaching Kweifoo on the 25th, and Ichang on the 27th, the strength of the current being illustrated by the down river passage taking only six days compared with the up river's twenty seven. At Ichang they found _Opposum_ anchored two miles below the city, and rejoined her for the return journey to Hankow and Shanghai.

Although this expedition convinced British merchants in Shanghai of the potentialities of trade on the Upper Yangtze and in west China, no further action towards this end was taken for several years. The main reason for this is outlined in a covering letter which Sir Rutherford Alcock sent to the Foreign Office from Peking

on July 15, 1869, along with Consul Swinhoe's Report. Alcock wrote: "This report has lost much of its interest now that all thought of obtaining access to the Upper Yangtze must be relinquished for the present. It is clear, however, from the surveys made, that no navigation for steamships is possible above Ichang". [30]

Meanwhile the Shanghai Steam Navigation Company was expanding the steamship trade on the Lower Yangtze, where it continued to enjoy a near monopoly. By 1872 it had nine steamships totalling 16,830 gross tons employed between Shanghai and Hankow. Its only rivals were the two steamships of the Union Steam Navigation Company, and three very small steamships of another British company of Shanghai, Morris, Lewis and Company. This latter company was rumoured to be very largely owned by Chinese. The former company was managed by Glover, Dow and Company of Shanghai from its beginning in 1867 to 1871, when - after getting into difficulties - by Oliphant and Company, who were looking for an opportunity to return to the Yangtze after having been forced to withdraw by Russell's Shanghai Steam Navigation Company in 1867. The Morris Lewis ships, described by one of the Russell partners as "mosquitoes", were employed carrying brick tea from Hankow to Shanghai from where it was forwarded to Tientsin or Vladivostock, for further transportation to Mongolia or Siberia. This company also got into financial difficulties, and two of its ships were withdrawn in 1872. [31]

In 1873 the Shanghai Steam Navigation Company received its first serious challenge on the Yangtze from the China Navigation Company, formed in 1872 by John Swire of Liverpool. John Swire opened his first office in China under the title of Butterfield and Swire in January 1867, and took over the Shanghai agency of Alfred Holt of Liverpool's Blue Funnel Line, which commenced its Far Eastern

service at that time. As Holt's agent he conceived the idea of running steamships on the Lower Yangtze as feeder ships for the Blue Funnel ships. When Alfred Holt proved unwilling to undertake this, John Swire decided to proceed on his own, with encouragement and assistance from Alfred Holt and other business associates in Britain. This was an important event in the history of Western shipping in China. The initial capital of £360,000 was all raised in Britain, the first time a foreign shipping company had been financed entirely from outside China.[32] Jardine, Matheson and Company; Russell and Company; Dent and Company; and others, had all financed their shipping enterprises from local sources. These included partners in the parent agency houses, and business associates in China, among whom were Chinese business men, some of whom were compradores in the companies in which they invested capital.

The China Navigation Company bought the two ships and the shore properties of the Union Steam Navigation Company, and these appeared on the river under their new flag in April 1873. They were soon followed by several new steamships built at the yard of A. and J. Inglis at Glasgow. In his first building programme, John Swire was influenced by the fact that several of the Shanghai Steam Navigation Company's latest paddle steamers had been built at this yard, after the successful American model. As it transpired, these first ships were not technically successful, and the company's success in overcoming the American competition was due more to the commercial expertise of John Swire and his Shanghai managers than to any technical superiority of these ships.

As soon as the first steamships flying the Taikoo flag appeared on the Yangtze, a freight war began between the Shanghai Steam Navigation Company and the newcomers.[33] The former halved

freight between Shanghai and Hankow from Tls. 5.00 per ton to Tls. 2.50; but the China Navigation Company replied by reducing its freight to Tls. 2.00 per ton. After six months of costly competition an agreement between the two companies was reached, which embraced not only freight rates, but also returns to brokers and shippers. This enabled the up river rate from Shanghai to be increased to Tls. 3.50 per ton, and the down river from Hankow to Shanghai to Tls. 3.00 per ton. During this freight war other steamships were driven from the river, and lorchas virtually disappeared.[34]

Almost simultaneously another new company appeared on the river, the China Merchants Steam Navigation Company, a Chinese company partly owned and controlled by the Chinese Government. In spite of a set back caused by its first steamer on the river, the Kiangloong, being wrecked on her maiden voyage in 1873, the Chinese company was soon posing a serious threat to the American and British companies. Table No.20 illustrates the position on the river in 1872, just before the end of the Shanghai Steam Navigation Company's era of supremacy, and in 1874, just after the two new companies had been established.

Table No.20 shows that steam tonnage on the river increased from 20,731 gross tons in 1872 to 28,449 in 1874, some 37 per cent. The volume of trade on the river, however, seems to have changed little during these years, so that the probability is that the increase in steamer traffic was at the expense of junks. There are no accurate statistics for junk traffic, so that while junk trade on the Yangtze itself may have suffered from steamship competition, the number of junks employed on the Middle and Upper Rivers, and on tributaries leading to the Yangtze may have increased because of foreign trade. The overall number of junks on the Yangtze system

as a whole, therefore, may have been unchanged.

In 1873 the eighteen years old Panthay Rebellion in Yunnan Province ended with the defeat of the Moslem rebels by the Imperial forces. Immediately the British and Indian Governments - in response to petitions from British Chambers of Commerce in both countries - concerted a plan to revive the old trade route between Burma and west China, and to get co-operation from China through the British Minister at Peking. The outcome was the Dual Mission of 1874-5. [35]

Colonel Horace Browne, a former Deputy Commissioner, led the expedition from Burma, which travelled by Irawaddy Flotilla steamer from Mandalay to Bhamo. Here it was joined by A.R. Margary of the China Consular Service, who had been chosen to act as interpreter for the expedition after it crossed into China. Margary had travelled from Shanghai to Hankow in the Shanghai Steam Navigation Company's Hirado, and from there by native craft up to Yochow and across the Tungting Lake, completing his journey by chair. [36] Rumours that Chinese tribesmen were planning to attack the expedition as soon as it crossed into Yunnan led Margary to travel ahead to ensure a safe passage. He, and his Chinese companions, however, were murdered by the tribesmen, incensed by reports that the object of of the expedition was to survey a route for a railway through Yunnan. When news of this reached Colonel Browne, with the knowledge that large numbers of tribesmen were massing to ambush the expedition, he decided to abandon the whole project.

Margary had travelled with the knowledge and approval of the Chinese Government, and the tribesmen had undoubtedly been incited to murder him by the xenophobic provincial authorities in Yunnan. The embarrassment this caused the Imperial Government at Peking

enabled Sir Thomas Wade, British Minister, to obtain further diplomatic and commercial concessions, embodied in the Chefoo Agreement of 13 September 1876. The main clauses affecting shipping provided for the opening of the 340 miles of the Middle Yangtze between Hankow and Ichang to foreign trade and shipping; Ichang and Wuhu, the latter on the Lower River, to become treaty ports, and several other ports on the Lower River to become ports of call.[37] China also agreed to a British consular official being stationed at Chungking on the Upper Yangtze, 400 miles above Ichang; but not to the Upper Yangtze being opened to foreign shipping. The Dual Mission from Burma, therefore, while failing to develop a trade route into west China, paradoxically led to further progress towards west China by the Yangtze.

For several reasons the opening of the Middle Yangtze provoked no immediate response from British shipping, unlike the opening of the Lower Yangtze sixteen years earlier. One reason was that the Middle River passed through a comparatively unproductive region offering little prospect of trade; its importance lay in its being another step towards the Upper River and west China. There was also the belief, prevalent in foreign business circles at this time, that the Chinese Government was planning to restrict foreign shipping in Chinese waters, especially in inland waters. This belief had been fostered by the aggressive policy the China Merchants Steam Navigation Company had followed since its beginning, culminating in the purchase of the fleet of the Shanghai Steam Navigation Company in 1877.[38] Then at this time the China Navigation Company was expending much energy in bitter rivalry with Jardines on the Canton River and on the Shanghai-Ningpo service; while John Swire was also expanding the Coast Boat Ownery's profitable entry into the Newchwang

bean trade. As a result of these factors, it was not until 1878 that a joint service by the China Navigation and the China Merchants Steam Navigation Companies was begun on the Middle River, operated by the latter company's Kiangtung.[39] This followed an agreement concluded between the two companies on the Lower River, soon after the China Merchants had purchased the fleet of the Shanghai Steam Navigation Company. This was a continuation of an earlier agreement on the Lower Yangtze steamship trade, which had divided the trade equally between the British and American companies.

In the following year Jardines, attracted by the high freights which had prevailed on the Lower Yangtze for the previous few years, decided to return there. Following their usual practice, this was a joint venture with local interests, in this case Boyd and Company, a British shipbuilding company in Shanghai. The new company was called the Yangtze Steam Navigation Company and its capital of Tls. 325,000, approximately £108,333, was subscribed equally by Jardines and Boyd and Company.[40] Three small steamships, the Kung Wo, Fuh Wo, and Tai Wo, were built between the end of 1879 and early 1881 at Boyd and Company's yard in Shanghai; but the company had a short life.[41] It was absorbed into Jardines Indo-China Steam Navigation Company in 1881.[42] This new venture of Jardines intensified the rivalry which had already developed between Jardines and Swires on the Canton River. John Swire considered that the 1867 agreement between Jardines and Russell and Company should have prevented Jardines ever returning to the Yangtze; while Jardines took the more logical view that this agreement was only for ten years, and in any case was nullified by the disappearance of the Shanghai Steam Navigation Company from the Yangtze.

Meanwhile little progress was made in the steamship trade

on the Middle Yangtze until 1884, when the Kiangtung was joined by Archibald Little's even smaller Y'ling, which was able to operate all through the low water season. [43] From then the number of steamships operating on the Middle Yangtze gradually increased, until there were ten in 1901. Archibald Little was a British Shanghai merchant, who became an enthusiastic advocate of steam navigation on the Upper Yangtze and of developing British trade there and in west China. This had followed a junk trip he made in 1883 from Hankow to Chungking and back. [44] He was highly critical of the two British companies firmly established on the Lower and Middle Yangtze not extending their services to the Upper Yangtze, and he followed up his success on the Middle Yangtze by forming a company - the Upper Yangtze Steam Navigation Company - to develop trade on the Upper River. This company built a comparatively large steamship on the Clyde, the Kuling, which arrived at Ichang in 1888. [45]

After the Kuling's arrival in February, a year was spent in bitter argument between Little and the Chinese provincial authorities over permission to go above Ichang. The latter were adamant in adhering to the Chefoo Agreement, which only allowed foreign ships to go as far as Ichang. Little eventually accepted defeat, and sold Kuling to the China Merchants, who immediately put her on the Hankow-Ichang service. There was a suspicion of sharp practice about the deal. Little was said to have received three times what the Kuling cost him, and also agreed to make no further attempt to navigate the Upper River for ten years.

Little, however, managed to establish himself in business at Chungking, although this also was a breach of the Chefoo Agreement. Here he specialised in insuring junk cargoes, and - among other ventures - attempted to develop a coal mine in Szechuen. But

he was still determined to operate a steamship service on the Upper Yangtze, and still bitterly critical of the failure of Butterfield and Swire and Jardine, Matheson and Company to support him in this, by their China Navigation and Indo-China Steam Navigation Companies.

Meanwhile these two companies were expanding and consolidating their services on the Lower and Middle Yangtze. Shipping statistics for Hankow for 1888 illustrate British predominance. Of the total shipping entering and clearing of 1,018,114 tons, Britain accounted for 595,360 tons, approximately 58 per cent of rhe total.[46] There were no foreign rivals of any importance. By this time foreign sailing ships had all but disappeared from the Yangtze, and lorchas and junks engaged in foreign trade accounted for less than 10 per cent of the total tonnage. Hankow was now almost entirely a coast port, overseas ships accounting for less than 10 per cent of the total tonnage, the few overseas ships calling there taking away tea cargoes direct to British, German, or Russian ports. Five years later the total shipping at Hankow amounted to 1,542,289 tons, an increase of almost 50 per cent over 1888, with British shipping more than maintaining its predominance. With 989,464 tons it now accounted for 64.4 per cent of the total.[47] There were still no important foreign rivals. Although Japanese shipping had been steadily gaining ground at Shanghai, where in 1893 with 323,853 tons it accounted for some 5 per cent of the total of 6,629,870 tons as against Britain's 3,664,175 tons and 56.1 per cent, there were still no Japanese ships in the river trade.[48]

The Chefoo Agreement had forbidden foreign ships to go above Ichang; but an additional clause concluded in 1891 relating to Chungking opened that port to foreign trade. This clause was ambiguous, however, and of little practical value, as it stated that

Chungking will remain closed to British steamships until Chinese steamships reached the port - an unlikely event at that time. All ambiguity was swept away by the 1895 Treaty of Shimonoseki, at the conclusion of the Sino-Japanese War. The whole of the Upper River above Ichang was then declared open to foreign shipping and Chungking made a treaty port.

From 1891 both the China Navigation and the Indo-China Steam Navigation Companies employed chartered junks between Ichang and Chungking, which acted as feeders for the Middle and Lower Yangtze steamers. Ichang itself was essentially a poor place, and its importance was that it was the most suitable port for the transhipment of cargoes between the Middle and Upper Rivers. In his report for 1893, the British Consul at Ichang included the following shipping statistics:-

Shipping at Ichang in 1893, within jurisdiction of the Chinese Maritime Customs[49]

British steamships	174	of 95,346	tons entered and cleared
" chartered junks	1,108	" 29,208	" " " "
Chinese steamships	122	" 57,678	" " " "
" chartered junks	692	" 18,326	" " " "
Total vessels	2,096	" 200,168	" " " "

The China Merchants Steam Navigation Company was charterer of all the Chinese chartered junks, and also owned all the Chinese steamships operating on the Middle Yangtze. In November 1893 the Company put their new Kwei-Lee on the Hankow-Ichang service. This was a Yarrow built steamship which could carry 900 tons of cargo at a draught of five feet six inches, and 1,200 tons at a draught of 8 feet.[50] There were now four foreign firms at Ichang, Butterfield and Swire; Jardine, Matheson and Company; Little's Chungking Transport Company; and one American firm. Of the total of thirty foreign

merchants resident in the port thirteen were British. Exclusive of the shipping which passed through the Chinese Maritime Customs, the British Consul estimated that over 10,000 junks passed between Chungking and Ichang annually. These junks carried between fifty to 100 tons of cargo, and averaged twenty five days on the up river, and six on the down river passage, the freight for the 400 miles being about £4 per ton. This was about twice the freight for the 11,000 miles between Liverpool and Shanghai, and so limited the Upper Yangtze trade to valuable commodities.[51] Steam navigation on the Upper Yangtze, if feasible, and making Chungking a treaty port, would undoubtedly reduce freights and stimulate trade. It would allow foreign goods to be landed at Chungking, 1,400 miles from the sea, after paying the treaty tariff of only five per cent, and these could then be distributed all over west China on a further payment of an additional 2½ per cent, a transit tax of half the treaty tariff.

The basic reason for the British policy of extending foreign navigation inland and opening inland treaty ports, was to land foreign goods as near the point of consumption as possible. Consul Davenport, when travelling from Hankow up river and overland to Yunnan in 1876, discovered that fareign goods were taxed seven times in the 740 miles from Hankow to Chungking, and another twice in the additional 150 miles from Chungking to Chengtu, the capital of Szechuen.[52]

The British advance up the Yangtze was based on Shanghai, at which from its first days as a treaty port, Britain was the predominant foreign power politically and commercially. As a natural consequence Britain took the initiative in opening the Lower Yangtze to foreign shipping and trade in 1860, and later in extending this into the Middle and Upper Yangtze. A description of Shanghai's

development, and that of Hankow and several of the other Yangtze treaty ports is apposite at this point.

Captain George Balfour, who established the British Consulate at Shanghai in November 1843, was the first foreign official to be stationed in the city, and for several years was the de facto authority over all Western residents of Shanghai. The first United States Consul was H.W. Walcott, the manager of Russell and Company, who arrived at the end of 1844 and was appointed consul shortly afterwards. Until 1854 both the United States and France appointed merchant consuls at Shanghai, and this inevitably contributed to British prestige with the Chinese authorities being greater than that of America or France. The British Consuls at Shanghai for the first thirty or so years of the treaty port era were an outstanding group, of whom the greatest was probably Rutherford Alcock, who succeeded Balfour in 1847. Wade and Parkes served under Alcock at Shanghai in the early years, and later succeeded him as British Minister at Peking, all three being knighted for their services. This trio dominated British policy from Alcock's appointment at Amoy in 1844 to Parkes' death when Minister at Peking in 1882. Although associated with British 'gunboat diplomacy', all three were proficient Chinese scholars and enthusiastic Sinologues. Sir Thomas Wade formulated the Wade system of the Romanisation of Chinese characters, and after he retired from China became the first Professor of Chinese at Oxford University.

Soon after his arrival at the end of 1843 Captain Balfour leased 150 acres of land north of the city, most of which was low lying and marshy. This was the nucleus of the future International Settlement of Shanghai, which within a century would have an area of 5,583 acres and a population of one and a quarter million. Five years

later this 150 acres was expanded to 470 acres, and the original foreign community of twenty three men had grown to 180 men and womem.

For the first few years after 1843 American and French residents also lived in the British Settlement; but in 1848 America obtained a settlement of her own, and France followed suit a few years later. The former settlement, however, was never formally constituted, and in 1863 merged with the British settlement to form the International Settlement, which became the centre of Western commerce and influence in China. The French decided to remain independent, and their settlement became the French Concession, and developed largely as a residential and social appendage of the International Settlement.

At Shanghai a rapid expansion of trade followed its becoming a treaty port. Shanghai was closer to the main silk and tea producing regions than Canton, and was the natural centre of Kiangsu Province and the Yangtze Valley, the most prosperous and fertile part of China. The inhabitants of Kiangsu were peaceful and industrious, and - compared with the volatile Cantonese - refreshingly free from xenophobia. The combination of these favourable factors resulted in trade expanding faster at Shanghai than at Hong Kong or at any of the other treaty ports, and it soon became known among Westerners as the 'Model Settlement'. [53]

The following shipping statistics for 1859, the last full year before the opening of the Yangtze, and 1863, by which time foreign shipping had been established on the Lower Yangtze, show how dependent Shanghai was on the river.

SHIPPING AT SHANGHAI IN 1859 AND 1863 [54]

	British		American		Others		Total	
	No.	Tonnage	No.	Tonnage	No.	Tonnage	No.	Tonnage
1859	471	181,558	117	83,120	334	65,347	922	330,025
1863	3,600	1,085,637	1,704	559,449	643	316,113	6,947	1,961,119

The above statistics show that from 1859 to 1863 the total shipping entering and clearing Shanghai increased 3.4 times while British shipping increased 3.7 times. At that time the statistics did not distinguish between overseas and coast and river shipping; but the fact that the average tonnage of vessels using the port decreased from 358 in 1859 to 280 in 1863, shows that a large proportion of the increased shipping must have been coastal and river shipping of smaller tonnage. In the same period the trade of the port increased from Tls. 75,602,664 in 1859 to Tls. 156,024,624 in 1863, that is from approximately £25,200,881 to £52,008,208.[55] By this time Shanghai had overtaken Canton as the first port in China, and was also the financial and commercial capital.

Even more remarkable than Shanghai's rapid commercial and economic development, however, was the manner in which the International Settlement became a modern city state, not only independent of China; but where Chinese were treated as an inferior race. The most important steps in this transformation were taken in the first quarter century of the treaty port era, usually in response to some crisis in Anglo-Chinese or Sino-Western relations. Some were taken because of the inability of the Chinese authorities to protect the lives, health, and property of the foreign residents, and not through a long term Machiaevellian plan on the part of the early British and American Consuls and Consuls-General. Nor were Western

business men at Shanghai prone to look much further ahead than to the immediate future.

A series of land regulations drawn up during the Settlement's first quarter century paved the way for this unique development. Captain Balfour published the first land regulations in 1845, when he administered the British Settlement with the aid of a Roads and Jetties Committee consisting of three British merchants. Provision was made in these for non-British residents to rent land and build warehouses if approved by the British Consul; but Chinese were expressly denied any rights over land. The influx of refugees caused by the Taiping Rebellion made this prohibition against Chinese impracticable, and it was omitted when the regulations were revised in 1854. By this time the few hundred Chinese living in the Settlement, mainly workers and servants for the foreigners, had increased to some twenty thousand. Humphrey Marshall, American Consul at the time, played a large part in the liberalising of these second land regulations, by which Chinese were allowed to rent land and own houses; but they were still denied any say in the administration of the Settlement. When the British and American Settlements were amalgamated in 1863, the Shanghai Municipal Council was formed to administer the International Settlement, with the British and American Consuls, or latterly Consuls-General, retaining power over certain matters, including defence. By this time the combined foreign population of the two settlements was just over two thousand, some seventy five per cent of whom were British, with Americans forming the majority of the remainder. British predominance was reflected in the composition of the Council, which for most of its life had seven British, two American, and two Japanese members. In 1925 three Chinese members were admitted. The British and American

members of the Council were elected by the British and American rate-payers in the Settlement, the others by various national associations of the countries concerned.

The Anglo-American amalgamation of 1863 paved the way for further advances towards an independent city state. New land and other regulations were enacted in 1869, more sweeping and comprehensive than any previous regulations. The Shanghai Municipal Council, in addition to its right to levy rates and taxes, now assumed the right to control roads, sanitation, and police, and this inevitably led to its assuming further rights in succeeding years. It was symbolic of these developments, reflecting the steady deterioration of Chinese authority at both central and provincial levels, that these new regulations were issued unilaterally by the Council. The previous regulations of 1845 and 1854 had been agreed by the local Taotai, and approved by the Viceroy of Kiangsu at Nanking.

The Shanghai International Settlement, of course, was unique among the foreign concessions and settlements in China; both in size and constitution. At some treaty ports each major foreign power had its own concession or settlement, some of which were merely small residential areas adjacent to the native city, where trade and shipping were carried on. One of the smallest concessions was the British Concession at the Yangtze treaty port of Chinkiang, which was only 300 yards by 200 yards in area. Small as it was, Chinkiang still had many of the institutions of a large treaty port, a bund, customs house, two clubs and so on. The concession system was seen at its most extreme at Hankow and Tientsin, which in 1914 had six and eight foreign concessions respectively. At Hankow there were British, French, German, Russian, Belgian, and Japanese concessions; and at Tientsin British, French, German, Italian, Russian, Japanese,

Belgian and Austro-Hungarian concessions. At almost all treaty ports Americans lived and carried on their business in the British concessions. The United States had been granted a concession at Tientsin in 1861, at the same time as Britain; but it was never formally constituted, and - as at Shanghai - was later merged with the British concession. Although there were no physical barriers between the different concessions in normal times, and most public services were operated in common, it was a complicated and cumbrous system, which bred many anomalies. The International Settlement of Shanghai had one of the most intricate legal systems in the world, and was a happy hunting ground for lawyers of many nationalities.

Hankow was the second most important port on the Yangtze, and brief references to its earliest years as a treaty port have already been made in this chapter. By the time of the Chefoo Agreement and the opening of the Middle Yangtze to foreign trade, Hankow's greatest days as a tea port for overseas ships were over, and it had settled down to benefit from the steady expansion of the river trade and the development of several local industries. British shipping and trade maintained the predominance they had attained in the port's first years as a treaty port, and in 1878, two years after the Middle Yangtze had been opened to foreign trade, 157 British river steamers, fifteen British ocean steamers, one British sailing vessel and four British lorchas entered and cleared. The combined tonnage of the above was 365,128, 51.6 per cent of the total of 706,893 tons.[56] This was an increase of 65,957 tons, 22.0 per cent, over British tonnage in 1875, the last full year before the Middle River was opened to foreign shipping. American shipping at Hankow had declined catastrophically by 1878, with the sale of the Shanghai Steam Navigation Company fleet to the China Merchants Steam

Navigation Company in the previous year. In 1875 285 American vessels (river steamers and lorchas) of 219,831 tons had entered and cleared Hankow, 37.9 per cent of the total, and in 1878 only eighty eight vessels of 16,024 tons entered and cleared, 2.2 per cent of the total. Chinese shipping increased proportionately, of course, from 203 vessels of 47,537 tons in 1875 (river steamers and junks under special pass) to 613 vessels of 306,711 tons in 1878, an increase of 645 per cent. [57] The total trade of Hankow in 1878 was £5,921,576 of which British trade was £1,931,773, 32.6 per cent. The rest was with other Chinese ports, Shanghai accounting for £3,138,873, 53.0 per cent of the total. [58]

Hankow was later to become an important industrial city; but at this time the most important industry was the manufacture of brick tea for export to Russia. Although the export of tea to Europe was declining at this time, brick tea exports to Russia were increasing, and in 1878 there were four factories at Hankow producing brick tea, two of which were using steam power. [59]

Trade and shipping continued to increase steadily at Hankow until the end of the century, with Britain more than maintaining her predominant position. In 1900 total shipping amounted to 3,451 vessels of 2,268,487 tons, exactly 50.0 per cent of the total. Then in the years leading up to World War I, the increase in shipping accelerated and the total in 1913 was 4,640 vessels of 5,264,490 tons of which the British share was 1,630 vessels of 2,331,750 tons, 44.3 per cent. The feature of the previous decade had been the great increase in Japanese shipping, which in 1913 amounted to 1,186 vessels of 1,693,920 tons, 33.5 per cent of the total. [60] In this year Hankow's trade was a record at £26,487,779, achieved in spite of riots and disturbances, the aftermath of the Revolution, and although tea

exports were still the most important single export they continued their steady decline, and in 1913 at Tls. 15,800,461 they were 19.1 per cent of the total exports of Tls. 82,667,567. [61]

The Lower Yangtze pool between the two British, the one Japanese shipping company and the China Merchants was not renewed in 1913; but the four companies co-operated in the maintenance of profitable freights. Although the two German companies had not been in the pool, they had a friendly understanding with the others to prevent costly competition. [62] The increase in industry continued in 1913, some industries based in Hankow itself, and others in its twin cities of Hanyang and Wuchang, and by 1913 included, in addition to the brick tea factories, the Hanyang Iron Works, a cement works, engineering works (where several coastal steamships were built), a cloth mill at Wuchang, a tobacco factory, and an electrical and water company in Hankow itself. The Hanyang Iron Works were part of the large Han-Yeh-P'ing Coal and Iron Company. an ambitious industrial complex set up by Chang Hsuan-huai, Li Hung-chang's successor as mandarin-industrialist in promoting industrial development. In 1908 Sheng combined the Hanyang Arsenal, the Ta-yeh iron mines eighty miles away, and the coal mines at P'ing-hsiang, 250 miles south. To finance his grandiose plans, Sheng became dependent on Japanese loans, while Japan's steel works at Yawata became dependent on iron ore from Ta-yeh. Through bad management the whole vast enterprise became a Sino-Japanese concern, and Japan was acknowledged to have a special interest in industrial development based on Hankow. In 1913 the Hanyang Iron Works turned out 235,836 tons of iron and steel products, the P'ing-hsiang collieries 560,000 tons of coal for the iron works, of which 165,000 tons were converted into coke, and the Ta-yeh Iron Mines produced 480,000 tons of iron ore, much of which went

to Japan. [63]

After several years the British-American Tobacco Company succeeded in persuading local farmers to use better seed from America, and to adopt improved curing methods. As a result a flourishing tobacco industry had grown up in Hankow, and in 1913 cigarette and tobacco exports amounted to Tls. 5,228,946, 6.3 per cent of total exports. In that year Alfred Holt and Company installed a large pontoon in front of their property on the British Bund, enabling their steamships to work cargo alongside. [64] All these developments increased the population of the British Concession, and in 1913 this was a total of 9,246, of whom 175 were British, 223 Japanese, and 8,643 Chinese. [65] Hankow became the seat of a British Consul-General in 1899, and by 1913 ranked third in China's open ports, in accordance with the customs revenue collected during the year, coming after Tientsin and before Canton, both of which also had a British Consul-General. [66]

Developments at the other main Yangtze treaty ports proceeded in line with those at Hankow; but naturally on a smaller scale. Chinkiang was the second most important port on the Yangtze above Shanghai, and its history illustrates the ups and downs of the China trade. Situated 138 miles above Shanghai and at the point where the Grand Canal crosses the Yangtze, many foreigners prophesied a great future for Chinkiang, even that it would become the first port in China in place of Shanghai. Sir Robert Hart, Inspector-General of the Customs was among those; but Sir Robert was much less successful as a prophet than as an administrator, and later prophesies of his which went far astray were that China would defeat Japan in the war of 1894-5, and that the Boxer troubles of 1900 would not affect the Foreign Legations in Peking. This latter error in judgement made

Sir Robert very unpopular with the foreign residents of Peking, many of whom remained to undergo the rigours of the siege who might otherwise have left.

Chinkiang suffered severely during the Taiping Rebellion; but unlike Hankow and Kiukiang, was much slower in recovering after the defeat of the rebels. So disappointing was the development of foreign trade, that in 1868 the British Consulate was closed and the Consul withdrawn for some time. Soon afterwards, however, people began returning to the city as the surrounding country became more settled, and trade rapidly improved. Grain, wheat and rice were the principal exports and opium, as at so many other ports, the principal import. In 1878 10,596 piculs of opium was imported worth £1,689,299, some two thirds of total foreign imports, and Chinkiang came second to Shanghai as an importer of opium.[67]

By 1901 the total trade of Chinkiang amounted to £4,130,375 and total shipping to 7,173 vessels of 5,193,899 tons.[68] Shipping statistics at Chinkiang, as at other intermediate ports, exaggerate the port's importance. As most regular river steamers plying between Shanghai and Hankow called at Chinkiang on both up and down river passages they made two calls per trip to one at each of the terminal ports, and so tonnage of shipping entering and clearing is much exaggerated. There were now eight companies running steamers regularly on the Lower Yangtze, four British, two German, one Chinese, and one Japanese, and the British share of total shipping was 50.0 per cent, then came the Chinese and Germans with 21.0 per cent each, and the Japanese with 8.0 per cent. Chinkiang, because of its situation, had a considerable native passenger trade, and in 1901 some 188,000 Chinese passengers arrived and 195,000 left. There was little change in the pattern of trade and shipping at Chinkiang over the next

decade, and in 1913 total trade amounted to £3,552,936 and total shipping to 4,580 vessels of 6,618,848 tons, of which the British share was 1,804 vessels of 3,281,392 tons, 49.6 per cent; Japan came next with 954 vessels of 1,801,716 tons, then China with 1,498 of 1,231,964 and Germany with 208 of 261,150 tons; 27.2 , 18.6, and 4.0 per cent respectively.[69]

The position at Kiukiang was very similar to that at Chinkiang, the same shipping companies sharing the trade between them in almost the same proportions as at Hankow and Chinkiang and other river ports, and the British Consuls making similar references to the import trade of the port passing almost entirely into Chinese hands. The Kiukiang Consul wrote in his report for 1878: "It is no new discovery that one of the chief causes of the import trade going into native hands is the neglect of the study of Chinese by British merchants. I fear now it will be difficult to recover the ground that is lost".[70] In 1900 the total shipping at Kiukiang was 3,877 vessels of 3,445,180 tons, of which British shipping accounted for 1,705 vessels of 2,002,269 tons, 58.1 per cent of the total; a slightly higher proportion than at other Yangtze ports.[71] The value of cargoes carried in British ships, however, was even higher, being £1,720,979 out of the total of £2,545,077, 67.6 per cent.[72] This was a common phenomenon at most treaty ports, and reflected that because of their greater efficiency, security, and godown facilities, the two British companies secured the most valuable cargoes on the river. Kiukiang was near the mouth of the Poyang Lake, and from districts near the lake great quantities of native produce were brought to Kiukiang by junks and launches including tea, beans, tobacco leaf, raw cotton, and other products. Under Inland Steam Navigation Regulations foreign shipping was allowed to participate in this trade, and in his report for 1913 the British

Consul included some statistics relating to this. In that year a total of 2,429 vessels of 151,157 tons were engaged in this trade, of which 1,816 of 93,252 tons were under the Chinese flag, 238 of 27,762 tons under the British flag, and 84 of 872 tons under the Japanese flag.[73] Those vessels operating under the British flag were junks and launches under charter to British merchants. Like Chinkiang, Kiukiang had only one foreign concession, the British Concession; whereas at Hankow there were six foreign concessions.

An interesting development near Kiukiang in the years before 1914 was the establishment of a hill resort at Kuling, fifteen miles inland from Kiukiang and at an elevation of 3,500 feet. During the 1913 summer season 1,187 foreigners, including children, holidayed at Kuling. Almost every European nationality was represented; but most were British or American, 525 British and 481 Americans.[74] These came from Shanghai and other Yangtze treaty ports, and many were missionaries, the resort being largely developed by the missionary societies. In the late 1920s and early 30s, Kuling was a favourite resort of Chiang Kai-shek, when in periods of the summer it became in effect the summer capital of China, a miniature edition of Simla. It is now a matter of history, that in July 1937 when the Japanese began all out war in the north, Chiang was at Kuling in conference with representatives from all parts of the country.

Other treaty ports on the Yangtze were, in comparison with Hankow, Chinkiang, and Kiukiang, unimportant, although some had great political or potential commercial importance. One of the former was Nanking, which had been made a treaty port by the French Treaty of Tientsin in 1858. At that time it was the Taiping capital, and so the implementation of this was impracticable, and in 1865, after the defeat of the Taipings an Anglo-French mission visited the city and

although choosing a site for a foreign concession, reported unfavourably on trade prospects. Trade prospects improved when the "Revised Yangtze Regulations of 1899" were enforced, and on 1 May the Chinese Maritime Customs opened a Customs House at Nanking, and the port was formally opened to foreign trade. [75]

Nanking had always been more important politically than commercially, and was renowned for its famous porcelain pagoda, destroyed by the Taipings in 1856. It was the Treaty of Nanking of 1842 which inaugurated the treaty port era, so that it was ironic that Nanking itself did not actually become a treaty port until over half a century later. In 1901 after having been open for eighteen months, trade only amounted to £684,792. [76] As at so many other intermediate ports, however, shipping figures were much more impressive, and in 1901 2,516 vessels of 2,236,726 tons entered and cleared, of which British shipping accounted for 1,182 vessels of 1,381,758 tons, 62.1 per cent of the total. [77] Chinese shipping accounted for most of the remainder, and the share of other foreign countries was minimal. After twelve years of slow progress trade reached a record £2,104,849 in 1913, in spite of the Revolution of 1911 and the upheavals of the following years.[78] In 1913 total shipping was 3,526 vessels of 6,164,110 tons, of which British shipping accounted for 1,692 vessels of 3,146,566 tons, 51.0 per cent. The feature of the past few years in shipping at Nanking had been a great increase in Japanese shipping, and in 1913 amounted to 904 vessels of 1,648,018 tons, 26.7 per cent of the total, while Chinese shipping at 666 vessels of 1,099,854 tons was 17.8 per cent.[79] Japan had also made substantial progress in trade at Nanking, and in 1913 out of total foreign imports of £399,516 supplied £272,700, approximately 68.2 per cent to the British Empire's (United Kingdom and Hong Kong) £95,750 and 24.0 per cent. [80]

Wuhu was the only other treaty port on the Lower Yangtze, and the least important of all. Its situation, 132 miles above Chinkiang and fifty eight above Nanking, meant that any great expansion of trade there would be at the expense of these two ports. It was opened as a treaty port in 1876, after the Chefoo Agreement, at the same time as five ports on the river became ports of call, four of the latter on the Lower River. By 1913 total shipping amounted to 1,948 vessels of 3,144,911 tons, of which the British share was 968 of 1,165,887 tons, 51.4 per cent.[81] Wuhu had no foreign settlement.

The last treaty port of importance to be opened on the Yangtze was Changsha, which was opened to foreign trade and shipping through a Japanese treaty in 1903. Changsha was the capital of Hunan Province, and was situated 830 miles from Shanghai, and about 250 from Hankow, some fifty miles up the Siang River which ran into the Tungting Lake. It was a port with great commercial potentialities, but the Tungting Lake was very shallow, and sometimes almost completely dried up in winter. The Middle Yangtze class of steamers were able to serve Changsha in summer; but in winter the port was only kept open by steam launches, sometimes towing lighters. Special permission was sometimes given to foreign vessels to proceed some fifty miles beyond Changsha to Siangtan, the head of navigation, which was not a treaty port. In 1905, its first full year as a treaty port, trade at Changsha was Tls. 5,931,522, approximately £892,200, and total shipping entering and clearing the port was 497 vessels of 207,570 gross tons, of which British shipping accounted for 146 vessels of 98,598 tons, 47.5 per cent of the total.[82] In 1913 trade amounted to Tls. 23,719762, approximately £3,582,672, and 1,931 vessels of 464,990 gross tons entered and cleared the port. In the interval

Japanese shipping had made great progress, and in 1913 accounted for 26.6 per cent to Britain's 44.4 per cent. [83]

In his report for that year the British Consul commented: "this overwhelming predominance of British shipping is due to the energy and enterprise of the British shipping firms long established in China. Unfortunately, in other respects, the lack of enterprise on the part of British merchants in general - with but two or three exceptions among the younger importing firms - has hitherto left the development of the valuable trade of Hunan to be done almost entirely by their German competitors". [84] German shipping only accounted for 5.7 per cent of the total shipping of the port that year, but German trade (unspecified) was, in the Consul's opinion, greatly in excess of this. Similar comments by British Consuls at other ports at this time, complaining of the lack of enterprise being shown by British importers compared with that of the two British shipping firms, were common. Changsha was the birthplace of Mao Tse-tung, and in certain respects of the Communist Revolution.

Other two ports which, like Changsha, belonged to the Middle Yangtze system, were Shasi and Yochow. These became treaty ports in 1876 and 1899 respectively; the former through the Chefoo Convention, and the latter by means of an Anglo-Chinese agreement. The two ports were near neighbours, Yochow being 723 miles from Shanghai at the entrance to the Tungting Lake, and Shasi only eighty seven miles further up, and about ninety miles below Ichang. Both ports, therefore, were served by the Middle Yangtze steamers. By 1913 trade at Yochow amounted to £1,113,520 and at Shasi to £660,000, and the total shipping at the latter to 846 vessels of 726,590 tons, of which Britain accounted for 244 of 262,408 and Japan for 328 vessels of 340,524 tons, 36.1 and 46.8 per cent respectively. [85]

Neither port warranted a British Consulate, although Shasi had had a Consul for a short time in 1897-98, when its commercial future had seemed more promising.

In addition to the treaty ports described above, there were five ports of call on the Lower and Middle Yangtze, and one landing stage. The ports of call were Tatung, Anking, Hukow, and Wusueh on the Lower River; 300, 340,400 and 490 miles above Shanghai respectively; and Lukikow on the Middle River 612 miles above Shanghai and forty two above Hankow. All these ports of call were opened in 1876 by the Chefoo Agreement. Cargo and passengers could be loaded and discharged at these ports; but foreigners had no residential rights there and so they had no foreign concessions or settlements.[86] These were all anchorage ports, and steamers normally spent only a short time at such ports. Finally, there was Woosung at the mouth of the Whangpo River where it enters the Yangtze estuary, fourteen miles below Shanghai. Woosung had been one of the most important of the outer anchorages for the opium and other illegal trades before the opium trade was legalised in 1860. It never became a treaty port; but in 1881 achieved the ambiguous position of a 'landing stage'. There was a bar at Woosung which prevented deep draught ships from crossing into the Whangpo, so that delays were often encountered there. Pilots and customs officers often boarded and left foreign ships at Woosung, and when required, river passes obtained there for foreign ships proceeding to up river ports without calling at Shanghai. It was also at Woosung that the most important Chinese defences to Shanghai were erected, the Woosung Forts, and in 1876 China's first railway track was laid between Woosung and Shanghai. The superstitious fears of the populace, however, forced the authorities to tear up the track after one man was accidentally killed by a locomotive.

Russian participation in the treaty port system has attracted little attention from Western scholars, and as this was mainly concentrated on the Yangtze and the tea trade from Hankow, it is convenient to describe it at this point. The decline in Russia's Pacific fur trade combined with other factors weakened the Russian position in north-east Asia and contributed to the decline of the Kiakhta trade system, always inhibited by the great distance across Siberia, and the lack of any nearby Russian base. At the same time Russia had been advancing into Central Asia, and watching closely British success in China. During the latter stages of the Second China War the Russians had an embassy accompanying the Anglo-French expedition to watch over Russian interests.

In 1847 Nikolai Muraviev had been appointed governor-general of Eastern Siberia and commenced a vigorous programme to strengthen the Russian position. In 1854 he sent flotillas of barges down the Amur River and founded posts on the north bank of the river down to where it enters the Ussuri River, which were occupied by soldiers and settlers. The Chinese, weakened by their struggle against Britain and France, and by the Taiping Rebellion, were in no position to oppose this Russian advance, as they had opposed a similar one in the late eighteenth century. The outcome was that on May 16, 1858, a short time before the Anglo-French treaties of Tientsin, Muraviev was able to secure a treaty at Aigun, on the Amur, which ceded the north bank of the river to Russia; but left China and Russia in joint possession of the territory between the Ussuri and the sea, later called the Maritime Province. This was followed by the Russian Treaty of Tientsin, which granted Russia all the trading privileges for which Britain and France had fought. The Sino-Russian Treaty of Peking of November 1860, after the Anglo-French forces had departed from the city

consolidated Russia's Far Eastern gains. This was negotiated by General Nikolai Ignatiev, who was sent to Peking in the summer of 1859 to ratify the Treaty of Tientsin and obtain outright possession of the Maritime Province. Ignatiev was still in Peking when it was occupied by the Anglo-French forces in October 1860, and in return for mediation in inducing the evacuation of the capital, secured by the Treaty of Peking the cession to Russia of the Maritime Province, and acceptance by China of the Amur boundary as proposed at Aigun, but still not accepted by China. Thus, without firing a shot, some 350,000 square miles passed under the Russian flag. The city of Nikolaievsk at the mouth of the Amur had been founded in 1850, and Vladivostock (meaning in Russian "Rule of the East") in July 1860.[87]

Russian expansion into Eastern Asia at this time at China's expense seems to have been prompted by political and commercial motives not connected with Sino-Russian trade. She wanted to establish posts on the Pacific coast to further development in Kamchatka, to strengthen the position of the Russian-America Company in Alaska, and to assist in the development of her whaling industry in the Bering Sea. It had little connection with the tea trade, and at this time European Russia obtained much of its tea from Britain.

A new element was introduced into the situation after the opening of the Yangtze to foreign trade. Unfortunately, the early British Consular Reports from Hankow do little more than record the number of Russian ships entering and clearing the port. In 1861 and 1862, for instance, the same two Russian steamers totalling 920 tons entered and cleared each year; but these appear to have been experimental voyages, as only £30,750 of cargo was brought in and £2,646 taken away in 1861, and even less in 1862.[88] A further mention of Russian activity comes in the Acting-Commissioner of Customs Report for

1864, when he gives the foreign population of Hankow as totalling 150, of whom 103 were British, twenty three Americans, fifteen Frenchmen, and nine Russians.[89]

The opening of the Suez Canal in 1869 again altered the situation, bringing Russia's Black Sea ports much nearer to the Far East, enabling Russian ships to bring tea from Hankow direct to European Russia, and cutting out supplies from Britain. This resulted in an increase in Russian shipping on the Lower Yangtze, a number of overseas steamers loading tea for Odessa, and of coast steamers for Tientsin and for Vladivostock. The latter sometimes called at Nagasaki enroute to Hankow, and loaded coal for Shanghai, continuing to Hankow in ballast to load tea. The Baikal of 713 tons is typical, running between Vladivostock and Hankow for many years. At first she loaded coal at Nagasaki outward bound, and later general cargo at Port Arthur.[90]

The British Consul's Report from Hankow for 1888 showed that six Russian overseas ships arrived at Hankow under Chinkiang pass, which meant that they byepassed Shanghai and went direct to Hankow. They loaded 15,002,221 pounds of tea for Odessa, which compared with five which loaded 11,148,486 pounds in 1887. In addition another approximately 18,000,000 pounds went by an unspecified number of coast ships to Tientsin and Vladivostock. This was all leaf tea. Russia was also the largest buyer of brick tea, and in that year also exported from Hankow 31,178,154 pounds of brick tea to the northern ports.[91] The Consul commented that Russian merchants invariably bought the best teas and paid the highest prices. The Russian tea trade continued to increase until World War I, and in 1913 there were several brick tea factories in Hankow operated by steam driven machinery. The Russians were - after the British - the largest foreign investors in the British

concession at Hankow, investing Tls. 520,000 (approximately £86,666) in 1913. Most of this was in building large fireproof godowns. The Consul noted that the "brick tea factories with their tall chimneys are the most striking buildings in the European settlement".[92]

The Russian tea trade was particularly valuable to China, as Sino-Russian trade was overwhelmingly in China's favour. In 1913, for instance, Russian imports from China amounted to £673,534 (mostly of tea) while overseas imports from China were only £13,885. In that year ten Russian ships of 18,515 tons entered and cleared Hankow, plus ten coast ships of 6,032 tons, and Russia now ranked fifth in importance in the trade of the port, coming after Britain, Japan, China, and Germany.[93]

Before describing progress on the Middle and Upper Yangtze, a brief resumé of the situation on the Lower Yangtze at the outbreak of World War I in August 1914 is appropriate. By then there were thirty nine steamships regularly employed between Shanghai and Hankow; seventeen British, nine Chinese, seven Japanese, three German, one American and two Russian.[94] Three French steamers had appeared on the Lower River in 1907, but were unable to compete successfully with the established companies, and were sold in 1911 to the China Navigation Company and the Indo-China Steam Navigation Company.[95] One, the Li-Ta was sold outright to the China Navigation Company and re-named the Hsin Peking; while the other two, the Li-Ting and Li-Ma were bought jointly by the two companies, one third of each to the China Navigation Company, and the remaining two thirds to the Indo-China Steam Navigation Company, and re-named Luen-Ho and Luen-Yi respectively. These two ships operated under Jardine colours and management, the former remaining on the Lower Yangtze, and the latter transferring to the Japan run. Several years later both were sold to the Luen

Steamship Company of Hong Kong, who ran both on the Lower Yangtze.[96] The Hsin-Peking, however, was put on the China Navigation Company's Shanghai-Ningpo service, and maintained a thrice weekly service between these two ports for twenty five years, becoming one of the most familiar sights on the Shanghai Bund, where her berth was on the French section of the Bund, directly opposite Butterfield and Swire's office and godowns. Her nights, with the exception of Sunday night, were spent on the 134 miles passage between Shanghai and Ningpo, and her days alternately at the Shanghai and Ningpo Bunds. This is an example of how - when circumstances seemed to warrant it - the two companies, although bitter rivals in many respects, co-operated to control much of the Lower Yangtze trade.

A feature of the Yangtze trade in the years preceding World War I, was the rapid increase in kerosene imports, divided between the Standard Oil Company of New York and the British Asiatic Petroleum Company, which was the Far Eastern branch of Shell. Most of this kerosene came from America and Indonesia, and was imported in bulk into Shanghai and Hankow, from where it was distributed to the other Yangtze ports, a total of 60,709,180 American gallons being imported in 1913. Shanghai imported 35,502,653 gallons; of which 15,832,146 gallons came from America, 18,591,324 from Indonesia, and 1,079,181 from Russia.[97] Hankow imported 25,206,527 American gallons; 14,683,124 from America and 10,723,483 from Indonesia.[98] By this time bulk storage tanks were a familiar sight at the principal treaty ports on the Yangtze.

The Revolution of 1911 broke out at Wuchang on 10th October, the famous 'Double Tenth', resulting in the overthrow of the two and a half centuries old Manchu dynasty, and the establishment of a republic. The Revolution was comparatively unviolent, and much of the fighting took place around the Wuhan cities.[99] It was also singularly non-

xenophobiac; being essentially anti-Manchu, unlike the Boxer Revolt of eleven years earlier. There was some disruption of the West River and Yangtze trades, but trade on the coast itself was unaffected. On the West River there was a revival of piracy, and steamship services above Canton were temporarily suspended for a short time, until the Royal Navy increased gunboat patrols there.[100] On the Lower Yangtze the Indo-China Steam Navigation Company's Taisang was fired on with blank shot from the forts below Kiukiang early in October, when passing up river in the dark, while the China Navigation Company's Tungting was fired on with real shot from both banks of the river at Hankow later in the month. On both occasions rebel troops were responsible, and after protests from the British Consuls concerned, the rebel leaders promised not to fire on vessels if they passed during daylight hours, and this was considered by the British authorities as satisfactory.[101] On several occasions China Navigation and Indo-China Steam Navigation Company steamers were boarded by rebels or Imperial soldiers demanding free passage; but Britain avoided a serious confrontation with either side. As in the Taiping Rebellion fifty years before, Britain adopted a neutral attitude; but favouring when opportunity offered, the party which seemed most likely to preserve the unity of the country. In the early stages of the Revolution the British residents of Ichang requested, and received the protection of a gunboat; and as a precautionary measure most foreign residents of west China and Chungking were evacuated to Hankow or Shanghai.[102]

The Revolution brought Yuan Shih-k'ai, a former Imperial general and court favourite, to power. Yuan, however, became the first of a series of war lords who were to disrupt China for thirty years; but until his death in 1916 managed, by a combination of bribery, corruption, guile, and murder, to preserve a semblance of

national unity. He was accepted by Britain and the other Powers as the man most likely to provide China with a stable government.[103] The Revolution came at a time of steadily expanding trade, and correspondingly of foreign shipping in China, 1910 having been a record year, and recovery having been achieved by late 1913, when the country had settled down to a fragile semblance of unity under Yuan.

Compared with the Lower Yangtze, the progress of British shipping on the Middle and Upper Yangtze was disappointing, and but for the enthusiasm of Archibald Little would have been even more disappointing, even when the Treaty of Shimonoseki swept away all restrictions against foreign trade and shipping. The age of steam arrived on the Upper River in 1898, three years after this treaty, when Little took his little wooden steam launch Leechuan from Ichang to Chungking. The Leechuan was only fifty five feet long with twin engines of twenty horse power, giving her a speed of nine knots, and trackers were necessary to pull her up the rapids.[104] Little, however, was sufficiently encouraged by this feat to form a company to build a much larger steamship on the Clyde, able to carry cargo, the famous Pioneer. In the interval between the Leechuan and the Pioneer, however, two British river gunboats made a successful passage to Chungking, arriving there on 7 May 1900. Through Jardine, Matheson and Company, H.M.S. Woodcock and her sister ship H.M.S. Woodlark, made elaborate preparations for their passage. Chartered junks were sent ahead with coal, for instance, and depots established at suitable places.[105] As the gunboats drew only two feet of water, their exploit had little commercial significance. Nor had that of the French gunboat Orly, nearly eighteen months later. On this occasion Orly was piloted by Captain Plant, who had commanded Little's Pioneer the previous year, and her preparations included mixing her coal with five per cent of lubricating oil to improve

steaming, and sending most of her guns, ammunition, and stores ahead in junks.[106] The following year both Orly and Woodcock succeeded in reaching Kiating on the Min River, and only ninety miles from Chengtu, capital of Szechuen. Of the above three gunboats only Woodlark was able to negotiate all the rapids without the help of trackers.

The passage of the Pioneer to Chungking in June 1900 was of much greater commercial importance than these gunboats' 'showing the flag'. It was the real break through. Pioneer was built by Blackwood and Gordon at Port Glasgow for Little's Yangtze Trading Company. She was designed, however, by Dennys of Dumbarton who built her engines and boilers, and built under the supervision of Captain Plant. Pioneer was 182 feet long and sixty feet beam over her paddle boxes, and had a fully loaded draught of six feet.[107] She could carry fifty tons cargo and a dozen European passengers, and also tow a flat alongside with another hundred tons of cargo and another hundred or so Chinese passengers. On her maiden voyage Pioneer took eight days from Ichang, anchoring at night, and only taking fifty eight hours actual steaming time. The Boxer troubles were then approaching a climax, and Pioneer was immediately commandeered by the Royal Navy to evacuate British and foreign nationals from Chungking and west China. With the current behind her, Pioneer took only two days to reach Ichang, of which twenty hours was actual steaming time. After another trip to Chungking with naval personnel and consular and customs officials, and again under Royal Naval auspices, Pioneer remained at Chungking to act as a guard ship for the skeleton British community, before the Navy took her over permanently. She then went down to Shanghai where she was armed and fitted out as the headquarters ship for the Yangtze Squadron, and re-christened H.M.S. Kinsha. She continued in this role until 1921, when she was sold to Chinese owners,

under whom she finished her career as a 'chicken boat' on the Yangtze estuary.[108] Although Little was again denied the opportunity of operating a commercial steamship on the Upper Yangtze, he did not suffer financially over the loss of the Pioneer, as the Admiralty paid him £35,325 for her, and the cost to him for delivery on the Clyde had been £14,940.

The Shanghai press was enthusiastic over Little's achievement with the Pioneer, and the North China Herald correspondent writing from Chungking said that "men had been knighted for less than Little had done".[109] It is regrettable that Little mever received any official recognition for his work in promoting British shipping and trade on the Upper Yangtze and in west China, and it is possible that he was something of a thorn in the flesh of British officials in China. To the end of his days, Little was critical of lack of support for his work, both from British officialdom and from the established British companies such as Butterfield and Swire and Jardine, Matheson and Company.

In December 1900, just six months after the Pioneer's first voyages, the first major shipping disaster occurred on the Upper Yangtze, with the wrecking of the German steamer Suischang on her maiden Upper Yangtze voyage. The Suischang was built in Germany, and after her arrival at Shanghai had been employed carrying German troops from Shanghai to Tientsin during the Boxer Rebellion. She was then brought to Shanghai for refitting and to fulfil her original purpose of operating a service between Ichang and Chungking. On this voyage she was returning to Chungking with many of the foreigners who had been evacuated by the Pioneer six months earlier. The Suischang ran on a submerged rock at the Kung Ling Rapid, thirty miles above Ichang, and was a total loss. Some Chinese passengers and crew were drowned

in the wreck, but only one European, the captain. It was said that Suischang made the passage too late, at the worst time of the year when the water was too low.[110]

This disaster, and the uncertainty caused by the Boxer troubles, partly explains the failure of the British shipping companies established successfully on the Lower Yangtze to operate services on the Upper Yangtze. There was, also, of course, the question if commercial steamships would be profitable, as it was evident that only special high powered vessels of limited draught and cargo capacity would be able to operate on this dangerous stretch of the river. Meanwhile, the chartered junk trade between Ichang and Chungking continued to increase, and in 1903 2,611 chartered junks carrying cargoes worth £3,851,302 entered and cleared Chungking, of which 1,711 with cargoes worth £2,804,182 were under charter to the China Navigation and Indo-China Steam Navigation Companies.[111] In 1902 Britain signed a commercial treaty with China, and the United States and Japan signed similar treaties the following year. The British treaty was called the Mackay Treaty, after Sir James Mackay - later Lord Inchcape of the Peninsular and Oriental Steam Navigation Company - the principal negotiator on the British side. These treaties allowed foreign steamship owners to erect - at their own expense - appliances at the rapids on the Upper Yangtze to assist steamships in their passage.[112] It was 1909, however, before the first regular commercial steamship operated between Ichang and Chungking, and this first steamship belonged to a Chinese company.

Captain Plant, who had piloted the Pioneer and the French and other gunboats on the Upper Yangtze, had been infected by Archibald Little's enthusiasm for the Upper River, bought a junk, the Junie, in 1902, and traded in her between Ichang and Chungking. He came to know

the Upper River in all seasons and conditions intimately, and became convinced that steam navigation on a commercial basis was feasible.[113] Eventually, in 1908, he persuaded a group of Szechuen government officials and business men to form the Szechuen Steam Navigation Company, and build a steamship to operate on the Upper Yangtze. Forty per cent of the company's initial capital of Tls. 200,000, approximately £20,666, was subscribed by government officials, and the remainder by Chinese business men, and Captain Plant went to Southampton to supervise the building of the company's first steamship, the Shutung, at Thorneycroft's shipyard. As the Shutung was the first steamship to operate a regular commercial service on the Upper Yangtze, the following particulars are of historical interest. She was 115 feet long and sixteen feet beam, six feet six inches deep; and drew only three feet of water when fully loaded. She could carry twelve first and sixty deck passengers, and tow a flat alongside with another sixty tons deadweight of cargo and another sixty deck passengers. Basically, the Shutung was a twin screw tugboat, and if unable to negotiate a rapid with her flat, went ahead on her own, tied up at the head, and then pulled up the flat by her powerful windlass. [114]

In spite of the fact that this was a Chinese venture, the arrival of the Shutung at Ichang in July 1909 aroused violent opposition among junk men and junk owners. She was held up there for several weeks before the Viceroy of Hupeh permitted her to begin operations on the Upper Yangtze, and so lost part of the high water season, and only made eight round trips between Ichang and Chungtung before the end of the season. In the following season of 1910, however, she made fifteen round trips, aboutctwo per month, averaging six days on the up and two on the down river passage. [115] There was no night time sailing, and nights were spent either at Wanhsien, 140 miles above Ichang,

or at anchorages chosen by Captain Plant. The high water season lasted from April to November, between eight and nine months, depending on the state of the river in that particular year, and the British Consul at Chungking considered that there could be no appreciable extension of the season until blasting had reduced the hazards at certain rapids.[116]

Trade in 1910 had been good, and _Shutung's_ profits for the season were enough to have paid off half the cost of the ship, encouraging the Szechuen Steam Navigation Company to order a sister ship. Unfortunately, the Revolution of 1911 was more disruptive in Szechuen and west China than elsewhere, and _Shutung's_ operations were seriously curtailed. She was commandeered by the government for troop carrying on several occasions, and swept on the rocks at a rapid and marooned for six weeks, until providentially carried off on a high tide without suffering any severe damage. She had made six fewer round trips than in the previous year, and the uncertain outlook caused the company to cancel its order for a second ship.[117] In spite of foreboding and a bad start, however, 1912 turned out to be a good year for trade on the Upper Yangtze. The _Shutung_, still the only steamer on the Upper River, made twenty five round trips between Ichang and Chungting between 24th April and 4th December without mishap, and this encouraged the company to renew its order for a second steamer which would be larger and more powerful than the _Shutung_.[118] This steamer, ordered from Yarrows on the Clyde, however, did not go into service until late 1914, at almost the same time as three much smaller steamers built in Shanghai for the Szechuen Railway Company, and so is outside the scope of this study. When World War I broke out in August 1914, therefore, there were still no British steamers operating on the Upper River, both the China Navigation and the Indo-China Steam Navigation

Company still confining their shipping operations to chartered junks. In his report for 1913, the British Consul at Chungking regretted that both companies still had only Chinese agents representing them at Chungking.[119]

Trade passing through Chungking in 1913, the last full year before the war, amounted to Tls. 30,115,145 (approximately £4,548,642) an increase of about ten per cent over 1912, but still nearly ten per cent below the record year of 1909, as Chungking and the province of Szechuen had been slower in recovering from the Revolution than other parts of the country. There had been severe fighting between government and anti-government forces in 1912 and the early part of 1913 and Chungking had changed hands several times and there had seemed little prospect of any revival of trade. The pessimists, however, were confounded by the comparatively good results for 1913, and as had happened in previous troubled periods, foreign shipping was less affected than trade in general; Chinese shippers were reluctant to risk their goods in Chinese vessels and risk loss through expropriation, as vessels flying the Chinese flag were always liable to being commandeered by government or rebel troops. The shipping situation at Chungking in 1913 is shown below:-

Steamships		Chartered junks		Total Shipping[120]	
Vessels	Tonnage	Vessels	Tonnage	Vessels	Tonnage
13	2,548	776	23,718	789	26,266

The above steamship tonnage represented the operations of the Szechuen Steam Navigation Company's Shutung, and most of the chartered tonnage came under the China Navigation and Indo-China Steam Navigation Companies. At this time, the China Merchants Steam Navigation Company had not extended its operations above Ichang.

In 1914 Chungking, which was to achieve fame during World

War II, was still almost unknown to the outside world, although the origins of the city go back to semi-mythical times around 2,200 B.C. A census taken in 1909 gave the Chinese population as 120,902, almost certainly a gross under-estimate. In 1912 it was estimated at 614,500, and included some 160 foreigners, of whom sixty were British, forty Japanese, thirty Americans, twenty two French, and eight Germans.[121] The most important members of the British Community were the officials of the Consular Service and of the Chinese Maritime Customs. The Anglo-American community had been re-inforced in the past few years by representatives of the Asiatic Petroleum and Standard Oil Companies. There were also several hundred foreign missionaries, including wives and children, working in the interior of Szechuen and Yunnan, mostly American, British, and French, who came under the jurisdiction of their respective consuls-general at Chengtu, capital of Szechuen.

Chungking had changed very little in the quarter century it had been open to foreign trade. Many streets were too narrow even for the wheelbarrows in use in the countryside, and transport of goods was by carriers using shoulder poles, the affluent citizens travelling by sedan chair. At Chungking the Yangtze is nearly one mile wide, and in the winter low water season the city was reached by innumerable flights of broad steps leading up from the river. A feature of the Chungking scene was the Szechuen pony, a small wiry animal which could carry incredible weights, and which was very skilful in negotiating the flights of steps from the waterfront to the city. The city, of course, occupied an unique site, on a rocky peninsula at the junction of the Yangtze and Kialing Rivers, where the Yangtze has a seasonal rise and fall of ninety feet.

Although Chungking itself was almost unknown to foreigners outside China, by the time it became a treaty port the provinces of

Szechuen and Yunnan had become widely known in the west for their wealth of fauna and flora. In the late nineteenth and early twentieth century, several famous British naturalists and scientists explored these provinces in search of plants and flowers to enrich the gardens and parks of Europe and North America. The first was A.E. Pratt, a naturalist and zoologist, who travelled extensively in Hupeh, Szechuen, and further west between 1887 and 1890, passing through Chungking on several occasions.[122] Then in the early years of the twentieth century George Forrest, Kingdon Ward, and E.H. Wilson made much better known explorations, most of Forrest's work being in the region now known as Sikang, which embraces Szechuen and Yunnan.[123] The region's most exotic animal is the giant panda, which in recent years has probably received more publicity than anything else in the whole of China. The giant panda was first seen by a European missionary in 1868, after which it vanished from European ken until 1928.

The principal foreign imports into Chungking were cotton piece goods from Britain, cotton yarn from India, and kerosene. Most of the kerosene came from America but an increasing amount was also coming from Indonesia. By 1913 it was being imported in bulk as far as Ichang, and the importance of improved transport is nowhere better illustrated than in kerosene. Before bulk supplies came to Ichang, the cost of a four gallon tin at Chungking was Tls. 3.40, about 10/4d, and after Tls. 2.90, about 8/8d. [124] The kerosene came to Ichang in small bulk carriers, and from there to Chungking by junk. After World War I both the Standard Oil and the Asiatic Petroleum Companies would employ small bulk carriers right up to Chungking. In 1908 the Standard Oil Company imported 313,920 American gallons of kerosene into Chungking, and a record import of 958,160 gallons in 1912, after which there was a decrease to 782,850 gallons in 1913 owing to the

disturbed conditions in the interior following the Revolution.[125] In addition an unspecified but considerable amount was imported by the Asiatic Petroleum Company through the native customs. This oil, sold by native agents, was competing successfully with that imported by the Standard Oil Company.[126]

Among Chungking's most important exports were silk, opium, and a great variety of miscellaneous products, including tung oil, hides and skins, and wool, some of the latter coming from as far away as Tibet. The progressive opening of the Middle and Upper Yangtze to foreign shipping after 1861, enabled Szechuen and Yunnan opium to obtain an ever larger share of the domestic market at the expense of Indian opium, the latter being imported into Shanghai by British and Indian merchants. By 1868 this domestic opium could undersell Indian by about forty per cent, although its quality was acknowledged to be inferior. Opium had always been an important export from Chungking; but not until after 1900 was it exported in chartered junks, and so came within the cognizance of the Chinese Maritime Customs. At this time an international campaign against opium began, and won widespread support. In 1907 India promised to reduce her exports of opium to China by ten per cent annually, provided that China reduced her domestic production. Both parties kept this agreement until the war lord era began a few years after the Revolution of 1911. In 1910-11, when Sir Alexander Hosie of the China Consular Service, travelled through Szechuen and Yunnan to investigate the progress of the Anti-opium campaign, he found that opium growing had been completely eradicated on both sides of the Upper Yangtze, and the land given over to wheat, beans, peas, and other food crops.[127] By 1917, in accordance with her pledge of 1907, exports of Indian opium to China came to an end; but unfortunately by this time under the rule, or misrule, of the war lords

who succeeded Yuan Shih-kai, production in Szechuen and Yunnan had more than made up for the loss of the Indian imports.

Ichang was so closely linked with Chungking that little need be added to what has already been written about it earlier.[128] Long before the Yangtze was opened to foreign shipping, cargoes going to and coming from Chungking were transferred between Lower and Upper River junks at Ichang. Ichang itself was of no commercial or agricultural importance, not being the centre of a region of agricultural or industrial wealth. Nearly ninety per cent of cargoes arriving at Ichang from down river were destined for Chungking, and the same proportion of cargoes arriving at Ichang from up river were destined for down river. In 1892, for example, imports at Ichang were £2,510,779, of which £2,163,866, 86.2 per cent, was re-exported to Chungking. The principal import was cotton yarn from Bombay, all of which went to Chungking.[129]

The estimated population of Ichang in 1913 was 55,000, comparatively small for a Chinese city. It was, however, an important missionary centre, especially for the Church of Scotland, and so inevitably was a centre of anti-foreign feeling. In 1913 the total trade of Ichang amounted to only Tls. 5,719,556, approximately £873,800, and it ranked thirty seventh in importance among the open ports.[130]

Until July 1914 the _Shutung_ was still the only steamship operating on the Upper Yangtze. Since _Pioneer's_ brief appearance in 1900 no British steamship had traded there, although the gunboats _Woodcock_ and _Woodlark_ made occasional voyages as far up as Suifu 'showing the flag'. By this time some degree of specialisation between steamships operating on the Lower Yangtze and those operating on the Middle Yangtze had been achieved, and also between those operating on the Yangtze and on the coast. In the early treaty port years there

was little or no difference between ships built for the Canton River or for the coast, beyond a preference for paddle steamers for the river. Steamships which began their careers on the Canton River were often transferred to the coast and vice versa, and this continued after the Lower Yangtze was opened to foreign ships, although to an ever decreasing extent. After about 1880, however, there developed a definite line of demarcation between coast and river steamers, and from then there are few instances of steamers being transferred from one service to the other. By this time too, the heyday of the paddle steamer was over, even on the Canton and Yangtze Rivers, although paddle steamers built previously continued to run for many years. In 1914, for instance, thirteen paddle steamers - six of the China Merchants Steam Navigation Company, four of the China Navigation Company, and three of the Indo-China Steam Navigation Company - which had been built before 1883, were still running on the Lower Yangtze.[131]

Many of these early river steamers, being built of iron, had a very long life. The China Navigation Company's last paddle steamer, the Hankow, was built in 1874, and continued in service until 1906, when it was seriously damaged in a fire at Hong Kong in which many lives were lost. It was then converted into a hulk, and as such served the company at Wuhu until destroyed by Japanese bombs in late 1937.[132] Her sister ship, the Peking, built the previous year had an even longer active career, continuing in regular service on the Lower Yangtze until 1912, when she too was converted into a hulk.

In 1914 the China Navigation Company was the largest company on the coast, and specialisation between different types of river steamer is most conveniently studied by reference to its fleet. The company began its service on the Lower Yangtze in 1873, with the Glengyle and Tunsin, which it had bought from the Union Steam Navigation Company

and these were joined later in the year by three larger steamships built on the Clyde, all five being paddle steamers. Some particulars of the Glengyle and her history are appropriate as illustrating the versatility and fluctuations in fortune of some of the early China coast steamships. Like her sister ship, the Rona, the Glengyle was built and engined by William Denny and Sons of Dumbarton for Jardine, Matheson and Company for the China coast and river trade, at a contract price of £58,000. She began her career on the Lower Yangtze in 1864, and then at the end of 1866 was transferred - along with the Rona - to the Hong Kong-Shanghai service. In 1869 she was sold by Jardines to the Union Steam Navigation Company, who returned her to the Lower Yangtze service, and then at the end of 1872 was again sold to the China Navigation Company, and had the distinction of inaugurating that company's Yangtze service. Late in 1874, however, she was again transferred to the coast, and ended her eleven year career when she was wrecked off Amoy in the following year. [133]

In view of her varied career, therefore, the following particulars of the Glengyle are of some interest. She was an iron paddle steamer of 1,933 gross registered tons, barque rigged, 297.3 feet by 38.3 feet and 14.8 feet deep, able to carry twenty first, thirty second, and 423 third (or deck) class passengers. Glengyle had a compound engine of 400 nominal horse power and four horizontal water tube boilers, fired thwartships, which supplied steam at thirty five pounds per square inch. On her trials she developed 1,786 indicated horse power at eighteen revolutions per minute, and reached a speed of 13.89 knots. Her coal consumption of about forty five tons per day works out at the high rate of 10.5 pounds per nominal horse power per hour. Later in her career Glengyle achieved 14.5 knots. [134]

A more typical Lower Yangtze steamer than Glengyle, however,

was the China Navigation Company's Tatung I, built by Scotts of Greenock in 1891, which ran until sold for breaking up in 1935. The Tatung I was a twin screw steamer of 2,540 gross registered tons, the fourth of many China Navigation Company river steamers to be twin screw. She was 284'6" long by 43'0" beam and 27'9" deep, and the thirtieth China Navigation Company ship to be built at Scotts since the first in 1879. The average Middle Yangtze steamer was less than half the size of a Lower Yangtze steamer, and drew much less water, and very similar to steamers built for the Tungting Lake. The China Navigation Company's Shasi I was typical of this class, and was also built at Scotts in 1891. She was 186'1" long by 35'2" beam and 16'4" deep, and of 1,090 gross registered tons. Shasi I ran until 1909 when she was sold, and replaced in 1910 by Shasi II, the first China Navigation Company ship to be built in the company's new Taikoo Dockyard in Hong Kong. The new Shasi was slightly larger than her predecessor, being of 1,327 gross registered tons; but was longer and broader so as to draw less water. Her dimensions were 235'0" long by 42'7" beam and 10'0" deep, and so was able to operate in the Tungting Lake in favourable water conditions. The Siangtan, however, was specifically built for the Tungting Lake, and was about half way in size between the two Shasis, her dimensions being 220'0" long by 40'1" beam by 9'5" deep, and of 1,190 gross registered tons. The Siangtan was built in 1905, and was one of the few China Navigation Company ships to be built in Shanghai, being built at Farnham Boyd and Company's dockyard there. [135]

Until July 1914 the Shutung was still the only steamer operating on the Upper Yangtze, and, as described above, she was in a class by herself, her only similarity with Lower and Middle Yangtze steamers being that she was twin screw. On 7th July 1914, however, another small Chinese steamer arrived at Hankow on her way to Ichang to start

another Ichang-Chungking service. This was the Tachuan of the Szechuan Railway Company, and she was to be followed by two sister ships before the end of the year.[136] The operations of these ships, and of the first British ship to run on the Upper River in 1917, however, are outside of the scope of this study.

The Yangtze, and particularly the Lower Yangtze, played such a large and important part in British China coast shipping, that a brief description of the working of a Lower Yangtze steamer is appropriate, as in many respects this was typical of British China coasters as a whole. By the time that regular steamship services had been established on the Lower Yangtze, Indians, Manila men, and other non-Chinese Asians had been replaced by wholly Chinese crews. There are many references in British Consular reports to the diligence, honesty, and reliability of Chinese firemen and sailors, and their harmonious relationship with their British officers was an important factor contributing to British success. Other factors included the fact that at most river ports the two British companies had their godowns and berths close to the Chinese business areas, that they provided good insurance and godown facilities, and employed good compradores ashore and afloat.

British Yangtze steamers were run on the compradore system, a maritime analogy to the system operating in most Sino-Western firms ashore. The part played by Chinese compradore-merchants in foreign shipping companies has been described earlier, and the activities of 'house compradores' has been described in several books on Sino-Western commerce.[137] Their maritime counterparts, however, have been virtually neglected. The ship's compradore was a responsible business man, with close connections with his counterparts ashore, and with Chinese shippers and passenger ticket agencies.[138] He hired the deck

passenger accommodation from the owners, and employed his own staff to look after the deck passengers. He was also in charge of the cargo, for which in turn he was paid by the owners, and was responsible for lost and damaged cargo, against which he insured himself - often with his owners acting in their capacity as insurance brokers. The rent paid by the compradore for the deck passenger space depended on the number of passengers normally carried in that particular trade, and was adjusted periodically according to fluctuations in trade and other factors. It was naturally the subject of keen bargaining between owners and compradores, the latter putting a much lower valuation on the ship's earning potentiality than the owners.

At irregular intervals a European member of the owners' office staff made an unannounced passage on a river steamer or coaster. His job was to check the number of passengers and amount of cargo carried, and compare this with the figures supplied by the compradore. The carriage of 'pidgin' passengers and 'pidgin' cargo, which paid passage money and freight to the compradore or some member of the crew, was widespread on the coast and river.[139] This seriously reduced the owners' earnings, and so they made every effort to stop it. It was a custom inherited from the East India Company, however, superimposed on Chinese customs of even older vintage, and as it was hallowed by many centuries of usage, it was almost impossible to eradicate. The most any shipping company could hope for was to keep it within bounds. Naturally, these 'pidgin snatchers' were highly unpopular with the crew, from captain and compradore down to Firemens' Cook's Boy, who saw their perquisites threatened.

The compradore's staff on an average passenger/cargo river steamer comprised cooks and stewards, stevedores and talleymen, and he would usually have two junior compradores to assist him, the Number Two

and Number Three compradores. The latter would almost invariably be close relatives being groomed to succeed the Number One Compradore in due course, and the total compradore's staff would number around forty.

The chief steward and his staff looked after the officers and saloon passengers; while the boatswain and Number One Fireman each looked after and catered for his own department, a system which also operated on many other British ships which employed Indian crews, in particular the British India Steam Navigation Company. Another tradition inherited from the country ships and opium clippers, and also shared by the British India ships, was of well run and efficient ships, a credit to both owners and crew. Many of the Chinese crew, whether compradore's staff, stewards, firemen, or sailors, spent a life-time on one ship, and often the Chief Steward, Bosun, and Number One Fireman would have begun his career on that ship twenty five years or so previously. Each department was very much a family or clan affair, with the Firemen's and Sailors' Cooks' boys - the lowest in the Chinese crew hierarchy - being the grandson or grand-nephew of the Bosun or Number One Fireman; while the 'chiisai' in the pantry bore the same relationship to the Chief Steward.[140] Chinese crews developed a strong sense of loyalty to their ships and owners, another factor contributing to efficiency. In his report from Shanghai for 1900, the British Consul wrote: "Chinese crews are being increasingly recognised as superior to Europeans in the home, as in the coast trade. They are sober and industrious, and under the absolute control of the Boatswain or Number One Fireman. Of over 1,500 British vessels with Chinese crews visiting Shanghai in 1900, only ten cases of trouble between officers and crew were reported".[141]

The tea boys, a peculiar feature of the Yangtze scene, were

a great embarrassment to all the Yangtze steamship companies. The tea boys were ostensibly members of the compradore's staff; but were unpaid, and made their living by battening on the Chinese passengers. The larger Yangtze steamers sometimes had as many as two hundred tea boys, who were often allied with the stevedores unions and with secret societies. They engaged in a variety of illegal enterprises, and the shipping companies often found it politic to turn a blind eye to their activities.

By 1914 the original three ports on the Lower Yangtze above Shanghai had increased to five, plus four ports of call, so that - excluding the terminal ports of Shanghai and Hankow - regular Lower Yangtze river steamers had eight stopping places in the 570 miles between Shanghai and Hankow. On both up and down river passages stops were made at all the treaty ports, and at most of the ports of call. At the latter, however, the steamer either anchored in mid stream, or merely stemmed the current with her engines without dropping her anchor, while a few tons of cargo were loaded and discharged, and a few passengers embarked and disembarked. The round trip Shanghai back to Shanghai lasted ten or eleven days, with stops of three days in Shanghai and twoin Hankow, and as many as five regular steamers might leave Shanghai on one day for 'H'kow & Ports' as described in the Shipping Intelligence in the North China Morning Post or North China Herald. On 24 June 1914, five steamers left Shanghai for Hankow and intermediate ports, three on the 25th, none on the 26th, five on the 27th, and one on the 28th; fourteen departures in five days, just under three per day. These included four of the China Navigation Company, three of the Indo-China Steam Navigation Company, three of Nippon Kishen Kaisha, and one of the China Merchants Steam Navigation Company.[142] Sailing schedules were timed so that transhipment of passengers and

cargo could be carried out between Middle Yangtze and Tungting Lake steamers at Hankow and to and from Poyang Lake steamers at Kiukiang, with the minimum of delay. In the high water season in summer, some Lower Yangtze steamers continued up to Ichang, at the head of the Middle River. Departures from Shanghai were arranged so that steamers negotiated the tricky Lungshan Crossing in the estuary in daylight, and a popular sailing time was 03.00 hours.

No mechanical aids for working cargo were employed on regular Yangtze steamers, which - with rare exceptions - were combined passenger and cargo vessels. One exception was the China Navigation Company's *Wuchang II*, built in Taikoo Dockyard in Hong Kong in 1914, and the company's only cargo steamer on the Yangtze. *Wuchang II* was 320'0" by 46'0" and 22'3" deep, and of 3,204 gross registered tons. She was a twin screw vessel, equipped with derricks and winches, and the largest vessel in the China Company fleet.[143]

It will be appreciated from the above, that the successful operation of a Yangtze river steamer required close co-ordination between ship, agents, and junk and lighter operators. Cargo work was carried on at all hours of the day and night, loading and discharging by means of the cargo port doors, which led directly to the tween decks. These cargo port doors were a feature of China coasters, particularly of the river steamers and beancakers. When a ship was loaded down to her marks these doors were submerged by three or four feet, so that great care was taken to see that they were watertight. At the annual overhauls these doors were completely dismantled, and taken to the machine shop for fairing up and testing. These cargo port doors continued to be fitted to China Navigation Company ships right up to 1941, which means that they were still in use on the older ships in the fleet until the 60s.

By 1914 the Yangtze steamers of the principal shipping companies were running between Shanghai and Hankow almost with the precision of clockwork, unless during very severe weather conditions such as typhoons, or during serious political troubles. This was possible because of the great developments in the charting and buoying of the river, and of the efficient pilot service. European pilots, members of the Licensed Pilots' association, were employed on overseas ships entering and leaving Shanghai, and it is a measure of the great developments which had taken place at Shanghai that by 1910 there were thirty nine European pilots employed at the port. Most of these pilots were British, except for eight or nine who were mostly Scandinavian. The regular liner companies trading to Shanghai had pilots who were reserved for their vessels; Blue Funnel, P. and O., and Canadian Pacific had two each, Nippon Yusen Kaisha three, Shire Line, Standard Oil, and Messagerie Maritime one each. [144] The Chinese Maritime Customs exercised supervisory control over these pilots; but the Pilots' Association was a private body.

On the Lower Yangtze Chinese pilots, licensed by the Chinese Maritime Customs were employed, and regular Lower Yangtze steamers usually had two such pilots. This was necessary, as these steamers travelled at all hours of the day and night, and one pilot was on duty on the bridge almost continuously from Shanghai to Hankow, and vice versa.

By this time too, the Lower and Middle Yangtze, like the China coast proper had been thoroughly surveyed and charted, an increasing amount of this being the work of the Marine Department of the Chinese Maritime Customs, which had been formed in 1867. Previous to this, surveys and charting had been carried out by the Royal Navy, and to a lesser extent by other foreign navies, and these continued

this work - particularly on the upper reaches of the Yangtze and West River - right up to 1914. The Marine Department of the Maritime Customs was largely the creation of Sir Robert Hart, and by the time of his death in 1911 had a personnel of 895, of whom 114 were foreigners. These were responsible for the maintenance of 132 lighthouses, 45 light vessels and light boats, 138 buoys, 119 beacons; and a flotilla of survey and lights-tending vessels.[145] A good proportion of these were located in the approaches to Shanghai and on the Yangtze up to Ichang.

Towards the end of the nineteenth century, and particularly after the Sino-Japanese War of 1894-5, international rivalry for spheres of influence and for railway concessions in China became acute. Russian and Japanese encroachment in the north and French in the south west, and in the latter years of the century, German in Shantung, made Britain apprehensive of her special interests in the Yangtze region. In spite of the fact that Britain's role in this period of the 'Scramble for Concessions' was primarily defensive, to retain privileges which she had won earlier, she still made further substantial gains. The more important of these were the ninety nine years' lease of the New Territories on the mainland opposite Hong Kong, considered necessary for the defence of Hong Kong, the harbour of Wei-hai-wei and a small strip of territory in Shantung, and the opening of the West River above Canton to foreign shipping. Of more direct relevance here, however, was what was called the 'Non Alienation of the Yangtze Region', which was achieved by an exchange of rather ambiguous letters between Sir Claude MacDonald, H.M. Minister at Peking, and the Tsungli Yamen in 1898. In this exchange the Tsungli Yamen said that it would never consent to the alienation of this great central region.[146]

Britain's pre-eminence in the Yangtze Valley was recognized

by an Anglo-Russian Agreement of April 1899, and an Anglo-German Agreement in the following October. A little over two years after the 'Non Alienation of the Yangtze' agreement, Britain made her intention of maintaining her position at Shanghai and in the Yangtze Valley manifest to the world by occupying Shanghai during the latter stages of the Boxer Rebellion. Despite strong opposition from the other Powers, the drain on her military and naval strength by the Boer War, and her substantial contribution to the International Relief Force in the north, Britain landed a strong military force at Shanghai in August 1900 and strengthened her naval forces on the Yangtze. Other Powers, in particular France, Germany and Japan followed Britain's example, as they considered the defence of Shanghai an international - and not a solely British - responsibility. The chief anxiety of Britain at this time was not that the Boxer rebels might extend their operations south to Shanghai and the Yangtze; but that other foreign troops might infiltrate into the Yangtze Valley and threaten the British position there. [147]

In its China policy at this time the British Government was acting under strong pressure from the British Consul-General at Shanghai, the Shanghai Municipal Council, and the China Association. The latter was a body of British firms interested in the China trade, formed in the offices of the P. and O. in London in 1887. It later formed branches in Hong Kong, Shanghai, Hankow, and Tientsin, and became a very strong pressure group in influencing British policy towards China. Among its members were the P. and O., the Hong Kong and Shanghai Banking Corporation, Jardine, Matheson and Company, and John Swire and Sons, and its present headquarters are in the London office of the latter.

After the melodramatic events of 1900, trade and shipping on

the Yangtze developed steadily until the outbreak of World War I in August 1914; although there was disappointingly slow progress in steam navigation on the Upper Yangtze. The Russo-Japanese War of 1904-5 had little effect on coast or Yangtze shipping, and although the Revolution broke out at Hankow its effects on trade on the Yangtze were also slight, and were most serious in 1913 when a revolt against the Peking Government disrupted trade on the Yangtze for some three months. In spite of that 1913 was a record year, even better than the previous record of 1906, and is illustrated by trade and shipping statistics from Shanghai and Hankow. The gross trade of Shanghai in 1913 amounted to £80,585,993 compared with £74,743,660 in 1912, an increase of £5,842337, some 7.8 per cent. [148] In that year a total of 20,909 vessels of 19,580151 gross tons entered and cleared the port, and the leading countries represented were Britain with 4,347 vessels of 7,763,734 gross tons; Japan with 3,767 vessels of 5,068,990 tons; China with 10,916 vessels of 3,197,905 gross tons; and Germany with 667 vessels of 1,641,946 gross tons. The corresponding per centages were little changed from the previous years, with Britain having 39.7 per cent; Japan 25.6 per cent; China 16.3 per cent; and Germany 8.4 per cent.[149] Improvements on the Whangpoo by the Whangpoo Conservance Board continued, and with the exception of one small stretch of the harbour, with a depth of from twenty two to twenty three feet in mid channel, the channel of the river had now a depth of twenty four feet at low water of extraordinary spring tides, over a width of 500 to 600 feet. [150]

It was very similar at Hankow, where the British Consul was able to report that the gross trade of the port was a record £26,487,779 compared with £23,675,676 in 1912, an increase of £2,812,103, some 11.9 per cent. [151] The total shipping entering and clearing the port

that year was 4,640 vessels of 5,264,495 gross tons, of which Britain accounted for 1,630 vessels of 2,331,750 gross tons; Japan for 1,186 of 1,692,920 gross tons; China for 1,069 of 657,568 gross tons; and Germany for 382 of 365,535 gross tons. [152] The corresponding per centages were 44.2, 32.1, 12.5 and 6.9. The Consul also reported considerable investment by the foreign Powers in public works and improvements in Hankow's foreign concessions. These totalled some £750,000, with Britain leading the way with £165,000, which included providing a large pontoon in front of the Blue Funnel property on the British Bund. [153]

In 1914 the opium question still poisoned Anglo-Chinese relations, almost as much as it had at the time of the Opium Wars in the mid nineteenth century. Although Britain and India had agreed to reduce imports of Indian opium progressively by ten per cent annually from 1907, opium smoking was still legal in Hong Kong and Shanghai, and in both places a considerable revenue was derived from opium taxes and licenses. In 1914 the Secretary of State for Foreign Affairs was asked what steps he had taken to induce the chiefly British municipality of Shanghai to discontinue the opium traffic. The questioner was referring to the Shanghai Municipal Gazette of 18 June 1914, which indicated that there were 663 opium shops licensed in Shanghai from which the municipality drew a monthly revenue of 10,995 dollars. Sir Edward Grey said that he had not seen the publication; but as he had explained previously, the Municipal Council of Shanghai is an independent international body, over which His Majesty's Government had no control. He added "I have however, instructed H.M. Minister at Peking to use his influence to encourage the Council to put an end to the opium licenses". [154]

The Yangtze steamship trade was still very largely in the

hands of the same four companies in 1914 as for most of the previous half century. The China Navigation, Indo-China Steam, and China Merchants Steam Navigation Companies operated under a tariff agreement with the Japanese Nishen Kisen Kaisha. This maintained freights at a remunerative level, and avoided rate cutting and undue competition, and so 1913 had been a profitable year for Yangtze shipping. The German company, although not a party to this agreement, was studious in doing nothing to upset it.

The situation on the Yangtze at the outbreak of war in 1914 was that Britain was predominant in shipping and trade. The first effect of the war was to eliminate German competition, and although this was eventually to be more than offset by increased Japanese competition after the war, in 1914 there were few British merchants far sighted enough to foresee this.

REFERENCES FOR CHAPTER 3

1. The Travels of Marco Polo the Venetian. (Everyman's Library 1929) p.283

2. Shanghai is 13 miles up the Huangpu River, called the Whangpoo in the treaty port era, which river enters the Yangtze estuary near the sea.

3. The Elgin expedition is described in L. Oliphant's Narrative of the Earl of Elgin's Mission to China and Japan. (New York 1970, facsimile of 1860 edition).

4. Ibid p.601.

5. BPP 1863 LXXIII (3144) p.36.

6. Earl of Elgin's Mission, p.600

7. No official report of this mission was ever published, and the information is from the dispatches of Sir John Bowring to the Foreign Minister, FO/214 of 1854.

8. Susquehanna was the first United States warship to navigate the Yangtze, and only went as far as Wuhu, 240 miles from Shanghai. Particulars of her voyage are in Kemp Tolley's Yangtze Patrol (Naval Institute of Annapolis 1971) p.14-16.

9. J.S. Gregory, Great Britain and the Taipings, 1969, described British policy in detail.

10. The most famous of these officers was Major (later General) Charles Gordon, sometimes called 'Chinese Gordon'.

11. T.W. Blakiston, Five Months on the Yangtze (1962).

12. For the official details of the Hope expedition see 'Correspondence respecting the Opening of the Yangtze-Kiang to Foreign Trade'. BPP 1861 LXVI (2840) p.325-360.

13. Evariste-Regis Huc, Travels in Tartary, Tibet, and China 1844-46 (1849)

14. T.W. Blakiston, Five Months on the Yangtze (1962)

15. Yangtze Patrol, p.18

16. In the treaty port era the 1,340 miles of the Yangtze navigable for commercial shipping was divided into three sections. The Lower Yangtze was the 600 miles from the sea to Hankow, the Middle Yangtze the 340 miles from Hankow to Ichang, and the Upper Yangtze the 400 miles from Ichang to Chungking. Sometimes the river above Chungking was called the Top River. By the end of the treaty port era ships of nearly 10,000 tons could reach Hankow in the high water season, and of nearly 3,000 tons could reach Ichang. In

the low water season navigability was reduced and varied greatly from year to year depending on the rainfall as far up river as Tibet and Szechuen. Because of the strong currents and narrow gorges the Upper Yangtze was only navigable for small, very powerful, and specially designed ships. Improvements carried out over the past thirty years have now made the above particulars obsolete.

17. BPP 1861 LXVI (2840) p.11

18. Earl of Elgin's Mission, p.601

19. A. Michie, The Englishman in China (1900) p.2

20. BPP 1862 LXIII (2976) p.63

21. Stephen Lockwood, Augustine Heard and Company, 1858-62 (H.U.P. 1971)

22. N.C.H. 29 March 1862. The original share list of the company was always kept carefully hidden, even from clerks in the office. Much of this information and what follows comes from K.C. Liu, Anglo-American Steamship Rivalry in China, 1862-1874 (H.U.P. 1962)

23. BPP 1865 LIII (3489) p.9

24. BPP 1864 LXIII (3302) p.41

25. BPP 1867 LXVIII (3940) p.67

26. For particulars of this see M. Osborne, River Roads to China (1975)

27. No other particulars of Faust seem to be available.

28. G.R.G. Worcester, in Sail and Sweep in China (1966) p.128, describes a kwatze as 70 or more feet long, with a complement of at least 25 crew, plus laodah, cook, and servants. They were sometimes quite luxurious, and could be hired for a few dollars a day.

29. R. Swinhoe, 'Special Mission up the Yangtze-Kiang', Journal of the Royal Geographic Society, Vol. XL, 1870, p.268-270, and BPP 1870 LXV (c.28) p.1-27.

30. Ibid p.1

31. Liu p.78

32. There is an earlier reference to the China Navigation Company in Chapter 2 p. 72

33. Taikoo was the Chinese title given to companies managed by Butterfield and Swire; it means 'Great and Ancient'.

34. Liu p.121 and p.128

35. D.G.E. Hall, The History of South-East Asia (1970) p.543 has a brief description of this expedition. See also BPP 1876 LXXXII (C.1422) p.1-108.

36. The Hirado was built for Dent and Company in America in 1865 and sold by them to the Shanghai Steam Navigation Company in 1867. She was of 1,294 tons

37. See Glossary for description of a port of call.

38. See Chapter 2 pp.68&75

39. The Kiangtung was of 339 net tons, and was bought from the Shanghai Steam Navigation Company in 1877.

40. Liu p.65

41. Indo-China Steam Navigation Company Fleet List.

42. The formation of the Indo-China Steam Navigation Company is described in Chapter 2 p. 72

43. A twin screw steamship of only 139 net tons.

44. A. Little, Through the Yangtze Gorges (1887)

45. The Kuling was built at Bow and McLachlan's yard at Paisley. She was a stern wheeler of 489 gross tons, 160 feet by twenty seven feet beam, and drew only two feet six inches of water when light ship.

46. C.M.C. Report, Shanghai 1889, p.37

47. BPP 1894 LXXXV (1408) p. 445

48. Ibid (1442) p.505

49. Ibid (1402) p.388

50. L.R. 1894. This vessel was sent out in sections and assembled at Shanghai.

51. BPP 1894 LXXXV (1396) p.340

52. BPP 1877 LXXXIV (c.1712) p.4

53. The most authoritative book on Shanghai, which stresses its dependence on its strategic location is Rhoads Murphy, Shanghai, Guide to Modern China (1953) from which much of the information on Shanghai in this study has been obtained.

54. BPP 1865 LIII (3489) p.61

55. Ibid p.61

56. BPP 1878-9 LXXII (c. 2426) p.80

57. Ibid p.80

58. " 83

59. BPP 1901 LXXXI (No. 2602) p.4

60. BPP 1914-16 LXXI (No. 5399) p.18

61. Ibid. p.18

62. " 10

63. " 13

64. " 10

65. " 12

66. See Appendix 1.

67. BPP 1878-9 LXXII (c. 2426) p.67

68. BPP 1902 CVI (No. 2797) p.7

69. BPP 1914 XC (5308) p.13

70. BPP 1878-9 LXXII (2526) p.101

71. BPP 1901 LXXXI (No. 2675) p.21

72. Ibid p.6

73. BPP 1914 XC (5309) p.16

74. Ibid p.10

75. BPP 1902 CVI (2907) p.3

76. Ibid p.3

77. Ibid p.16

78. BPP 1914 XC (No. 5348) p.4

79. Ibid p.8

80. " p.4

81. " p.6

82. BPP 1906 CXXIII (3708) p. 3 and 9

83. BPP 1914 XC (5291) p.3 and 13

84. BPP 1914-16 LXXI (5489) p.4

85. BPP 1914 XC (5359) p. 3 and 9.

86. See Glossary for definition of a 'port of call'.

87. This brief resume of Sino-Russian diplomatic moves in the mid eighteenth century is from The Modernization of China and Japan, G.M. Beckman, J. Weathergill, Tokyo (1965) p.163-4.

88. BPP 1864 LXIII (3342) p.42

89. BPP 1866 LXXI (3587) p.123

90. N.C.H., 25 May and 3 October, 1883

91. BPP 1889 LXXXVIII (No. 525) p. 5 and 8

92. BPP 1888 C (No. 380) p.10

93. BPP 1914-16 LXXII (No. 5399) p.22

94. See Table No. 35

95. BPP 1912-13 XCV (4979) p.16

96. L.R. 1914-15

97. BPP 1914 XC (No. 5376) p.9

98. BPP 1914-16 LXXI (5399) p.14

99. Wuchang was on the opposite bank of the river from Hankow. It was the second most important of the 'Wuhan cities', which comprised Hankow, Wuchang, and Hanyang.

100. BPP 1912-13 CXXI (6447) p.103

101. Ibid (6048) p.25

102. BPP 1912-13 XCIV (4348) p.3

103. N. Peffer, The Far East, Mayflower Publishing Company, London, (1958) contains a concise description of the Revolution of 1911, p.206-13, and 229-41.

104. BPP 1899 LXV (2249) p.10

105. Admiralty Papers, 1901, Report on the Navigation of the Upper Yangtze, Hydrographic Department, Admiralty, London.

106. Tolley, Yangtze Patrol, p.51-2.

107. L.R. 1901.

108. A local vessel plying between local ports carrying mainly local produce, including chickens.

109. N.C.H. 11/7/1900.

110. BPP 1901 LXXXI (2619) p.4

111. BPP 1905 LXXXVII (3290) p.687

112. BPP 1904 XCVII (3190) p.547

113. C. Plant, Glimpses of the Yangtze Gorges, Kelly & Walsh, (Shanghai 1936)

114. Shutung was sold to the China Navigation Company in 1923, and these particulars are from the China Navigation Company Fleet List.

115. BPP 1911 XC (4678) p.727

116. BPP 1910 XCVII (4489) p.141

117. BPP 1913 LXIX (5115) p.477

118. BPP 1914 XC (No.5378) p.6

119. Ibid p.20

120. Ibid p.13

121. BPP 1914 XC (5216) p.4

122. A.E. Pratt, To the Snows of Tibet through China (1892)

123. E.H.M. Cox, The Journeys and Plant Explorations of George Forrest (1952)

124. BPP 1909 XCIII (4259) p.4

125. Ibid p.4 and BPP LXIX (No. 5115) p.11

126. BPP 1914 XC (No. 5378) p.9

127. Sir Alexander Hosie, On the Trail of the Opium Poppy (1914)

128. See pp. 179-80

129. BPP 1893 XCII (No. 1230) p.14

130. BPP 1914-16 LXXI (5424) p.62

131. N.C.H. 3 Jan., 21 Nov. and 19 Dec. 1883; and 4 and 11 July 1914.

132. China Navigation Company Fleet List and Captain Graham Torrible, O.B.E., Yangtze Reminiscences (privately printed Hong Kong) p.47

133. Compiled from C. Drage, Taikoo (1970), K.C. Liu, Anglo-American Steamship Rivalry in China (1962), K.C. Liu, 'British-

Chinese Steamship Rivalry' from The Economic Development of China and Japan, ed. by C.D. Cowan (1964) and S. Marriner and F.E. Hyde, The Senior John Samuel Swire (1967)

134. The Denny List 1975 p.96. Not to be confused with an earlier Jardine Glengyle, which ran between India and China in the 1850s, replacing the opium clippers, and of which no particulars are available.

135. These particulars are from the China Navigation Company Fleet List.

136. N.C.H. 11 July 1914.

137. Yin-p'ing Hao, The Compradore in Nineteenth Century China (1936)

138. This information on the compradore system comes from the writer's experience on the coast and on the Yangtze in the late 1920s and the 30s.

139. For a definition of pidgin see Glossary.

140. " " " " chiisai " "

141. BPP 1902 CVI (2731) p.12

142. N.C.H. 4 July 1914

143. China Navigation Company Fleet List.

144. The China Coaster's Tide Book and Nautical Pocket Manual for the Year 1910, published by the North-China Daily News and Herald Ltd., Shanghai 1909, p.27-30.

145. B. Foster Hall, The Chinese Maritime Customs: an international service, 1854-1950, The National Maritime Museum, 1977, p.9

146. BPP 1898 CV (8440) p.757

147. BPP 1901 XCI (436) p.14-129. 'Correspondence respecting the Disturbances in China.'

148. BPP 1914 XC (No.5376) p.3

149. Ibid p.13-15

150. " p.14

151. BPP 1914-16 LXXI (No. 5399) p.3

152. Ibid p.188

153. " p.10

154. Hansard 5th Series, Vol. LXV, 1914, p.614

CHAPTER 4

The development of the coast trade to 1914, with brief references to the Franco-Chinese, Sino-Japanese, and Russo-Japanese Wars, and to the Boxer Rebellion and the Revolution of 1911. Approximately 1884-1914.

In some respects the 1880s were a watershed in Anglo-Chinese and in Sino-Western relations. Until then Britain had been the dominant power, politically and economically, in China; but from then declined steadily in both respects. Her relative share in the China trade declined, and although her relative share in China coast shipping also declined, this was a much more gradual process, and British tonnage employed on the coast and rivers increased very substantially in absolute terms. The latter development took place in spite of subsidised German and Japanese competition. The pattern of China's foreign trade also underwent a change from the 1880s, exports of silk and tea decreasing in importance because of the increasing popularity of Japanese silk and of Indian and Ceylon tea in foreign markets. Imports of Indian opium also declined, and eventually stopped altogether, in this case because of international action against the opium trade, and the increasing use of home produced opium.

In 1884 British trade with China was 26.1 per cent of China's total foreign trade, £9,633,648 out of £36,932,711. [1] In that year 12,152,949 gross registered tons of British shipping entered and cleared the Chinese treaty ports out of the total tonnage of 18,806,708, 64.6 per cent. [2] This disparity between trade and shipping is seen in more accurate perspective, however, if the share of

the British Empire in China's foreign trade is considered, as Hong Kong and India were both very important factors in China's foreign trade. The British Empire's trade with China in 1884 amounted to £28,032,389, 75.6 per cent of the total, and of this Hong Kong accounted for £12,702,700 (considerably more than Britain), and India for £4,491,256. [3]

Hong Kong's trade statistics with China, however, must be treated with reserve. By this time Hong Kong had largely supplanted Canton as entrepot for south China, so that many of Hong Kong's exports to China were of non-Hong Kong and non-British origin. Similarly, a large proportion of Hong Kong's imports from China were transhipped there for foreign countries. Because of her free port status and comparative lack of statistics on a national basis, it is impossible to determine just how much of Hong Kong's foreign trade can be credited to any country. Also, much of China's trade with South-east Asia (Malaya, the Straits Settlements, the Dutch East Indies, and Siam) passed through Hong Kong in British ships, or was transhipped in Hong Kong to British ships.

With regard to the changing pattern of China's foreign trade, in 1884 China exported 15,524,400 pounds of silk worth £6,133,662, and 268,828,933 pounds of tea worth £7,687,506. The combined value of these two items was £13,821,168, 77.8 per cent of China's total exports.[4] In the import trade the most important items were opium and cotton goods, and in 1884 8,957,495 pounds of opium worth £6,918,918 were imported, and cotton goods worth £5,858,198. The combined value of these two items was £12,777,116, 65.0 per cent of total imports.[5] During the thirty years period with which we are concerned, the relative importance of these four staples of the China trade progressively declined, and other items, some new, became

important. This is shown by the trade statistics for 1913, the last full year of trade before the outbreak of World War I. In 1913 the combined value of tea and silk exports at £20,802,031, was only 33.0 per cent of total exports compared with 77.8 per cent in 1884. Opium had by then all but disappeared from trade statistics, imports from India having been progressively reduced since 1909 through international agreement, and also because of the increased use of home produced opium. By 1913, however, China's imports of cotton goods had increased nearly five times over imports in 1884, £27,390,022; but only accounted for 31.1 per cent of total imports.[6]

Among the new exports were vegetable oils, straw braid, hides and skins, and sugar; and among the new imports machinery (for the new railways and factories), metals, and kerosene. Coal also figured in the trade returns for 1913 on both sides of the account; 1,489,182 tons worth £990,000 being exported to Japan, Korea, and Hong Kong; and 1,690,892 tons being imported from Japan and Hong Kong. By 1913 the import of kerosene had become important, although not so important as it would become after World War I. In 1913 a total of 183,904,052 American gallons were imported, 4.22 per cent from Russia.[7] In this connection, the arrival at Shanghai in August 1914 of the first diesel driven tank ship to enter the harbour was a notable event in the maritime history of the port. This was the Anglo-Saxon Petroleum Company's Artemis, recently built at Amsterdam, with a carrying capacity of about 5,000 tons of oil. The Artemis was 346'8" long by 28'6" beam, with a fully loaded draught of 22'0", and a fully loaded speed of 11½ knots.[8] The Anglo-Saxon Petroleum Company was the shipping branch of the Shell Oil Company, which operated a world wide fleet of oil tankers.[9]

The importance of the traditional staples of the China trade

was less ~~important~~ in coast and river shipping than in overseas shipping. Opium and cotton goods figured prominently in coast and river cargoes from Hong Kong and Shanghai; but silk and tea were much less important. Most tea was exported direct from Shanghai, and to a lesser extent from Canton, Foochow, and Hankow; but - with the exception of silk and tea coming down the Yangtze to Shanghai in river steamers, neither was important for British coasters. Of the new items of trade, kerosene was important in the early years of the trade when it was imported in cases containing two or four tins, each of four gallons. Later, as the quantity imported became considerable, it was imported into the larger treaty ports by the oil companies in their own bulk carriers, as seen above, and distributed by them in smaller tankers to the smaller treaty ports. The Standard Oil Company imported American petroleum and petroleum products, and the Asiatic Petroleum Company imported these from Borneo and Sumatra. By 1913 each company had an installation at every important treaty port, which included - among other things - bulk storage tanks for petroleum products and a factory for making the four gallon tins in which these were distributed into the interior. By this time too, both companies had several small coasters for distributing these from Shanghai, Hong Kong, and Hankow to smaller ports.

The decline of tea exports to Britain, North America and Australia; and the decline and eventual cessation of imports of Indian opium into China had a serious effect on the fortunes of Foochow. During the 1860s, 70s and early 80s, Foochow had been one of the most important treaty ports, and in respect of customs revenue had ranked second among the treaty ports. This was because of the large amount of duties collected on tea exports, which in 1866

amounted to Tls. 1,539,327 compared with Shanghai's Tls. 2,126,790.[10] By 1913, however, Foochow ranked only eighth in this respect, customs duties having fallen to Tls. 940,067 while Shanghai's had increased to Tls. 14,475,434.[11] Compared with other treaty ports too, the increase in shipping at Foochow in the thirty years between 1883 and 1913 had been comparatively modest, from 531,886 tons to 1,128,610 tons. Because of the great decline in the tea trade and the corresponding decline in British overseas ships calling at Foochow, the British share in Foochow's shipping had also declined, from 82.2 per cent in 1883 to 45.2 per cent in 1913.[12] By this time, therefore, Foochow was almost entirely a coast port. Most of the trade between Foochow and Shanghai was in the hands of the China Merchants Steam Navigation Company, and that between Foochow and Hong Kong and Canton in the hands of the British Douglas Steamship Company, while Jardine ships had a near monopoly of trade between Foochow and Formosa. Both the China Navigation Company and the Indo-China Steam Navigation Company also made infrequent calls at Foochow with their steamers on the Canton, Hong Kong, Tientsin service.

Fortunately for China, as her tea exports to western Europe and other places decreased, those to Russia increased, and helped to compensate for this loss. These exports were mainly from Hankow, however, not from Foochow, and so Russian participation in the treaty port system has been treated in the previous chapter on the Yangtze.

The first war of the period under consideration here was the Franco-Chinese War of 1883-85. When hostilities appeared inevitable, Li Hung-chang arranged a fictitious sale of the China Merchants fleet to its former owners, Russell and Company, for the duration of the war. At this time the fleet consisted of twenty six ships of 32,336 gross registered tons, and its transfer to the United States

flag gave an unreal picture of China coast shipping for the period of this temporary ownership. The land fighting in the Franco-Chinese war took place in Annam (Vietnam), and the war had little effect on coast shipping as a whole, apart from this temporary transfer of the China Merchants fleet to the United States flag. The French Navy, however, destroyed the newly established Chinese dockyard at Foochow, and sank twelve small Chinese warships there, and Foochow, the Yangtze and Formosan ports were closed to Chinese shipping for a short time.[13] Paradoxically, while the China Merchants suffered a set back through the war, the two British companies entered a period of expansion and prosperity which continued into the early 1900s.

In 1881 all the Jardine, Matheson and Company shipping interests were amalgamated into the Indo-China Steam Navigation Company, and two years later the China Navigation Company amalgamated with the Coast Boats Ownery, under the aegis of the former. This put the British companies in a strong position. In 1884 the Indo-China fleet consisted of fifteen ships of 25,761 gross registered tons, and the China Navigation Company's of twenty ships of 33,919 gross registered tons.[14] There were also several small British companies with several ships each operating from Hong Kong on the Canton River and on the southern part of the coast. Until this time the China Merchants had posed a serious threat to the two British companies; but the Franco-Chinese War marked the first stage in a long period of stagnation and decline for the Chinese company.

The rapid expansion of the China Merchants from its birth in 1873, culminating in the purchase of the Shanghai Steam Navigation Company in 1877, had been achieved by reckless borrowing from Government, Chinese banks, and other sources, all of whom demanded high interest rates of around fifteen per cent. At this time interest

rates in Britain were around four per cent. Li Hung-chang had appointed Tong King-sing as his business manager for the China Merchants. Tong was well qualified and experienced in steamship operations; but proved to be wildly optimistic about the new company's prospects.[15] Although it had strong government support, and a monopoly of the tribute rice trade from the Yangtze to Tientsin, this was not enough to counterbalance the many disadvantages under which it laboured - some of which were endemic in the China of the time. As loans from Government and Chinese banks increased, Tong was unable to resist the demands made upon him by high government and bank officials - many his personal friends - that he create jobs for people they recommended. As a result the company was hopelessly over-staffed, and corruption was rife.

From the earliest days of steamship services on the Lower Yangtze and between Shanghai and Tientsin, the companies concerned - British, American and Chinese - tried to avoid destructive competition. In 1874 the Shanghai Steam Navigation Company entered into agreements with the Jardine and Swire companies in respect of the Lower Yangtze and Tientsin services, and this practice continued when the China Merchants Steam Navigation Company entered the field. The occasional spasms of rate cutting and intense competition had convinced them of the necessity of this policy. These agreements enabled profitable freights to be maintained on these two key routes. In May 1884, under the aegis of John Swire, a more comprehensive agreement was reached between the three companies, the 'Coast Agreement'. This established uniform rates on the Newchwang trade, and pooling of earnings on the Shanghai-Canton and Shanghai-Hong Kong trades, the division of combined earnings to be pro rata according to the mileage of each company. With the agreements covering the

Yangtze and Tientsin trades still in force, almost the whole of the China coast trade was now operating a form of 'conference system'.[16] At this time German and Japanese ships had not yet entered the coast or river trades, although operating in China's overseas trade. In 1884 their shipping entering and clearing Chinese treaty ports only amounted to 4.0 and 1.1 per cent respectively of the total shipping.[17]

Working within the framework of these agreements the China Navigation Company fleet had increased to forty eight ships of 86,632 gross registered tons by 1900, and the Indo-China Steam Navigation Company fleet to thirty three ships of 47,402 tons; increases over 1883 of 155.6 and 155.7 per cent respectively. In the same period the China Merchants fleet had only increased to thirty ships of 47,403 gross registered tons, an increase of 46.5 per cent.[18]

The Chinese company still remained the only rival to the British companies, although no longer a serious threat. In later agreements between the three companies the British companies were able to obtain more favourable terms. The replacement of Tong King-sing by Sheng Hsuan-huai in 1885 did not result in any improvement in the fortunes of the China Merchants, in spite of Sheng's great reputation for financial ability and influence in government circles. In fact, it was the reverse, the existence of the Chinese company sometimes working to the advantage of the British companies, as the Chinese Government sometimes prevented Chinese business men in Shanghai from starting shipping companies which it thought might compete with the China Merchants. By this time Chinese business men in Hong Kong and Singapore were successfully operating steamships from these ports; but these were under the British flag with British officers.[19]

The comparative failure of the Chinese company cannot be

ascribed to economic factors, to which all three companies were equally subject, and all three made substantial working profits. The British companies, however, took a far sighted view, and sacrificed the immediate distribution of profits in favour of judicious re-investment. They expanded their fleets and improved godown and other facilities with little, or no, increase in capital. This is clearly illustrated in the accounts of the China Navigation Company between 1884 and 1900.[20] In this period the company had a balance (after paying all expenses) of £2,567,161, out of which £1,200,000 was paid out in dividends and £1,367,161 put to reserves and depreciation.

To place the performance of the China Merchants in proper perspective, however, it is necessary to compare it with that of other Chinese joint stock companies. In his report for 1884, the British Consul at Chefoo commented: "the Chinese had not been fortunate in their joint stock companies". He quoted from a list of twelve companies published in a Chinese newspaper, which showed that the performance of the China Merchants was well above the average, with its Tls. 100 par value shares standing at Tls. 38. The best performance was that of the Chin-Chow Coal and Iron Mines whose Tls. 100 shares stood at Tls. 55, and the worst that of the Pai-Tu-ho Silver Mines, whose Tls. 75 par shares stood at Tls. 8.[21]

The next war in which China was concerned, the Sino-Japanese War of 1894-95, had much more serious consequences for China than the Franco-Chinese War, and a greater effect on the coast trade. This was fought to decide who should exercise paramount influence in Korea, which like Annam had been a tributary state of China for centuries; but where Japan had been encroaching on China's influence since about 1874. In 1884 China agreed to establish a joint protect-

orate with Japan over Korea; but after her defeat in 1895, was forced to recognise its independence.[22] This proved to be the first move towards the expansion of the Japanese Empire, which later extended to Manchuria and then China proper. In 1905 Japan proclaimed a protectorate over Korea, and finally in 1910 incorporated it into the Japanese Empire.

An incident at the beginning of the Sino-Japanese War illustrated the direction of British Far Eastern policy at this time. The British steamer Kowshing was sunk by the Japanese Navy when carrying Chinese troops to Korea.[23] There was some doubt as to whether war had actually been declared at the time; but Britain gave Japan the benefit of the doubt.[24] The Dual Alliance between France and Russia had brought home to Britain the danger of her policy of 'Splendid Isolation', and at that time Anglo-French and Anglo-Russian rivalry were important factors in Britain's foreign policy. With the United States pre-occupied with Spain and the Spanish colonies, Japan began to appear in an increasingly favourable light as a possible ally. At first Britain had been convinced of a Chinese victory, as had such an expert on China as Sir Robert Hart, Inspector-General of the Chinese Maritime Customs. Japan's efficient conduct of the war, however, soon swung public and official opinion in her favour. At its conclusion, when Britain adopted a neutral attitude to the 'Triple Intervention' of France, Germany, and Russia, which forced Japan to modify her territorial demands on China in favour of an increased indemnity, some form of co-operation between Great Britain and Japan seemed more than ever inevitable.

China was not actively involved in the Russo-Japanese War of 1904-5, although it was fought in her province of Manchuria, and to decide whether Russia or Japan should be the dominant power there.

This, of course, illustrates China's impotency in international politics at this time. The Treaty of Portsmouth (New Hampshire) which concluded the war, resulted in Japan supplanting Russia in the Liaotung Peninsula in southern Manchuria, and also obtaining the southern half of Sakhalin, and also recognition of "paramount rights" in Korea. The Anglo-Japanese Alliance had been concluded in 1902, the first military pact on equal terms between a Western and a non-Western nation.[25] This proved its value to Japan in the closing stages of the war with Russia, when Britain denied the Russian Baltic Fleet passage through the Suez Canal, and the use of British coaling ports on its way to the Far East and its disastrous defeat at the Battle of Tsushima. Within three months of this battle the Anglo-Japanese Alliance had been renewed for a further five years, and this time its scope was widened to provide that the allies would fight together against any third power.

Other important events in the decade between the Sino-Japanese and Russo-Japanese Wars, in addition to the Anglo-Japanese Alliance, were the diplomatic manoeuvrings over concessions and spheres of influence in China, what was known in the West as the 'Scramble for Concessions' and in China as the 'Cutting up of the Melon'; the Boxer Rebellion, and the Mackay Treaty between Britain and China. British policy was concerned with maintaining the 'Open Door' policy in China, and when she joined in this unedifying scramble it was not so much to oppose the plans of other Powers in their areas of special interest; but to prevent these areas from becoming 'spheres of influence'. Lord Balfour defended British policy in 1898 in these words: "Spheres of influence we have never admitted, spheres of interest we have never denied".[26]

Many of the agreements concluded between China and the

Powers at this time had little effect on coast or river shipping, and involved vague and grandiose schemes for railway construction, many of which were never realised. In 1897, however, Britain succeeded in getting the West River above Canton opened to foreign shipping for 180 miles to Wuchow, and Wuchow being made a treaty port. In 1907 Nanning, 326 miles above Wuchow was also made a treaty port, and several intermediate ports made ports of call. In 1898 Britain was also granted a ninety nine years lease of the New Territories on the mainland opposite Hong Kong, and a lease of the harbour and adjoining territory of Wei-hai-wei in Shantung. This latter acquisition was to counterbalance Russia's acquisition of Port Arthur on the opposite side of the Gulf of Peichihli, and the former France's of a ninety nine years' lease of Kwangchowan Bay in southern Kwangtung. No great developments followed any of these acquisitions and concessions. Wei-hai-wei became the summer base for the Royal Navy in its annual cruise north from Hong Kong, and also a popular holiday resort for Europeans, especially British people. As such it became a regular port of call in summer months for the British steamships on the Hong Kong-Tientsin and Shanghai-Tientsin services.

The cession of Kiaochow Bay on lease to Germany in 1898 was much more important. This resulted in substantial development in the hinterland of Shantung, and Tsingtao (the port in the bay) soon became important for British steamships, also on the Hong Kong-Tientsin and Shanghai-Tientsin services. It also became a popular European holiday resort. A Chinese Maritime Customs House was opened on 1st July 1899, in accordance with an agreement reached between the German Minister and Sir Robert Hart, Inspector General of the Customs. It was agreed that the Commissioner of Customs at

Tsingtao was to be of German nationality, and also - as far as possible - the members of the European staff. It was also agreed that 20 per cent of import duties on goods, including opium, which passed from the German sphere into Chinese territory be paid to the German Colonial Government.[27] Within a few years Tsingtao became one of the six most important open ports in China.

Sir Claude MacDonald, British Minister to China from 1896 to 1900, achieved two important successes during this period, in addition to those described above. The first, called the 'Non Alienation of the Yangtze Region' has already been described, and this was accepted by the other Powers as giving Britain special rights in this vital region.[28] The second, of perhaps even greater practical importance, was in getting the Tsungli Yamen to agree that the post of Inspector General of the Chinese Maritime Customs, should always be held by someone of British nationality, so long as Britain's share of China's foreign trade exceeded that of any other country. The holder of this post was probably the most influential foreigner in China, especially in commercial and financial matters. This agreement was faithfully observed, and until mid 1943 the Inspector General of the Chinese Maritime Customs continued to be British, an American occupying the post for the last few years before the Communist victory in 1949, although the post was not officially abolished until 1950.

The most dramatic event of this period was undoubtedly the Boxer Rebellion of 1900, which culminated in the siege and then the relief of the Peking Legations. Here again Sir Claude MacDonald played a leading role. He was doyen of the Diplomatic Corps, and the British was the largest of the foreign legations in Peking, so that it was only natural that he was placed in charge of the defence

of the Legations,[29] There was little disruption of coast shipping during the Boxer Rebellion, except at Tientsin for several months in the summer of 1900. Tientsin played an important role in the events of 1900, and the foreign concessions there were also besieged by the Boxers. Tientsin was the base from which, after relieving the siege there on July 14, the international relief force went on to relieve the Peking Legations on August 14, finally bringing the Rebellion to an end.

Just over a year after the relief of the Peking Legations and the international occupation of Peking the Boxer Protocol was signed on 7th September, 1901. This marked the nadir of China's foreign relations, and left little hope for the continuation of the Manchu dynasty. The Boxer Protocol was signed on behalf of China by Prince Ch'ing and Li-Hung Chang (who died two months later after having been in the forefront of events in China for over forty years) and the plenipotentiaries of eleven powers. It required the execution of ten high Chinese officials, and the punishment of 100 others, the suspension of the civil service examinations in forty five cities as a punishment to penalise the mandarin-gentry class, and the expansion and permanent garrisoning of the Legation Quarter. To ensure foreign access to Peking from the sea, a dozen posts on the railway between Peking and Tientsin were to be permanently occupied.

Of more direct concern to trade and commerce, however, was the huge indemnity of 450 million taels (approximately £37,560,000) imposed on China. This was to be paid over forty years from customs and salt revenues, and to help raise this import duties were to be raised to an effective 5 per cent, further increasing the authority and prestige of the Chinese Maritime Customs.[30]

The Mackay Treaty of 1902 (already referred to) was an attempt to improve the conditions under which trade between Britain and China was conducted. Among other reforms, it attempted to abolish likin taxes, which still hampered trade in spite of the many decrees abolishing them, establish a national currency, and initiate other reforms which would pave the way for the eventual abolition of extrality. Such steps had already been taken in Japan in the 1870s and 80s, but proved impossible to achieve in China.

In contrast to the wars, rebellions, and diplomatic manoeuvrings of the period, which threatened the complete break up of the Empire, the treaty ports and the China coast trade continued to expand and flourish. This was because the treaty ports and their surrounding enclaves were isolated from the chaos and disruption in Chinese administered territory outside. After 1895 the foreign position was strengthened by the establishment of foreign controlled industries in the treaty ports, so that within a few years the larger treaty ports such as Shanghai, Canton, Hankow, and Tientsin, had become important industrial centres. This, of course, benefited the coast and inter-port trade, and gave rise to the saying: "The treaty ports flourish while China decays". Developments outside China itself, especially in South-east Asia also benefited the coast trade, in particular at Amoy and Swatow.

From the mid nineteenth century, and gathering momentum as the century grew older, European colonialism in Malaya, Indonesia, Indo-China and Siam - although in the latter it should be described as neo-colonialism - was creating conditions conducive to agricultural and industrial development on a large scale. As in most of these countries the indigenous peoples were either unwilling, or unable, to undertake this, Chinese immigrants as entrepreneurs or

labourers were necessary. Current political thought, in fact, held that Chinese - or in some cases Indian - labour was essential for the economic development of tropical or semi-tropical countries. From the mid nineteenth century, therefore, the emigrant trades from south China to South-east Asia became increasingly important for British China coasters and British overseas ships in the China trade. In later years this was supplemented - for the coasters at least - by trade in Chinese foods and delicacies for these increasingly populous and prosperous overseas Chinese communities. This development will be described in Chapter 5

In Chapter 2 on the development of trade and shipping in the period 1856 to 1883, a brief description was given of developments at Hong Kong and the most important treaty ports, and also of developments at Singapore, Bangkok, and other ports in South-east Asia. In most cases reference to Table No.23 will be sufficient to describe further developments at these ports to 1913. It will be necessary, however, in this chapter to describe developments at additional ports opened to foreign trade after 1883. Among these new ports were Tsingtao and Dairen, in German and Japanese leased tërritories respectively, whereby arrangement with the Chinese Bovernment and Chinese Maritime Customs, Chinese Custom Offices were sited. From this time, therefore, it will be more appropriate to describe the ports in China at which foreign ships were permitted to trade as 'open ports'. This will include ports opened by agreements or treaties between China and foreign countries, ports opened to foreign trade voluntarily by the Chinese Government, and ports in territories leased to foreign countries.

After the Treaty of Shimonoswki of 1895 which ceded Taiwan to Japan, Tamsui, Keelung, and other ports in Taiwan ceased to be

treaty ports and became Japanese colonial ports; but still remained open to foreign shipping and trade. Trade statistics for 1896, the first full year under the new régime, showed British trade still holding its own, with the British Consul stating: "nor does it appear likely to diminish in the near future with the advent of Japanese merchants".[31] The gross value for trade for 1896 was £1,402,721 against £1,355,108 for 1895, the British share of the imports being 25 per cent of the total. During the year 194 British steamships of 125,823 tons entered and cleared the two ports of Tamsui and Keelung, twenty four less than in 1895, but the tonnage was almost the same.[32] There had been a slight decrease in German shipping, and almost a complete cessation of Chinese steamships, the aftermath of the recent war, although Chinese junks continued to trade with Taiwan. British ships accounted for 19.9 per cent of the total shipping using the two ports, compared with Japan's 65.8 per cent, the share of other countries being insignificant. Imports in 1896 amounted to £553,601 of which opium accounted for £61,821 and rice for £80,883; but the new administration had prohibited the import of opium, and stated that it should no longer figure in trade returns. Of the exports of £849,128, tea accounted for £643,186 and camphor wood for £194,221; coal exports continuing their decrease and only being worth £2,476.[33] The new Japanese administration had started large scale harbour improvements at Tamsui, and also planned the extension and improvement of the island's very inadequate railway system.

By 1913 four additional ports, Anping, Takow, Toho and Makyo had been opened to foreign shipping, and another seven smaller ports opened to junks, but so far as British and foreign shipping was concerned, only the original two ports of Tamsui and Keelung were of any importance. By that year the total trade of Taiwan amounted to

£11,661,190, consisting of imports of £6,212,150 and exports of £5,449,040. This was a decrease of 8.9 per cent over the previous record year of 1912, which the British Consul attributed chiefly to a severe depression in Japan.[34] It was, however, an increase of over 860 per cent over 1895, an illuminating comment on the result of eighteen years of Japanese rule.

It is of some significance in view of later developments in Japanese occupied territories in China, that in spite of the much publicised ban on opium of 1896, opium was still the most important import into Taiwan; in 1913 opium worth £385,240 being imported. By this time opium imports from India into China itself had come to an end through international action on the part of Britain, China and India. Japan continued her practice of subsidising her shipping; but for 1913 the total subsidies for shipping trading with Taiwan was only £103,510. This was distributed among the following services:- Tamsui to Hong Kong, Takow to Canton, Takow to Tientsin, and Takow to Foochow and Hong Kong.[35] The tonnage of British ships trading to Taiwan, however, remained practically constant during these years, and in 1913 was only 124,329 tons; but because of the increased size represented only thirty seven ships, thirty two of which called at Keelung and five at Takow, most calling at Keelung being in the tea trade. No Chinese steamers visited Taiwan ports in 1913 and German shipping was insignificant; but eight American steamers of 65,280 tons called, all overseas ships which loaded tea at Keelung. The increasing predominance of Japanese shipping and trade in Taiwan which had begun immediately after Japan taking over the island in 1895 continued at increased tempo, and in 1913 Japanese shipping accounted for 71.6 per cent of the shipping using the island's ports, while Japanese trade accounted for 73.6 per cent of

the total.[36] As at so many other open ports, British shipping was more successful against foreign competition than British industry. At the Taiwan ports, for example, British shipping accounted for 15.6 per cent of the total shipping; but British trade only 5.5 per cent of the total trade. This British trade amounted to £639,470 and comprised £286,340 with the United Kingdom, £285,450 with India, £46,540 with Hong Kong, and £12,790 with the Straits Settlements.[37]

One of the earliest extensions to the China coast trade took place in the 1880s, antedating developments on the Upper Yangtze and on the West River, and the inclusion of Tsingtao and Dairen into the treaty port system. This was the China Navigation Company's venture into the Australian trade. John Swire and Sons had always had a close association with Australia, and in the 1850s John Samuel Swire had tried his hand at gold digging and sheep farming, leaving his brother William to look after the Liverpool end of the business. He always retained his interest in Australia, and after successfully establishing the China Navigation Company on the China coast, decided to extend the company's services to Australia. The service planned was from Foochow, via Hong Kong and Manila to Australian ports. At this time the only regular service between Australia and China was that provided by the Eastern and Australian Steamship Company, whose Hong Kong agents were Gibb, Livingstone and Company. It seems that in the pooling agreement between Jardines, Swires, and the China Merchants in 1882 it was tacitly understood that the China-Australia route would be left to Swires, and when this agreement was concluded later this was formally included.[38] Several exploratory voyages were made in 1882, and in 1883 a regular service was started with ships transferred from the China coast. The early years were promising,

and in 1885 four special ships were ordered from Scotts of Greenock, slightly larger and more expensive than an average China coaster. These were Changsha I, Chingtu, Taiyuan I, and Tsinan I, each of 2,269 gross registered tons, which went into service in 1886.[39]

Unfortunately, at almost the same time, a combination of unfavourable factors - some political rather than economic - adversely affected the new Australian service. The first set back occurred immediately after the service started, when the Australian Government imposed restrictions on Chinese immigration, and followed this up a few years later by imposing a complete ban. Chinese immigration had begun soon after the discovery of gold in Victoria in 1849; but it was not long before it incurred the opposition of organised Australian labour, and in restricting it and finally banning it the Australian Government was bowing to popular pressure. At almost the same time Indian and later Ceylon tea began to displace China tea in the Australian market, and finally the Australian Government imposed tariff restrictions on imported sugar to protect the Queensland sugar industry. From 1889 tariffs on imported sugar progressively reduced these imports, and by 1898 sales of Taikoo sugar in Australia were negligible. There was also subsidised competition to the China Navigation Company from the Japanese Nippon Yushen Kaisha and the German Norddeutscher Lloyd. The China Navigation Company tried to develop new trades, one of which was the carriage of frozen meat from Australia to the Philippines; but this - which promised well after the American occupation of the Philippines in 1897 - only postponed the eventual end of the Australian service. In the early 1900s Chingtu and Tsinan I were withdrawn to the China coast, and in 1912 Changsha I and Taiyuan I were sold to G.S. Yuill and Company of Sydney.[40] These latter ships

formed the Australian and Oriental Line which Yuill and Company operated between Australia, Manila, Hong Kong, Shanghai, and Japan for many years.

A much more successful venture at almost the same time was Butterfield and Swire's involvement with the emigrant trade to Bangkok through the Scottish Oriental Company. In 1882 Elder and Company, the Glasgow shipbuilding and engineering firm, and predecessors of the famous Fairfield Shipbuilding and Engineering Company, built three ships for the expanding Swatow-Bangkok emigrant trade, which it intended to operate itself. Another company, the Scottish Oriental Steamship Company was also building ships for this trade at the same time, and Elder and Company decided to transfer their ships to this company. Butterfield and Swire were successful in obtaining the Swatow agency for this company, and in 1892 - after an inter agency dispute in Hong Kong - also secured the Hong Kong agency. The new company prospered, and by 1899 had fourteen ships of a total registered tonnage of 20,943, twelve of these ships built at the Elder and Fairfield yard at Glasgow, and the other two at Cairds of Greenock.[41] In that year North German Lloyd of Bremen, as part of the German expansionist policy, bought the fleet of the Scottish Oriental Steamship Company, with Butterfield and Swire retaining the Hong Kong and Swatow agencies. By this time the company had extended its services to Hoihow (on the island of Hainan) and Singapore. Eventually, when North German Lloyd was compelled to abandon all its Far Eastern services on the outbreak of World War I, Butterfield and Swire inherited the Bangkok and Singapore services for the China Navigation Company.

At the same time North German Lloyd bought another British shipping company trading in the Far East, the East India Ocean Steamship Company. This company was a subsidiary of Alfred Holt's Blue

Funnel Line, and in 1899 its fleet amounted to eleven ships of 8,621 net tons when it was sold to the German company for £90,000. The company traded between the Dutch East Indies and Singapore, and one of the conditions of the sale was that cargoes carried between the islands and Singapore were carried between Singapore and Europe in Blue Funnel ships.[42] This trade between Singapore and the Dutch East Indies also reverted to British ships on the outbreak of World War I.

Another development in the 1890s, this time on the China coast itself, was the opening of the West River above Canton to foreign shipping and trade. In some respects this was a bye product of endemic Anglo-French rivalry in south-west China. British commercial circles in Canton and Hong Kong had been pressing for this for many years; but it was 1897 before the first step was taken.

The West River was known to the Chinese as the Si Kiang, and it was on its lower reaches between Canton and the sea that Western maritime trade with China originated in the sixteenth century. Canton lies some ninety miles from the sea, and this stretch of the river was known to Europeans as the Pearl River. The total length of the West River from its source in Yunnan into the South China Sea below Canton is some 800 miles. With its tributaries, and the network of waterways of which it is the heart, the Si Kiang is the main means of communication in much of south-west China. Although its lower reaches were comparatively well known to Europeans for centuries before the treaty port era began, little was known about the upper reaches. Foreign merchants, however, believed that it was a possible route into Yunnan and west China, which by 1890 was attracting more and more attention because of its supposed agricultural and mineral wealth.

In 1897 Wuchow, 180 miles above Canton became a treaty

port, and the intervening stretch of river was opened to foreign shipping. At the same time, Kumchuk, Shuihing, and Taksang, between Canton and Wuchow became ports of call. Between 1902 and 1904 other four ports of call were established, and finally in 1907 Nanning became a treaty port. Nanning was 326 miles above Wuchow, so that the West River was now open to foreign shipping and trade for some 520 miles from Canton and 610 from Hong Kong.

With the exception of Canton, Nanning was the most important trade centre in Kwangtung, Kwangsi, and Kweichow Provinces, and in south Yunnan. In 1907 it had a population of about 100,000, and the provincial government of Kwangsi was then spending six months of the year in Kweilin which was then the capital, and the other six months in Nanning. In 1912 Nanning became the permanent capital of the province. A British Consul was appointed to Wuchow in 1897, and when Nanning became a treaty port in 1907 his jurisdiction was extended to Nanning; and the Chinese Maritime Customs established stations at both ports as soon as they were opened to foreign trade.

The West River is very similar to the Yangtze in many respects; but on a much smaller scale. Above Wuchow it winds between narrow gorges and over rapids like those on the Upper Yangtze. When opened to foreign shipping the West River was found navigable as far as Wuchow in the high water season for ships drawing up to thirteen feet; but only for ships drawing about half that in the low water season. Above Wuchow even smaller steamers were able to go as far as Nanning; but most of the traffic here was by steam or oil launches which often towed junks and lighters.[43]

The pattern of shipping operations on the West River, as on the Yangtze, was largely determined by physical factors. Foreign flag shipping above Canton consisted of small steamers, the largest

not exceeding 1,000 tons, and launches, based on Hong Kong and Canton. Most British flag ships were owned by Chinese business men in Hong Kong, and so entitled to fly the Red Ensign, and the steamers carried a British master and often a British chief engineer. Piracy had always been a serious menace to shipping on the West River from the earliest days of foreign shipping on the estuary between Canton and the sea. After Hong Kong became a British colony in 1842, Royal Naval warships patrolled the estuary and as far up as Canton. When the river above Canton was opened to foreign shipping in 1897 it was also becoming probable that British ships would soon be operating on the Upper Yangtze, it was realized that small shallow draught gunboats would be required to protect British interests on both waterways. Between 1897 and 1904, therefore, thirteen small gunboats were built in Britain for this purpose. These were from eighty five tons to 180 tons capacity, eight for the Yangtze and five for the West River. These gunboats were of the 'Bird' and 'Insect' classes, and were sent out in crates and assembled at the naval dockyard in Hong Kong. [44]

The West River gunboats originally operated only on the estuary of the Pearl River between Hong Kong and Canton; but as foreign shipping and trade extended further up river, their range of operations embraced the river up to Wuchow, and later to Nanning. The West River flotilla was under the command of a senior naval officer stationed at Hong Kong, who came under the overall command of the Commander in Chief of the British Far Eastern Naval Forces at Hong Kong.

Like their sister ships on the Yangtze, the West River gunboats made some notable voyages on the upper reaches of the West River in the years immediately preceding World War I. H.M.S. Moorhen

particularly distinguished herself in 1913 when she went up to Nanning. This passage took place during the low water season, when drawing some three feet of water and steaming at thirteen knots, Moorhen overcame the main obstacle between Wuchow and Nanning, the Great Rapid, with some difficulty.[45] This consisted of three separate rapids, of which the second presented the greatest difficulty. Navigation in the high water season, however, was less difficult, and when Moorhen repeated this passage six years later during the high water season, it was the narrowness of the river and not the rapids which was the greatest obstacle. The object of these voyages was to 'show the flag', and demonstrate to Chinese and foreigners alike the near presence and strength of the Royal Navy. Another, of course, was the suppression of piracy, as the opening of the West River to foreign trade had resulted in a great revival of piracy. The most notable instances of piracy affecting British ships are described in a later part of this study.[46]

When opened to foreign trade in 1897 Wuchow was a town of some 40,000 inhabitants. It had no important local products or industries, and owed its importance to its situation at the junction of the Fu and West Rivers. This made it a suitable transhipment port between the small steamers operating from Canton and Hong Kong, and the smaller craft operating above Wuchow. Soon after 1897 regular services by small steamers were operating between Canton and Hong Kong and Wuchow; and after 1907 regular services between Wuchow and Nanning by steam and motor launches, which often towed lighters. Trade developed slowly at Wuchow, and in 1898 - its first full year as a treaty port - only amounted to £602,115, and to £1,682,880 five years later.[47] Cotton goods, mainly British shirtings and Indian cotton yarn were the principal imports. The years until the outbreak

of World War I were years of unrest and disturbances in the provinces around the West River, where even in the most peaceful years dissatisfaction with the central government and Peking was the natural order of things. In spite of this, steady but slow progress in trade on the West River continued until the outbreak of the war. The table below shows the net trade at the two ports of Wuchow and Nanning for the years of 1912 and 1913.

NET TRADE OF WUCHOW AND NANNING IN 1912 [48]

	Foreign Imports	Native Imports	Exports	Total
Wuchow	£1,128,203	£162,719	£582,403	£1,873,322
Nanning	£463,988	£102,527	£506,876	£1,073,391
TOTAL	£1,592,191	£265,246	£1,089,279	£2,946,713

NET TRADE OF WUCHOW AND NANNING IN 1913

	Foreign Imports	Native Imports	Exports	Total
Wuchow	£1,215,170	£188,870	£560,718	£1,964,758
Nanning	£492,398	£152,542	£503,092	£1,148,029
TOTAL	£1,707,565	£341,412	£1,063,810	£3,112,787

A little over half of the foreign imports were of British, or British Empire origin, the greatest increases in the previous few years having been in kerosene, soap, and cigarettes. In 1913 the Asiatic Petroleum Company imported 2,778,726 gallons of kerosene from Borneo and Sumatra, and the Standard Oil Company of New York 1,566,647 gallons from America; while over half of the soap and cigarettes imported were of British origin.[49]

There was also a great increase in passenger traffic to and from Wuchow and Nanning. In 1913 150,607 Chinese passengers arrived at Wuchow and 170,890 left, the corresponding figures for foreign passengers being 401 and 490. In the same year 24,434 Chinese and eighty four foreign passengers arrived at Nanning, and 28,413 and fifty eight respectively left.[50] The chief exports from Wuchow and

Nanning were rice, cattle, pigs, poultry, leather, sugar and vegetable oils - aniseed, cassia, groundnut, and wood oil, very little of which went overseas. Of the imports into Nanning, a large but unspecified proportion continued up river by native junks into Yunnan.[51]

At the time the West River was opened to foreign trade, Britain obtained a concession to build a railway from Pakhoi to Nanning, as part of a larger scheme to open up west China to British trade, in opposition to the French plan of a railway from Haiphong by the Red River into Yunnan. Britain also planned to extend the Burma railway into Yunnan; but in the event neither of the British railways got further than the drawing board. The French opposed the Pakhoi-Nanning project on the ground that it ran counter to their agreements with China about the development of south-west China; while their own Haiphong-Yunnan railway was eventually completed in 1910. In any case, as the British Consul at Wuchow commented in his report of 1913, even if capital had been available for the Pakhoi-Nanning line, this would never have been profitable because of the cheapness of river transport to Nanning by the West River.[52]

In 1913 the total shipping entering and clearing the two ports of Wuchow and Nanning, including that under Inland Steam Navigation Rules, was 955,159 gross registered tons. The British flag accounted for 374,123 tons and the Chinese flag 436,610 tons; 39.2 and 45.7 per cent respectively, French and United shipping making up the remaining 15.1 per cent.[53] The largest ship operating between Hong Kong and Canton then was the Hong Kong built twin screw steamer _Lintan_ of 873 tons, of which the China Navigation Company owned a one third share.[54] The largest ship operating between Wuchow and Nanning right through the low water season was the motor launch _Tien_

Kong. This was seventy five feet long by fourteen feet beam with a fully loaded draught of two feet six inches. She could carry fifty tons of cargo and fifty passengers up river at a speed of nine knots.[55]

Trade on the West River never came near fulfilling the hopes of the British merchants in Hong Kong and Canton who had for so long pressed for it to be opened to foreign trade, and at most it provided employment for a number of small steamers and launches based on Hong Kong and Canton. Both the China Navigation and the Indo-China Steam Navigation Companies had a large share in trade between Canton and Hong Kong. This was by their coast services between Shanghai and Hong Kong and Tientsin and Hong Kong, in which their steamers included the ninety odd miles extension to Canton. Jardines was also a major shareholder in the long established Hong Kong, Canton and Macao Steamboat Company, and always had a representative on the board of that company. It was on the Canton River in the mid 1870s that the bitter rivalry between the Jardine and Swire interests had its origin, when John Swire first extended the China Navigation Company's services to the Canton River, and also tried to obtain for Butterfield and Swire the Hong Kong agency of the Hong Kong, Canton and Macao Steamboat Company.[56] When the river above Canton was opened to foreign shipping, however, it was decided to eschew further competition, and six additional steamships were built for operating between Hong Kong, Canton and Wuchow. These were built in Hong Kong and Shanghai between 1899 and 1904, and the largest was the Lin Tan of 873 gross registered tons and the smallest the Wuchow of 262 gross registered tons. In three of these steamers the China Navigation, Indo-China Steam, and the Hong Kong, Canton and Macao Steamboat Companies each took a one third share; in the remaining three the China

Navigation took one third and the Hong Kong, Canton, and Macao Steamboat Company the remaining two thirds, and all six were placed under the management of the latter company.[57] In 1900 the two smallest of these ships were sold to Chinese owners and the remaining four continued in service until 1917, when they too were sold. From that time the Hong Kong, Canton and Macao Steamboat Company concentrated its service on the Hong Kong-Canton and Hong Kong-Macao routes, leaving the river above Canton to Hong Kong-Chinese companies. The China Navigation Company, however, continued to operate one vessel on the Hong Kong-Canton service, its Fatshan I built in 1887, in cooperation with the Hong Kong, Canton, and Macao Steamboat Company.

By 1913 there were five British firms represented at Wuchow, and a foreign population of seventy four, many of whom were missionaries, and which included forty three Britons and eighteen Americans. Nanning had forty five foreign residents, of whom thirty were French and most of the rest British. Both Jardines and Butterfield and Swire were represented at both ports by Chinese agents. Lack of British and foreign interest in the West River was illustrated by failure to develop land which was set aside at Nanning in 1907 for a foreign concession.. The British Consul described this land in very unflattering terms, and said the rent of $700 per acre asked by the Chinese authorities was excessive. By 1913 only one plot of this land had been taken up.[58]

There were two main factors responsible for the disappointing results experienced by British and foreign commercial interests in the West River trade and in that of south western China as a whole. The first was that the fabled wealth of the area failed to materialise when contact was achieved; and the second that political instability prevented the development of such agricultural and mineral wealth as

the area possessed. In marked contrast were the developments at two northern ports at almost the same time, both of which were in territory leased to foreign powers. These were Dairen and Tsingtao. Dairen, known to the Chinese as Ta-lien and to the Russians as Dalny, was only a small village when Russia occupied the Liaotung Peninsula at the tip of southern Manchuria, which also included the naval base of Port Arthur. This step was taken to counterbalance Germany's acquisition of Kiaochow Bay in Shantung, and after China had been forced to agree to this, Russia forced her to lease her the Liaotung Peninsula for a renewable term of twenty five years. At the same time Russia also obtained the right to connect the two ports of Dairen and Port Arthur by a north-south line to the Chinese Eastern Railway, 650 miles to the north, the South Manchurian Railway.

Apart from the railway, Russia had done little to develop Dairen before she lost most of her privileges to Japan after her defeat in the Russo-Japanese War of 1904-05, although she still managed to retain her privileged position in northern Manchuria. From then the pace of development at Dairen and in southern Manchuria quickened. By 1907 arrangements were completed between Japan and the Chinese Government for the establishment of a Chinese Maritime Customs station at Dairen, very similar to those which had been completed between Germany and the Chinese for Tsingtao several years previously. So far as British shipping was concerned, this brought Dairen into the treaty port system, and the port soon became an important one for British China coasters.

There are few reliable statistics for Dairen, therefore, until 1907, most trade before then having been with Japan, the export of beans, bean cake, and barley; and the import of materials for the South Manchurian Railway. In 1907 the total trade of the port was

£7,694,671, and of the total exports of £1,457,033 beans accounted for £644,695 and bean cakes for £479,027.[59] Of the total shipping entering and clearing the port that year of 1,237 vessels of 944,284 tons, Japanese ships accounted for 1,110 vessels of 745,340 tons and British for 104 of 163,350 tons, 79.0 and 17.3 per cent respectively. Most British ships belonged to the China Navigation Company, with a smaller number of the Indo-China Steam Navigation Company and of the Indra Line of Calcutta.[60] There were four British companies with offices in Dairen, the three shipping companies mentioned above, and the British-American Tobacco Company. The latter was proving very successful in promoting the sale of its cigarettes and tobacco, cheaper and of better quality than Japanese brands, and the British Vice-Consul at Dairen commented that the Japanese viewed this development with some alarm.[61]

With firm Japanese control over southern Manchuria, and a vigorous policy of railway and harbour development, trade and shipping steadily improved at Dairen. Much of this was linked with the expansion of the South Manchurian Railway, the administration of which was the de facto government of southern Manchuria. A feature of 1908 was the sudden increase in the export of soya beans and bean products to Europe from Dairen. Newchwang was unable to share in this new trade because it was unable to accommodate the larger ships employed in this overseas trade; but it still retained its predominance in the coast trade in these products.[62] Another important factor in Dairen's favour was that - unlike Newchwang - it was ice-free all winter.

Exports of soya beans and bean products to Europe began at the end of 1908 when 11,559 tons out of the total exports of 207,703 tons went there. In the following year total exports were more than doubled, to 462,425 tons; but exports to Europe multiplied over

twenty two fold, to 261,818 tons, of which 90 per cent went to Britain. This sudden vast increase was due to two factors; one was the partial failure of other oil producing materials that year; but the most important was almost certainly the discovery of the seemingly endless number of ways in which the Manchurian soya bean and its products could be used. These included, in addition to the traditional manufacture of soy sauce and bean curds; soap, biscuits, paints, lighting oils, and many other things. The following table shows the destination of Dairen's exports of soya beans and bean products in 1909:-

Japan ...	132,027	tons
South China	57,378	"
North "	11,200	"
Europe ...	261,818	"
Total	462,425	"

In 1909, of total exports from Dairen of £4,370,480 soya beans and bean products accounted for £3,012,034, some 70 per cent.[63]

By 1913 the total trade of Dairen amounted to £11,172,319, Japan accounting for 76.0 per cent of the imports and 80.5 per cent of the exports; the British share being 4.0 and just over 1.0 per cent respectively. In the port's shipping, however, Britain was more important, and of the total shipping of 16,331 vessels of 4,943,623 tons entering and clearing, the Japanese share was 744 per cent, the British 10.7 per cent, and the German 7.8 per cent.[64] Of the 323 British ships trading to Dairen that year, 244 were trading between Dairen and Chinese ports, including Hong Kong, and the remainder between Dairen and the United Kingdom, the United States, and Japan. By this time the production of soya beans had increased still further, and exports in 1913 totalled 762,356 tons of beans, beancake

and bean oil. In spite of this increased export much less was exported to Europe and Britain, only 22,095 tons, because they were now receiving greater supplies of oil producing materials from sources nearer hand, such as palm oil and groundnut oil from West Africa. In addition Manchuria itself and Japan were taking more of Manchuria's production.[65] In 1913, for instance, exports of beans and bean products to Japan amounted to 587,600 tons compared with 132,027 tons in 1907. Coal production from the Fushun Mines run by the South Manchurian Railway more than doubled that of 1912, being 2,049,813 tons, of which 1,011,152 tons were exported. Japan took 465,863 tons, the Straits Settlements 89,041 tons and Hong Kong 86,107 tons.[66] Dairen now had a total population of 52,349, which was composed of 30,683 Japanese, 14,511 Chinese, and seventy seven non-Japanese foreigners, of whom about sixty were British.[67]

The murder of two German missionaries in the interior of Shantung in 1897 gave Germany the excuse to send a retributive naval squadron into Kiaochow Bay in November 1897, and subsequently to force China to grant her a ninety nine years' lease of the bay and also special railway and mineral rights in the interior of Shantung.[68] Following on that the development of Tsingtao and the leased territory was very similar to that of Dairen and South Manchuria. A British Consul was appointed to the Consular District of Chinan Fu, which embraced the port of Tsingtao and all of Shantung except the territory of Wei-hai-wei and Chefoo, Chinan Fu (more commonly known as Tsinan) was the capital of Shantung. The first British consular report was for 1907, but included information for earlier years. In 1902 the total trade of the port amounted to Tls. 10,344,642 (£1,344,803) and by 1907 had increased to Tls. 43,080,768 (£5,600,251).[69] By this time Tsingtao was a regular port of call for China Navigation and

Indo-China Steam Navigation steamers on the Shanghai-Chefoo-Tientsin and Hong Kong-Chefoo-Tientsin services, and in 1907 out of 497 vessels of 551,963 tons entering and clearing the port, British ships accounted for 128 of 147,904 tons to Germany's 282 of 309,663 tons; 26.8 to 56.1 per cent.[70]

The principal import was kerosene, for which Tsingtao was the distributing centre for Shantung. It was imported by three companies, the Standard Oil Company, the Shanghai-Lang-Cat Company, and the Asiatic Petroleum Company. The first two companies imported their kerosene in cases, and the latter in bulk by its affiliated Shell steamships. By 1907 the A.P.C. had two bulk storage tanks of 2,500 tons capacity each, with an associated small factory for making tins; and the Standard Oil Company were in the course of erecting two tanks of 4,000 tons capacity each. In that year 7,469,023 gallons of kerosene were imported, 4,601,893 gallons from America and 2,867,130 from Borneo and Sumatra. The principal exports then were straw braid (used for the manufacture of hats) and silk, and £658,210 of the former and £413,844 of the latter were exported.[71] Tsingtao had then 1,654 foreign residents, of whom 1,412 were Germans; after which came twenty two Americans, fourteen Austrians and nine Britons.[72]

By 1913 the trade of Tsingtao had increased to Tls.64,814,852, some £9,789,743.[73] The principal foreign import continued to be kerosene, 9,364,065 gallons being imported, of which 5,111727 gallons came from America, 1,754,962 from Russia, and 2,497,376 from Sumatra, the latter by the Asiatic Petroleum Company.[74] This was a large decrease from the record 17,347,379 gallons imported in 1912, and was largely due to over-stocking in 1912. Other imports registered substantial increases, and exports of cattle, sheep, pigs, and groundnut products also all increased. The British Consul attributed the

successful development of trade at Tsingtao and in the leased territory to the efficient German administration and the efficient management of the Shantung Railway and Shantung Mining Company. It was the Railway, in co-operation with the Veterinary Department and Government run slaughter houses which were responsible for the great increase in livestock exports, which in 1913 amounted to 28,413 live cattle. Coal production by the Shantung Mining Company was 548,600 tons in 1913, of which 165,000 tons were for bunkers and export. The Railway and Mining Companies were amalgamated on 1st January, 1913.[75] Total shipping using the port in 1913 amounted to 939 vessels of 1,323,247 tons, of which Germany accounted for 331 of 572,062 tons, Britain for 257 of 422,929 tons, and Japan 260 of 272,693 tons; 43.2, 32.0 and 20.7 per cent respectively. Of the 257 British ships which called at Tsingtao in 1913, 206 were engaged in trade with the Chinese open ports and Hong Kong, thirty five in trade with Britain, and the remainder in trade with America, Japan, and the Straits.[76] Unfortunately, this report does not give the United Kingdom and Hong Kong's share of the trade of Tsingtao.

Owing to the war the British Consul's Report for 1914 contained no statistics for trade or shipping. The Consul, however, wrote: "At the beginning of the year the Germans had succeeded in negotiating agreements for the construction of two new railways which would have greatly increased the importance of Tsinan as a centre of railway communications. They had also raised the capital for working an iron mine said to be very rich in ore near the Tsinan-Tsingtao Railway, and everything seemed to indicate that Shantung was about to enter an era of prosperity and rapid development."[77] All these hopes were destroyed by the outbreak of war, and the Consul feared that Japan would take the place of Germany in Shantung.

On 15th August 1914 Japan delivered an ultimatum to Germany, demanding that Germany withdraw all her armed ships from Chinese and Japanese waters, and also hand over to Japan her leased territory around Kiaochow Bay. This was followed up by a declaration of war on August 23rd, and an attack beginning on 27th September on Tsingtao. Britain sent a token naval force to co-operate in this in the hope that she would have a voice in the final settlement of the German leased territory. The Germans capitulated on 7th November, and succeeding events proved British fears well founded. Although the Chinese Government protested, the Japanese extended their activities well beyond the bounds of the German leasehold, started to build another railway in Chinese territory, posted garrisons that appeared far from temporary, and mistreated Chinese inhabitants.[78] Japan had alleged that her intention was to hand the territory back to China; but had not bothered to consult China before launching her attack. In the final outcome she paid little regard to this promise, and the Treaty of Versailles in 1919 proved a bitter disillusion to China. At this Japan presented her claims to the German leasehold in Shantung, and Britain, France and Italy informed the United States that by their treaty obligations they had to support Japan's claims.[79] Eventually at the Washington Conference in 1923 and under strong pressure from the United States, Japan agreed to retrocede to China the former German territory.[80] It was, however, a short lived victory, for within a few years and before the outbreak of the Sino-Japanese War in 1937, Japan was again encroaching on Chinese rights in Shantung.

While Japan and Germany were engaged in these encroachments in Manchuria and Shantung respectively, Britain was engaged in a much smaller exercise at Weihaiwei. This was on the opposite side of the

Gulf of Pehchihli from Dairen and Port Arthur, and was leased to Britain in 1898 "for as long a period as Port Arthur shall remain Russian." The territory of Weihaiwei consisted of the island of Liu Kung and several smaller islands in the Bay of Weihaiwei, which was on the north coast of the Shantung Promontory and a small belt of land along the coast line of the bay. The total area was about 215 square miles. The territory contained 330 small villages with a population around 125,000. The bay provided one of the finest harbours in the Far East, where large vessels could anchor close to the shore, and the territory was a purely strategic acquisition, and of no commercial or economic importance.[81]

Weihaiwei entered modern Chinese history in 1895 at the end of the Sino-Japanese War, when - after being defeated by the Japanese - the surviving ships of the Chinese fleet took refuge in the harbour of Weihaiwei, before their surrender and destruction by the Japanese. Weihaiwei was important solely as a naval base; but its mild summer climate led to its development as a European holiday resort in summer months, when it was a regular port of call for the China Navigation and Indo-China Steam Navigation Company ships in the Hong Kong-Tientsin and Shanghai-Tientsin services. At this time it was the base for the Royal Navy in its annual northern cruise from Hong Kong, and it continued to fulfil these functions after it was handed back to Chinese sovereignty in 1930.

During its short history as a British Crown Colony, Weihaiwei and its inhabitants were regarded with special regard by British China coasters. The tall, sturdy Shantung men had a well deserved reputation for loyalty and trustworthiness, and soon after the territory was leased to Britain a regiment of Weihaiwei men was recruited to serve with the British forces in China. In 1900, at the relief of

the Peking Legations during the Boxer Rebellion, the British contingent of the International Relief Force included 1,200 men of the Weihaiwei regiment.[82] A few years later, however, in view of the possible international complications, this regiment was disbanded. Until the end of the treaty port era, however, Weihaiwei men continued to serve as anti-piracy guards on British coasters, and as policemen in British concessions.

When it became British territory Weihaiwei had a small export trade to the south of salt fish worth some £1,400 annually, and imported about 50,000 piculs of maize annually worth about £60,000, this trade being carried on by junks.[83] The territory was not self-supporting, therefore, and if for no other reason than to reduce the subsidy for administration costs, trade was encouraged, and the good shipping services provided by the British coasters from Hong Kong and Shanghai facilitated this. Groundnuts in one form or other became the chief exports, and in 1913 350 tons of groundnuts in shell were exported, 10,478 tons of shelled groundnuts, and 106,664 gallons of groundnut oil.[84] Imports consisted of a miscellaneous assortment of foodstuffs, much being for the growing foreign population. By this time Weihaiwei had a large hotel, a European school, and several large European bungalows and rest houses for summer visitors. There were also the usual facilities of a naval base - a hospital, drill ground, depots, and storehouses. Shipping using the port increased steadily, and in 1913, 754 steamships of 608,003 tons entered and cleared, this number including 219 coasting steamers and launches under 300 tons.[85] Being a free port like Hong Kong, no distinction was made in the shipping returns by nationality; but most steamships calling at Weihaiwei were either British or Japanese, and if the former most belonged to the China Navigation and the Indo-

China Steam Navigation Companies, which called at Weihaiwei on their way to and from Tientsin.

It was characteristic of Sino-Western relations all through the treaty port era, that once a privilege had been gained from China, whether by aggression or concession, this should be embodied in a treaty or agreement as soon as possible. This gave the privilege legal status, and safeguarded it from possible withdrawal in future. This applied to the extension of steam navigation inland, and the right of foreigners to participate in this was almost a perennial issue in Sino-Western relations. Until the China Merchants Steam Navigation Company was formed in 1872, all steamships in Chinese waters were foreign owned, and all inland traffic and traffic to non-treaty ports continued to be by junks; which came under the jurisdiction of the native, and not of the foreign administered Chinese Maritime Customs. During the Taiping Rebellion, Major Gordon and other foreigners helping the Imperial Government, used steam launches in their campaign against the rebels around Shanghai. These steamship incursions into inland waters were for strictly military purposes, and under Chinese control, and this development was viewed with alarm by the provincial authorities. In February 1865, therefore, after the Rebellion was over, steam launches were prohibited from going inland to places not opened by treaty, and this prohibition aroused a protest from foreign merchants. Sir Robert Hart, Inspector General of the Maritime Customs, was on the Chinese side in this, and was largely successful in restricting inland steam navigation to Chinese vessels. Sometimes, however, the exigencies of the times forced provincial authorities to allow foreign owned steam launches to proceed from treaty port to inland places, and even from inland places to other inland places not opened by treaty.[85]

The issue reached a critical stage after the Treaty of Shimonoseki of 1896 made Hangchow and Soochow treaty ports, and opened the inland waters leading to these places to steam navigation. The first regulations governing inland navigation were issued by the Maritime Customs in 1862, soon after the opening of the Yangtze; and these continued to be revised periodically until 1902, each revision extending foreign rights. Britain was strongly supported by the other foreign Powers, and it was on Japanese insistence that in the final negotiations of 1901-o2, the privilege of engaging in inland trade was thrown open to any steamer capable of navigating the inland waterways. This removed a requirement of the previous regulations of 1898 that the vessels engaging in inland trade were not to be of sea-going type.

In the event, and after so many years of negotiations, no considerable British or foreign tonnage was employed in inland water steam navigation, and it failed to attract the major coast shipping companies. A small number of steam and motor launches plied on inland waters under the British flag; but in most cases this was a 'flag of convenience', the actual ownership being in Chinese hands. In the Annual Report of the Foreign Trade of China for 1913, compiled by the British commercial attaché at the British Legation at Peking, only 194 vessels out of a total of 1,130 vessels were registered at the Custom House for inland water steam navigation, were under foreign flags. The Report made no distinction between the various foreign flags concerned. Canton headed the list with 433 vessels registered for inland water navigation of which only nine were under foreign flags, followed by Shanghai with 301 and fifty seven respectively.[87] A generous estimate of the average tonnage of these vessels would be 100, so that the total foreign tonnage employed in inland

waters would not exceed 19,400 tons. As the total tonnage engaged in the coast trade entering and clearing the open ports in 1913 was 64,183,959, there is some justification for regarding the British and foreign tonnage engaged in inland waters as insignificant.[88] In view of this, there will be no further mention of it in this study.

Hangchow and Soochow which became treaty ports in 1896, were two of the most illustrious cities in Chinese history. Marco Polo devotes more space to Hangchow than to any other city in China, and almost certainly his description contains more exaggerations than any other of his descriptions. He knew it as Kinsai, signifying "the celestial city", and wrote "which it merits from its pre-eminence to all others in the world, in point of grandeur and beauty, as well as from its abundant delights, which might lead an inhabitant to imagine himself in paradise."[89] Hangchow had been capital of south China under the Southern Sung dynasty, when captured by Kublai Khan in 1279. The city was at the southern end of the Grand Canal, while Soochow was about 100 miles north of the canal. The latter city was capital of Kiangsu Province, and an important centre of finance, trade and industry - particularly of the weaving and dyeing of silk and other textiles. Much of the silk goods exported from Shanghai came from the Soochow region. From early in the nineteenth century, due to neglect of proper maintenance over many years, the canal had been silting up, and when Hangchow and Soochow became treaty ports at the end of the century was only navigable for vessels drawing less than three feet of water. It was still, however, an important artery of internal communications.

British Consuls were appointed to Hangchow and Soochow immediately they became treaty ports, and the first consular report for Hangchow - the more important of the two - dealt with the last

quarter of 1896. For this period the trade of the port which came within the jurisdiction of the Maritime Customs was only £34,140, composed of imports of £18,670 and exports of £15,470.[90] The British acting-consul made the by now usual comment, that this was only a small proportion of the actual trade of the port, most of which paid likin and passed through the native customs. The statistics on shipping entering and clearing under Inland Steam Navigation Rules, however, were much healthier, showing that in the first full year after becoming a treaty port, 2,004 steam launches towing 5,076 passenger boats and 879 cargo boats entered and cleared between Hangchow and Shanghai, the corresponding figures between Hangchow and Soochow being 751 launches and 2,213 passenger boats. The number of passengers carried between Hangchow and Shanghai was 93,023 Chinese and 546 foreigners; and between Hangchow and Soochow 31,556 and fifty nine.[91]

All this inland shipping passing between Hangchow, Shanghai, and Soochow was Chinese owned, except for one Japanese firm, and although the British Acting Consul considered there were good prospects for British firms in this trade, the major British shipping firms appeared uninterested. The total trade passing through the Maritime Customs in 1897 amounted to £1,142,620, imports of £223,643 and exports of £918,977.[92] Raw and manufactured silk accounted for most of the exports. Hangchow had been famous for its silk for centuries, and silk for the Imperial Household was traditionally manufactured there.

Although Hangchow had suffered greatly during the Taiping Rebellion, it had made a good recovery, and the British Consul described it as being in the front rank of Chinese cities, but not coming up to Marco Polo's description. There was little abject

poverty, and the streets where the gentry and wealthy classes lived were clean, broad, and well-flagged to a degree incredible to anyone used to Chinese towns.[93] Trade and shipping continued to expand at Hangchow, although not on the scale which had been expected, and by 1912 the total trade amounted to £3,086,620, after which due to political disturbances and other factors it decreased by over fifteen per cent to £2,612,040 in 1913.[94] Total shipping entering and clearing the port, however, was a record of 4,248 vessels of 130,993 tons in 1913. This consisted of 3,945 vessels of 116,426 tons under the Chinese flag, 273 of 14,417 tons under the Japanese flag, and 30 of 460 tons under the British flag.[95] The British flag shipping consisted of motor launches of the Asiatic Petroleum Company which imported a total of 1,206,900 gallons of kerosene, 520,400 from Borneo and 786,500 from Sumatra. Its rival, the Standard Oil Company of New York imported 1,539,670 gallons of American kerosene, but employed Chinese flag launches.[96] Kerosene and cigarettes were the principal imports, and the Consul ascribed the increasing use of cigarettes by the Chinese to the decline in opium smoking. The total foreign population of Hangchow in 1913 was 175 (men, women and children), of whom sixty were British, fifty American, and fifty Japanese; most of the British and Americans being missionaries. The Chinese population was estimated at about 600,000.[97]

Soochow was very slightly smaller than Hangchow, and suffered even more severely from the Taiping Rebellion. Its recovery was slower, probably due to its proximity to Shanghai, being only a little over 100 miles due west, while Hangchow was 210 miles south west. The Soochow creek connected Soochow and the Grand Canal with Shanghai, and was one of the major waterways in the Yangtze Delta communication system. As at Hangchow, most of the trade at Soochow

passed through the native customs, and in its first full year as a treaty port the total foreign imports through the Maritime Customs was only £160,031, which included £60,243 of opium.[98] No statistics were available for the import of foreign cotton piece goods, which were the principal foreign import, and passed through the native customs. Foreign trade was completely in the hands of Chinese merchants, and at this time there were no European merchants in Soochow. The shipping too, as at Hangchow, was almost completely in the hands of Chinese firms, and the hopes of British Consuls of British shipping firms participating in the Soochow trade were never realised. One of the technical problems to be overcome, was the design of a light draught vessel low enough to pass under the innumerable bridges which were a feature of both the Grand Canal and the Soochow Creek. As at Hangchow, there was considerable passenger traffic to and from Shanghai. In 1897, 103,738 Chinese passengers left for Shanghai and 102,348 arrived from Shanghai.[99]

During the First China War Lord Palmerston described Hong Kong as "a barren island with hardly a house upon it, and barely able to support a few families of fisherfolk."[100] In 1842, shortly after it became a British colony, the Chinese population was estimated at 12,364, and the first official census two years later in 1844 put the population at 19,009 Chinese and 454 non-Chinese, not including the armed forces.[101] In the succeeding forty years, in spite of some initial misfortunes, remarkable progress was made, and in 1884 the population was estimated to be 160,990 Chinese and 10,062 non-Chinese, a total of 171,052. The non-Chinese British element included a number of Indians, many of whom were employed as guards and watchmen.

It was almost inevitable that Hong Kong would benefit from

the great expansion of shipping on the China coast, and in the thirty year period under consideration here, the tonnage of shipping entering and clearing Hong Kong increased by 146 per cent, from 5,093,062 tons in 1883 to 12,528,168 tons in 1913, although the British proportion of total shipping decreased from 74.0 to 48.5 per cent.[102] By this time the population was 467,644 Chinese and 21,470 non-Chinese, a total of 489,114. Despite opposition from Canton, Hong Kong became the centre of the southern section of the China coast trade, as Shanghai was of the northern section. The China Navigation, China Merchants Steam, and the Indo-China Steam Navigation Companies employed a substantial proportion of their tonnage between Hong Kong, Shanghai, and intermediate ports; and this was the centre of a comprehensive network of services covering China's entire coast, and her navigable rivers.

In the fourteen days between 24th June 1914 and 7th July, there were thirteen sailings from Shanghai to Hong Kong and Canton by regular China coasters. Six were by the China Navigation Company, three by the Indo-China Steam Navigation Company, three by the China Merchants Steam Navigation Company, and one by Nippon Kishen Kaisha. During the same period there were also eight sailings by overseas ships, which included one by the Peninsular and Oriental Steam Navigation Company, one by Blue Funnel, and one by the Shire Line.[103] Sailings in the reverse direction were similar.

Hong Kong's great advantage over Shanghai lay in its political stability and its security. Although the extravagant hopes of the early British traders, as expressed in exports of British goods to China, were not realised, by the early 1880s Hong Kong was developing as a British Crown Colony in its own right. Most of its industries were still connected with shipping - dockyards, engineering

works, ropeworks, ship chandlers and such, industries independent of shipping were beginning to play a larger part in the economy.

By 1884 shipbuilding and ship repairing were well established in Hong Kong, but not until 1888 was the first large drydock built. This was built on the Kowloon side of the harbour by the Hong Kong and Whampoa Dockyard Company.[104] The Admiralty provided twenty per cent of the cost of this, in return for priority in its use for the first twenty years. Within this time, however, the Admiralty had established its own dockyard, including a drydock, on the Hong Kong side of the harbour. The last major addition to Hong Kong's shipbuilding capacity came in 1908, when John Swire and Sons established Taikoo Dockyard and Engineering Company at Quarry Bay beside the Taikoo Sugar Refinery, also on the Hong Kong side of the harbour. In 1899 the Hong Kong and Whampoa Dockyard had 4,510 employees, and the number of employees at the other two dockyards must have been very similar.

John Swire and Sons' venture into shipbuilding and ship repairing, following the building of Taikoo Sugar Refinery, illustrates the rivalry between the Jardine and Swire interests, although the Indo-China Steam and the China Navigation Companies co-operated and avoided direct competition in coast shipping services. John Swire himself had been opposed to the building of the dockyard, the main purpose of which was the building and servicing of China Navigation and Blue Funnel ships, and also similar work for other companies. The first China Navigation Company ship to be built at Taikoo Dockyard was the Shasi I in 1910, a Middle Yangtze steamer of 1,327 gross registered tons.[105] This addition to Hong Kong's shipbuilding industry made it the most important shipbuilding centre in the British Empire, outside the United Kingdom itself.

Hong Kong's most important industry not directly connected with shipping during this period, was sugar refining. Prior to 1884 Hong Kong had two sugar refineries; the China Sugar Refinery and the Luzon Sugar Refinery Company; both managed and largely controlled by Jardine, Matheson and Company. In the late 1870s John Swire began planning a third, which was eventually established in 1881, and went into full production in 1884.[106] This was the Taikoo Sugar Refinery, of which Butterfield and Swire were managers. All three refineries obtained their raw sugar from a wide area which included Java, the Philippines and Australia, but the largest proportion from Java; and sold their products in an equally wide area. The principal markets were China and Japan, but India, Australia and California were also important. The latter two, however, proved temporary, as the Australian and American Governments soon imposed tariffs on imported sugar. Fortunately, the domestic market in China proved able to compensate for these offsets, and also for the expanding production of the Hong Kong refineries. In 1890 John Swire built two ships to bring raw sugar from Java to the Taikoo Refinery. In order, however, to avoid any clash of interests with the China Navigation Company, whose ships carried large quantities of raw and refined sugar on certain of its services, these two ships, although managed by Butterfield and Swire, were owned directly by the Taikoo Sugar Refinery Company, and not by the China Navigation Company.[107]

In contrast to the success in establishing a sugar refining industry, which by 1902 was exporting 268,268 tons annually, Hong Kong failed to establish a successful textile industry during this period. This was attempted in 1898; but after failing to withstand imports from abroad, the factories and machinery were transferred

to Shanghai in 1914.[108]

Trade between south China and Hong Kong and south-east Asia expanded at a more rapid tempo after, than before, 1883. This was because of increasing agricultural and mining development as European political control increased, British in Malaya and the Straits Settlements, Dutch in Indonesia, and French in Indo-China. Siam also shared in this development, as although retaining her political independence, she was drawn into the Western economic orbit, Most large scale agricultural and mining activities in south-east Asia depended on Chinese labour, and in some of the countries concerned had been initiated by Chinese immigrants in the pre-European era. This was the case in Malaya and Siam, and Singapore and Bangkok were the ports in the region where British shipping and trade was most prominent.

In 1913, of the total shipping entering and clearing Singapore of 17,254,953 tons, 8,556,443 tons were British, 49.6 per cent of the total.[109] This was a fourfold increase in total shipping since 1883, and nearly a threefold increase in British shipping. In 1913, 240,979 Chinese immigrants entered Singapore. Chinese immigration had reached a record 269,854 in 1911, and then stricter health regulations were imposed, resulting in a slight reduction. Indian immigration also increased at this time, and in 1913, 114,585 Idians arrived at Singapore.[110] From Singapore Chinese immigrants went to other places in the Straits Settlements and Malaya, and also to Indonesia and Siam. British shipping companies were predominant in the immigration trade from both China and India; but Singapore official statistics do not distinguish between the numbers carried under different flags.

The British share of the total shipping entering and clearing

at Bangkok was not so great as at Singapore, and this was one port where the British share of the trade was greater than the British share of the shipping. In 1913, the total shipping entering and clearing the port was 1,783,045 tons, of which 253 ships of 402,201 tons were British, 22.5 per cent of the total.[111] Of the total trade of the port of £15,821,255 the British Empire contributed £11,397,062, 72.0 per cent, Singapore accounting for £4,616,235, Hong Kong for £3,968,446, the United Kingdom £1,946,835, and India £865,761.[112] Rice to the value of £7,568,954 was Siam's principal export, and cotton goods to the value of £1,399,620 the principal import. Much of Siam's rice went to south China via Hong Kong, and much of her imported cotton goods came from Britain.

Bangkok's shipping statistics were more detailed than those of Singapore. Of the 253 British ships calling there in 1913, 122 were in the Singapore trade; seventy one in the Hong Kong trade; six in trade with China; and six with Britain.[113] Many of the Chinese emigrants from south China went to Siam, and in 1913 some 22,000 arrived from Amoy and 35,687 from Swatow.[114]

The Indo-China Steam Navigation Company had no ships in the Bangkok trade; but its Calcutta-Japan ships shared in the Singapore trade, and also made occasional calls at Sourabaya. It operated a regular service between Hong Kong and south China ports and North Borneo, and also to the Philippines. As the China Navigation Company also traded to the Philippines and to Haiphong and Saigon in French Indo-China, the two companies between them were serving most of the south-east Asian ports from south China.[115]

In the local trades of Indonesia, Malaya, and the Straits Settlements, two shipping companies were prominent - one British and one Dutch. The former was the Straits Steamship Company of Singapore

formed in 1890 by Mansfield and Company. As Mansfield and Company were also agents in the Straits Settlements for the Blue Funnel Line and the China Navigation Company, this shipping company was in some respects an extension of the Holt-Swire interests into Malaysia and the Dutch East Indies. In 1913 the Straits Steamship Company had seventeen ships totalling 13,499 gross registered tons, trading between Singapore and Malayan, Straits Settlements, Siamese, and Sumatran ports.[116] The much larger Dutch company was the famous Koninkligle Paketsvaart Maatschippij, or K.P.M., (the Royal Mail Steam Packet Company) of Amsterdam. In 1913 it had a fleet of eighty four ships of 139,828 gross registered tons, the largest of 5,200 and the smallest of 191 tons.[117] This was a slightly larger fleet than that of the contemporary China Navigation Company; but much smaller than that of the combined China Navigation and Indo-China Steam Navigation Companies. The Dutch company ships traded all round Indonesia, and between the principal Indonesian ports and Singapore. In many respects, therefore, the Straits Steamship Company and the K.P.M. were the equivalents in Indonesia and Malaysia of the two British companies on the China coast.

Thw British China coast companies, however, were not so prominent in trade between China and Japan as they were in trade between south China and south-east Asia. Both the China Navigation and the Indo-China Steam Navigation Companies maintained regular services between Shanghai and Japanese ports, but not nearly so frequently as their services from south China to south-east Asia. The most important was the Indo-China Steam Navigation Company's service from Calcutta to Japanese ports via Singapore, Hong Kong, and Shanghai. It was British overseas shipping, represented by the Peninsular and Oriental Steam Navigation Company, the Blue Funnel, Glen, Castle,

Ben, and British India Steam Navigation Companies which benefited most from the great expansion of Japan's foreign trade from the late 1860s.

Japan, unlike China, took effective action to ensure that her own shipping played a major role in the expansion of her foreign and domestic trade. Japan's success in this respect contrasts with China's failure. Not only did she retain political independence; but she soon regained her economic independence in the face of Western aggression in both aspects. By borrowing Western technology and enlisting foreign experts, Japan - unlike China - had built up a large and successful shipping industry by 1913. In 1899 extrality was abolished, and in 1911 tariff autonomy regained. In the field of territorial expansion she was equally successful, acquiring Formosa from China in 1895, ousting Russia from southern Manchuria in 1905 and proclaiming a protectorate over Korea in the same year, and then in 1910 annexing Korea to the Japanese Empire.

In 1913 Japan's foreign trade amounted to a record £139,026,459, of which the British Empire accounted for £46,720,200, 33.5 per cent.[118] Of the total 24,720,338 gross registered tons of shipping engaged in foreign trade entering and clearing Japanese and Korean ports that year, British shipping accounted for 7,238,310 tons and Japanese 12,576,390 tons; 29.2 and 50.8 per cent respectively.[119] The coast trade, of course, was by this time entirely a Japanese preserve. As has been noted above, British shipping in the Japan trade consisted mainly of overseas ships engaged in trade between Europe and the Far East, or in the trans-Pacific trade between Japan and the west coast of North America. There had been a remarkable increase in this latter trade in recent years and the principal British companies concerned were the Canadian

employed foreign engineers to plan and supervise these improvements. The Chinese Maritime Customs was strongly represented on these boards, and the major part of the finance required was provided by the special tonnage dues imposed at the ports concerned by the Customs. While it was manifestly impossible that Tientsin could ever become a deep water port, the improvements carried out on the Whangpoo River ensured that by 1913 Shanghai was able to accommodate the largest ocean liners trading to the Far East, and so become the fifth largest port in the world.[123]

At Tientsin, in addition to deepening the channel over Taku Bar at the mouth of the river, it was necessary to shorten the distance between the British Bund at Tientsin, where the principal wharves were located, and the river mouth. When the first foreign ships called at Tientsin in the 1860s, this was forty nine nautical miles, although the direct distance across country was less than half that. By means of a series of cuttings across the sharpest bends, the fourth and last of which was completed in 1913, this distance was reduced to thirty six nautical miles. These improvements in the river and at the bar resulted in a great increase in the number of ships able to proceed right up to the Bund, and in 1913 this was 995, and by this time ships drawing up to fourteen feet could cross the bar at almost any state of tide.[124]

Other problems at Tientsin included that of keeping the port open during severe winter weather when it was liable to freeze up, and providing reliable transport between Tientsin and the anchorage at Taku Bar. Even after these improvements noted above, it was still necessary for ocean going steamers to work cargo at the bar, and for deeply laden coasters to part lighten or complete loading there. The first problem was solved by the regular employment of

Pacific Railway Company, the Royal Mail Steam Packet Company, and the Indra Line. The opening of the Panama Canal was expected to result in further increases in trans-Pacific trade. Japanese shipping benefited from generous Government subsidies, and this underlines the success of British shipping in having such a large share in both the China and Japan trades in the face of this Japanese competition.

Shipping statistics illustrate the success of Japanese ships in obtaining a considerable share of China's coast and overseas trade, in contrast to China's failure. In 1913 when Chinese ships only accounted for 30.8 per cent of the China coast trade and 11.2 per cent of China's overseas trade, Japan's share was 16.94 and 22.3 per cent respectively.[120]

The increasing number of ships trading on the China coast, and their increasing size, made it imperative to improve navigational aids and harbour facilities. The Marine Department of the Chinese Maritime Customs, formed in 1868, was responsible for the control of harbours and pilotage, and for the installation and maintenance of lighthouses, lightships, beacons, buoys and other navigational aids. Between 1863 and 1913 the total annual tonnage entering and clearing Shanghai increased from 1,943,207 gross registered tons to 19,580,131 gross registered tons; just over ten times; while at Tientsin it increased from 72,662 to 2,291,905 gross registered tons, over ~~eighteen~~ thirty times.[121] Special bodies were created at these two ports to carry out the major conservancy schemes necessary, the Whangpoo and the Haiho Conservancy Boards respectively.[122] The Peace Protocol of 1901, between China and the Treaty Powers after the Boxer Rebellion, called for major improvements in the rivers leading to Shanghai and Tientsin. The conservancy boards then formed

ice-breakers, and during the 1913-14 winter two ice-breakers were successful in keeping the port open all through the winter. Previous to this, Tientsin cargoes had sometimes been worked at Chinwangtao, over 100 miles away, in severe winter spells. This, of course, added considerably to freight charges. The second problem was at least partially solved by lighter companies. The earliest of these was the Taku Tug and Lighter Company, a local Tientsin company established in the early 1870s. This company provided what its critics considered was an expensive and inefficient service, and was accused by Butterfield and Swire of discriminating against Blue Funnel and China Navigation Company ships. In the mid 1880s Butterfield and Swire proposed establishing a rival company, so that delays and pilferage on the passage between Taku Bar and Tientsin could be reduced; but the proposal came to nothing. It was revived by John Swire in the early 90s, when he suggested that a rival company be formed jointly by Jardines, Swires, and the China Merchants Steam Navigation Company. This was also fruitless; but the idea was kept alive to encourage the Taku Tug and Lighter Company to improve its services. Eventually in 1904, by which time Tientsin was an important and regular port for the Blue Funnel ships, which by reason of their size, worked cargo at Taku Bar, as well as for the China Navigation Company, a second company was established. This was the Tientsin Lighter Company, financed jointly by Alfred Holt and Company and John Swire and Sons, and managed locally by Butterfield and Swire.[125] This was one of the most successful enterprises of the Swire-Holt interests, and by 1913 the company had an efficient fleet of tugs and lighters.

British shipping maintained its predominance on the China coast until the outbreak of World War I in 1914, in spite of increasing

competition from German and Japanese shipping, many of whose services were subsidised. The combined fleets of the China Navigation and the Indo-China Steam Navigation Companies comprised 68.9 per cent of the total British shipping employed on the China coast, so that this success of British shipping was very largely due to these two companies.[126] This success cannot be ascribed to any single factor; but to a combination of diverse factors of varying importance. The British country ships were already well established at Canton when the treaty port era began, and had made many exploratory voyages to other ports to the north. In the course of these voyages they had gained valuable knowledge of the commercial possibilities of these ports, and of the navigational and other hazards to be overcome in developing trade there. Their Canton agents were familiar with the intricacies of the China trade, and their captains capable of taking important decisions at short notice. Navigational skill was an important factor, especially in the early years before the coast was properly surveyed. There is little evidence that British steamships were technically superior to others; but the major British shipping companies seem to have been singularly successful in recruiting capable and enterprising agents, whether British or Chinese.

By the time other foreign countries began to participate in the China coast trade, the two major British shipping companies were strongly entrenched in the principal coast and river services, and were able in large measure to retain their predominance over the next half century. Then the industrial and other enterprises which their general managers promoted - Butterfield and Swire in the case of the China Navigation Company; and Jardines, Matheson and Company in the case of the Indo-China Steam Navigation Company - benefited their shipping companies. Both were closely identified with sugar

refining, shipbuilding and ship repairing in Hong Kong; while Jardines were responsible for establishing the Ewo Cotton Mills and the Ewo Brewery in Shanghai. Other major interests included wharf and godown companies, insurance agencies, agencies for some of the leading British overseas shipping companies, and - in the case of Butterfield and Swire, eastern managers of the Tientsin Lighter Company. All these varied enterprises were in great measure interlocking and mutually beneficial.

In the Report for the Foreign Trade of China for the Year 1913, the British Commercial Attaché at the Legation in Peking summarised the British position in China's trade and shipping compared with that of other countries.[127] In 1883 the United Kingdom and Hong Kong combined accounted for 67 per cent of China's foreign trade; but by 1913 this had fallen to 41 per cent. In 1883 the share of Japan and Germany had been insignificant; but by 1913 had increased to 19 and 4 per cent respectively.[128] The Attaché pointed out that as trade expanded further, this trend would continue; but so long as trade between the United Kingdom and Hong Kong and China continued to increase in itself, it was not an unhealthy position.[129] He was not to know that World War I would completely eliminate Germany from the China trade, and that while Japan's position relative to other countries would be greatly strengthened, there would be a gradual weakening of the British position, except in the field of coast shipping, where Britain would benefit from Germany's elimination.

The British textile industry had, however, been surprisingly successful in retaining a large share of the Chinese market for plain cotton goods, i.e., grey and white shirtings, sheetings, drills, jeans and T - cloths. In 1913 Britain imported 11,735,426 pieces to Japan's 5,716,594, America's 2,281,123, and India's 40,054.

Japan, however, had increased her imports from 1,396,297 pieces in 1909 while Britain only from 10,691,448 pieces. A feature of the previous few years had been greatly increased trade in Russian printed cottons, which were now competing strongly with British. These reached Dairen and Vladivostock by the Trans-Siberian Railway, and were shipped from there to markets in the south. Their quality was said to be equal to British and price very little higher; and their success was due to the more liberal credit terms offered by the Russians, and the option of returning unsuitable goods.[130]

The 1914-18 war marked the end of European territorial expansion in the Far East, as elsewhere in the world. No additional treaty ports were created in China afterwards, although the Chinese Government of its own accord opened several more ports to foreign shipping. While British shipping on the China coast continued to enjoy another quarter of a century of predominance and prosperity, 1914 may be described as the high water mark of the treaty port era, and of British influence in China. In 1913, the last full year before the war, a total of 93,334,830 gross registered tons of shipping entered and cleared Chinese ports, of which 29,150,871 tons were engaged in the overseas trade and 64,183959 in the coast trade. The British share of the former was 41.16 per cent, 11,998,498 tons, and of the latter 42.28 per cent, 26,121,802 gross registered tons, 41.75 per cent of combined overseas and coast trade. Comparable figures for Japan were 6,471,493 gross registered tons in the overseas trade of China and 16,950,884 in the coast trade, 22.2 per cent and 16.94 per cent respectively, giving a combined 19.44 per cent of the total. By 1913 German shipping accounted for 9.71 per cent of the overseas and 6.82 per cent of the coast trade respectively, her combined total being 7,444,054 gross registered tons.[131] Although

German ships re-entered the overseas trade of China several years after the end of the war, they never again participated in the China coast or river trade.

Despite the impressive statistics relating to the China trade, it is doubtful if the value of the China market justified the great exertions and expense made to secure it. Apart from the importance to British shipping of both China's overseas trade and her domestic trade, the foreign trade of China never amounted to much. In 1882, for instance, Britain sent £29 million exports to India but only £7½ million to China, and in 1894 while India and the Straits Settlements took £20 million of British cotton piece goods of all types, China and Hong Kong took less than £4 million.[132] In spite of repeated disappointments, the popular belief that China could be the Eldorado of the age persisted, both with the general public and in the folklore of the merchants. Old China hands continued to maintain - as they still do today - that a great improvement was imminent.

Writing in 1974, Ronald Hyman maintains: "It would be a mistake to see the western impart on China as deliberately aggressive in all its manifestations. Business men did much less harm than missionaries, and the notion of economic exploitation needs qualification." At least after 1870, Jardine, Matheson and Company were not so aggressive in dealing with Chinese officials as internal conditions would have allowed, and believed that long term success depended on Anglo-Chinese co-operation.[133] Other shipping companies and merchant firms such as Butterfield and Swire, also had a sense of responsibility towards China, contributing generously to

educational and charitable institutions, the University of Hong Kong benefiting considerably from donations from Butterfield and Swire. This trend has been greatly increased in the post Second World War era.

REFERENCES FOR CHAPTER 4

1. BPP 1887 LXXXIII (41) p.3
2. Ibid p.2
3. " "
4. " "
5. " "
6. BPP 1914-16 LXXI (5424) p.30 and p.48-51.
7. Ibid p.40
8. N.C.H. 8 Aug. 1914
9. L.R. 1914-15 shows Anglo-Saxon Petroleum Company to have a fleet of 42 oil carrying vessels. Artemis belonged to the Dutch offshoot of Shell, the Nederland Indische Tank-stoomkart Matschappij
10. See p.92 Chapter 2.
11. See Appendix I.
12. BPP 1914 XC (5301) p.15
13. The war was over who should control the Chinese tributary state of Annam (Vietnam), where in 1874 France had imposed a treaty on the Court, giving her control over the south. When Chinese troops refused to withdraw, as had been agreed in the treaty, fighting broke out in which the French suffered some initial reverses, causing the downfall of the French Government. Peace was finally negotiated in June 1885, and Annam became a French Protectorate.
14. Fleet particulars of the three companies from Lloyds Register.
15. Tong was an English speaking Cantonese who commenced his career as an interpreter in the Chinese Maritime Customs, and then joined Jardines. He was Jardines chief compradore in Shanghai when he was appointed to the China Merchants in 1873.
16. Particulars of these agreements from Liu p.57 and 73, and S. Marriner and F.E. Hyde, The Senior John Samuel Swire, 1825-1898 (1967) p.83-88.
17. BPP 1887 LXXXIII (41) p.2
18. Fleet particulars from Lloyds Register for the appropriate years. See also Table No.27
19. See Table No.36 for such companies registered in Hong Kong.

20. See Table No.29

21. BPP 1884-85 LXXX (4440) p.18

22. By the Treaty of Shimonoseki of 1895, after her defeat in the Sino-Japanese War, China was forced to cede Taiwan (Formosa) to Japan, open the Upper Yangtze to foreign shipping and additional ports to foreign trade, and allow foreigners to establish factories in the treaty ports.

23. The Indo-China Steam Navigation Company's Kowshing, under charter to the Chinese Government, was sunk off the Korean coast on 25 July 1894. She was carrying 1,200 Chinese soldiers of whom over 1,000 were drowned.

24. At the Nineteenth Ordinary General Meeting of the Indo-China Steam Navigation Company in London on 7 June 1900, the Chairman stated: "The amount due for the loss of the steamer Kowshing, which has been outstanding since 1894, is still contested by the Chinese Government. It has been decided by H.M. Government to refer the question to arbitration, which has been accepted in principle, and it is hoped that the necessary arrangements will shortly be settled". N.C.H. July 11, 1900.

25. The Alliance contained a secret clause correlating the protection of British interests in the Yangtze region with Japanese interests in Korea; but omitting any mention of Manchuria.

26. L.K. Young, British Policy in China 1895-1903 (1970) p.90.

27. B. Foster Hall, The Chinese Maritime Customs: an international service, 1854-1950 (N.M.M. 1977) p.19

28. See p. 223-4

29. P. Fleming, The Siege at Peking (1959) and V. Purcell, The Boxer Uprising (1963) give good accounts of the Boxer Rebellion.

30. The Salt Revenue Administration (Salt Gabelle), like the Chinese Maritime Customs was foreign administered, and for most of the treaty port era the Chief Inspector was a British subject.

31. BPP 1898 XCVII (1979) p.8

32. Ibid p.2

33. " p.11

34. BPP 1914-16 LXXIII (5406) p.28

35. Ibid p.15

36. " p.28

37. BPP 1914-16 LXXIII (5406) p.17

38. The Senior John Swire p.92-94

39. China Navigation Company Fleet List.

40. G.S. Yuill had worked in Butterfield and Swire's Hong Kong shipping department from 1872 to 1877, after which he went to Australia and started up G.S. Yuill and Company, which always maintained close relations with the Swire enterprises. Family connections may have played a part in this. G.S. Yuill was married to a sister of J.H. Scott, of the Greenock shipbuilding family, who succeeded J.S. Swire as chairman of John Swire and Sons in 1898 on the death of J. Swire.

41. A list of shareholders of the Scottish Oriental Steamship Company illustrates its close connection with Elder and Company and Fairfields. Four of the principal shareholders were directors of Elder and Company, the largest being Sir William Pearse, later managing director of the Fairfield Company. Scottish Record Office, ET 2/1137.

42. K.G. Tregonning, Home Port Singapore (1967) p.16, and L.R. 1899-1900.

43. Ocean vessels up to almost 10,000 tons could reach Whampoa at this time, twelve miles below Canton, the deep water port for the city. Coasters and river steamers up to nearly 3,000 tons could reach the city itself; while above Canton navigation was restricted to smaller steamers slightly smaller than those on the Middle Yangtze. Above Wuchow again navigation was restricted to even smaller craft, steam and motor launches many of which towed lighters.

44. Woodcock and Woodlark of 150 tons each were built in 1897 for the Nile Campaign and then transferred to the Yangtze. In the same year Nightingale, Robin, Sandpiper, and Snipe, each of 85 tons were built, the first for the Upper Yangtze and the others for the West River. Then between 1900 and 1904 Teal, Moorhen, Widgeon, Aphis, Bee and Cicala were built; the former of 180 tons for the Upper Yangtze; Moorhen, also of 180 tons and Cicala of 85 tons for the West River, and Widgeon, Aphis and Bee all of 85 tons for the Upper Yangtze. G. Haines, Gunboats on the Great River (1976) p.167. Finally H.M.S. Kinsha, ex Pioneer, was bought by the Admiralty in 1900 for the Yangtze, and full particulars of her are in Chapter 3, p.

45. These gunboat passages are described in the China Sea Pilot, vol. 1, 3rd edition, 1964, published by the Hydrographer of the Royal Navy.

46. Chapter 6.

47. BPP 1906 CXXIII (3588) p.313

48. BPP 1914 XC (5307) p.3-4

49. Ibid p.7

50. " p.6

51. " "

52 " "

53. " p.11

54 C.N. Co. Fleet List.

55. BPP 1907 LXXVIII (3856) p.595

56. Marriner and Hyde, p.64-65 describes this Jardine-Swire rivalry in which Alfred Holt's Blue Funnel Line was also involved.

57. This complicated arrangement has been pieced together from the China Navigation and Indo-China Steam Navigation Company Fleet Lists, and also from the Steamship Owners section of Lloyds Register of Shipping.

58. BPP 1914 XC (5307) p.6

59. BPP 1908 CXIII (4013) p.3

60. Ibid p.7

61 " p.6

62. BPP 1910 XCVII (4440) p.10

63. Ibid p.10

64. BPP 1914 XCII (5334) p.33

65. Ibid p.31-32.

66. " p.14

67. " p.4

68. See p. 246

69. BPP 1908 CX (4159) p.11

70. Ibid p.16

71. " p.22-23

72. " p.18-19

73. BPP 1914 XC (5341) p.4

74. Ibid p.12

75. BPP 1914 XC (5341) p.8-9

76. Ibid p.10

77. BPP 1914-16 LXXI (5517) p.4

78. N. Peffer, The Far East (1959) p.245

79. Ibid p.258

80 " p.263

81. BPP 1902 LXVI (20) p.3-4

82. Fairbank, East Asia, p.402

83. BPP 1902 LXVI (20) p.3

84. BPP 1914 LXVIII (804) p.7

85. Ibid p.8

86. Foster Hall, The Chinese Maritime Customs, p.15-16 describes the stages of the extension of steam navigation in inland waters.

87. BPP 1914-16 LXXI (5434) p.58

88. Ibid p.58

89. The Travels of Marco Polo the Venetian (Everyman's Library 1929)

90. BPP 1897 XC (1929) p.135

91. BPP 1898 XCIV (2156) p.22

92. Ibid p.22

93. BPP 1897 XC (1929) p.4

94. BPP 1914 XC (5305) p.3

95. Ibid p.10

96. " p.6 and 8

97. " p.7

98. BPP 1898 XCIV (2156) p.31

99. Ibid p.32

100. J. Ridley, Lord Palmerston, (1970) p.257

101. The Hong Kong census merely divided the population into Chinese and non-Chinese, and did not distinguish between other nationalities. It is probable that about 75 per cent of

the non-Chinese population were British. Population figures from The Historical and Statistical Abstracts of the Colony of Hong Kong, 1841-1930, Govervment Printer, Hong Kong, 1932.

102. Table No. 23

103. N.C.H. 4 and 11 July, 1914.

104. The Hong Kong and Whampoa Dockyard had originally been at Whampoa and was American owned. In 1865 it moved to Hong Kong and expanded and improved its facilities under the management of Jardine, Matheson and Company. All Indo-China Steam Navigation Company ships employed in the southern section of the coast trade were serviced at this dockyard, and some of its smaller ships built there.

105. China Navigation Company Fleet List.

106. Sheila Marriner and Francis E. Hyde, The Senior John Samuel Swire, 1825-1898, (1967) p.98-100.

107. Hupeh I and Shantung I, each of 2,807 gross registered tons, L.R. 1899-1900

108. G.B. Endacott, A History of Hong Kong (1958) p.276

109. BPP 1914-16 LXIV (838) p.12

110. Ibid p.16

111. BPP 1914-16 LXXV (5428) p.30

112. Ibid p.14

113. " p.30

114. BPP 1914 XC (5373) p.8 and 3.

115. Tables Nos. 31 and 32 illustrate these services from Hong Kong.

116. L.R. 1914-15.

117. Ibid

118. BPP 1914-16 LXXIII (5390) p. 5, 59, & 78

119. Ibid p. 92 After Japan annexed Korea the Korean ports were included with Japanese in trade and shipping statistics.

120. BPP 1914-16 LXXI (5424) p.57

121. See Table No.22 & 23

122. By this time the rivers leading to Shanghai and Tientsin, previously known by various names and spellings, were known as the Whangpoo and Haiho respectively. The latter name only

applied to that part from where it joined the Grand Canal near Tientsin to the sea. Seamen, however, usually referred to them as the Shanghai and Tientsin Rivers.

123. In the Annual Report on the Foreign Trade of China for 1913, the British Commercial Attaché at Peking was able to write: "the safety of Shanghai as a sea port is now reasonably assured". BPP 1914-16 LXXI (5424) p.19. The depth of water over the Woosung Bar at high water, one of the major factors limiting Shanghai's capacity to accommodate large ships, had by this time been dredged to nearly twenty nine feet. The China Coasters' Pocket Manual, p.47

124. BPP 1914 XC (5344) p.7

125. Marriner and Hyde, p.131, 198, and 204.

126. Table No. 27

127. BPP 1914-16 LXXI (5424) p.1-62

128. Ibid p.12

129. " p.12

130. " p.13

131. " p.56-7

132. P.A. Verg, 'Myth of the China Market, 1890-1914.' A.H.R. LXXVIII (1967/68) p.34

133 R.Hyman, The Imperial Achievement, 1815-1914, 1978, p.366

CHAPTER 5

The deck passenger trade and its importance to British shipping. Description of coast, river, and overseas trades, with especial reference to south-east Asian trade, and to economic and political aspects of the latter.

Although there are no reliable statistics relating to the passenger trade on the China coast in the pre-treaty era, there is ample evidence of a considerable passenger trade on the coast and rivers long before the first European ships appeared. This latter development came at a period when central government authority was breaking down and lawlessness increasing, so that foreign ships held certain obvious attractions for Chinese passengers. These included relative immunity from piracy, faster and more regular services, and some slight degree of comfort. The opium clippers carried only European passengers, but the first foreign lorchas and sailing ships soon found it very profitable to carry Chinese deck passengers, especially at times of civil war and disturbance.

The first steamship services in China were introduced by American and British ships in the early 1840s, between Hong Kong, Canton, and Macao. These proved very popular with the Chinese, and before 1850 seven or eight steamships were employed regularly between these ports. In these early years the principal British companies involved were the Peninsular and Oriental Steam Navigation Company; the Hong Kong and Canton Steam Packet Company; and certain agency houses. The cost of a deck passage between any two of the three ports served was one dollar at that time, about five shillings.[1]

Hong Kong was eighty three miles from Canton and fifty from Macao, and Canton was seventy miles from Macao.

Russell and Company found how profitable the native passenger trade was as soon as they started regular services on the Lower Yangtze in 1862, and soon afterwards on the Shanghai-Tientsin and Shanghai-Ningpo services, In 1871 passenger traffic accounted for 14 per cent of gross receipts from all three services; 7 per cent from the Lower Yangtze, 26 per cent from the Shanghai-Tientsin service, and 43 per cent from the Shanghai-Ningpo service.[2] Receipts were low on the Yangtze probably because many Chinese still travelled in junks there. On the Tientsin service many government officials and candidates for the Imperial examinations travelled to and from Peking by the steamers; and on the Ningpo service Chinese retail merchants could make the overnight passage with their purchases beside them. The numbers carried on these latter two services are nowhere stated; but on the Lower Yangtze the Shanghai Steam Navigation Company carried 9,719 Chinese and 239 foreign passengers in 1870.[3] The cost of a return passage of 134 miles between Shanghai and Ningpo was three dollars at this time.

The original Chinese prejudice against steamships shown on the Canton River before the First China War quickly disappeared after the war. As early as 1865 the Commissioner of Customs at Shanghai commented on the popularity of steamship travel with Chinese mandarins and merchants, the former considered the most conservative of Chinese. He reported: "Mandarins, decorated with buttons of all colours, rejoining their posts - all refuse to travel by any other conveyance but the 'ships with fire wheels'."[4]

From its first years the Shanghai Steam Navigation Company progressively improved facilities for its Chinese passengers, and in

1870 reduced passengers fares on the Yangtze by 50 per cent. Embarking and disembarking passengers at the intermediate ports between Shanghai and Hankow was an uncomfortable, and sometimes a dangerous, operation. At such ports the steamers made very short stops in mid stream, and small junks or sampans were used to convey passengers between ship and shore, so that embarking or disembarking from an inadequate gangway was a nerve wracking procedure. Russells improved their gangways, and introduced larger and safer boats for conveying their passengers between ship and shore, making the operation safer, more comfortable and faster.

When the conditions which passengers in Chinese junks endured are considered, the preference for foreign steamships is understood. One of the best descriptions of long distance travel in a Chinese junk is that of Gutzlaff in 1831. Gutzlaff travelled from Bangkok to Tientsin and then south to Macao in the Shunle, a junk of about 250 tons, the voyage lasting from 3rd June to 13th December. His accommodation was a hole in the steerage, where he barely had room to lie down and stow a small bag of personal belongings, and for most of the voyage he was - understandably - unwell. Fortunately, his treatment of the sick on board and ashore at the many ports of call, secured him relatively favourable treatment. Having a slight knowledge of navigation, Gutzlaff had many uncomplimentary remarks to make about the poor navigation and seamanship, and the general incompetence of the sailors.[5]

Until late in the nineteenth century most Chinese passengers on junks and steamships were male, and relieved the tedium and discomfort of the voyage by smoking opium and playing mah jhong. The sailors augmented their small and irregular wages by ministering to the passengers' wants. Pearl Buck, in her autobiography of her

father, and writing of the late nineteenth century, gives a vivid description of travel in a river steamer. "I can never forget the smells of those ships ...... the darkness of the low-ceilinged saloons ...... the huge opium couch of wood and rattan ...... the drowsy figures outstretched ...... and the thick, foul sweetish fumes arising and creeping into every cranny".[6]

Most foreign steamships on the China coast were passenger-cargo vessels, and both the Indo-China Steam (then Jardines) and the China Navigation Companies fostered the passenger trade. Jardines' Glengyle, built in 1864, could carry twenty first class, thirty second class, and 423 deck passengers, and the China Navigation Company's Hankow of 1874, fourteen European, 173 second class, and an unspecified number of deck passengers.[7] Missionaries, such as Pearl Buck's father, were not popular with the foreign shipping companies, although an unwritten law gave them first class passages at reduced rates. Otherwise many might have travelled on deck with the Chinese, and damaged European status, or 'face' in Chinese eyes.[8]

The overseas deck passenger trade has attracted more attention than the domestic trade, and is undoubtedly of greater historical and political importance. This study is concerned principally with the passenger trade between south China and south-east Asia, although reference will be made to the trade to other countries where necessary. The Chinese knew south-east Asia as the 'Nanyang', literally the 'Southern Ocean', but in practice the Nanyang included places further afield, such as New Guinea, Australia, and the islands of the South Pacific. Until well into the second millenium of our era the Chinese as a race were unadventurous and unenterprising; they were afraid of the barbarian outer world just as the Mediterranean peoples were afraid of the unknown oceans. For a long time it was Arabs,

Indians, Malays, and Persians who came to China, to Canton in particular, and this city had a large foreign quarter as early as the eighth century A.D.

After the establishment of the Ming dynasty in 1368, however, the situation changed, and the legendary Cheng Ho made a series of great maritime expeditions between 1405 and 1435. These expeditions went as far afield as the east coast of Africa, Calicot, Ceylon, and most important of all, to the East Indies.[9] They are sometimes described as going out as armadas and returning as argosies, and undoubtedly laid the basis for regular trade between south China and many parts of south-east Asia. Using the monsoons, junks could leave south China with the north east monsoon between November and March and return with the south west monsoon between May and September. A century after Cheng Ho's time, when the first European traders arrived in south-east Asia, they found populous Chinese colonies at the most important ports. These overseas colonies were composed principally of artisans and traders, although in Malaya and Siam the Chinese had penetrated inland and pioneered mining, tin mining in particular.

Until the Treaty of Tientsin of 1858, emigration from China was illegal, and the Chinese Government therefore was uninterested in the welfare of the overseas Chinese. Its attitude is described by Dr. Purcell in his The Chinese in South-east Asia.[10] This is one reason there are so few accurate statistics on Chinese emigration before the mid nineteenth century and the beginning of the treaty port era. Previous to this, one authorative account is that of John Crawfurd, one of the East India Company's most experienced administrators in south-east Asia.[11] His "A View of the Emigration of the Chinese to the various countries adjacent to China", covers

most of the important countries in the region.[12] Crawfurd states that Chinese emigration took place from the same provinces in which foreign trade took place, that is Canton (Kwangtung), Fukien, Chekiang, and Kiangnan; but chiefly from the first two. He estimated that the Chinese population in the various countries was:- the Philippines 15,000, Borneo 120,000, the Dutch Settlement of Rhio in the Straits of Malacca 18,000, Singapore 6,200, Java 40,000, Malacca 2,000, Penang 8,500, Malay Peninsula 40,000, Siam 440,000, Cochin China 15,000, Tonquin 25,000; a total of 734,700.[13] He also estimated that about 222 Chinese junks of between 120 and 900 tons were employed in the south-east Asian trades, and his description shows that he shared the low opinion of Gutzlaff on their navigation and seamanship.

Whatever reliance is placed on such estimates, it is evident that by the early nineteenth century the emigrant trade from south China to south-east Asia had attained considerable proportions, and was carried on by Chinese junks. These craft had no navigational aids beyond a rude compass, and kept as close to land as possible, sailing from headland to headland. Purcell estimates that between twenty and eighty junks sailed from Swatow to Bangkok every year. They were of between 200 and 600 tons capacity, and lay at anchor off Bangkok for months while retailing their cargoes. Estimates of Bangkok's Chinese population at this period varied from 70,000 to 400,000, out of a total population of around [14]

Before the European development of south-east Asia began in the mid nineteenth century, there was no large scale demand for Chinese labour, and from what we know, emigration from China was voluntary. It continued to be voluntary so far as the Government was concerned, but as competition for Chinese labour became acute,

became subject to the abuses of the credit ticket and and the indenture systems, and to the lack of adequate supervision at each end of the operation. The combination of these factors resulted in many Chinese emigrants to south-east Asia suffering almost as much as their unfortunate fellow countrymen who emigrated to the West Indies and South America. It was in these distant countries, and in the passage to them, that the greatest injustices and the greatest tragedies of Chinese emigration took place.

It was overseas ships - British and foreign - which engaged in the emigrant trade, whether to south-east Asia, South America, or the West Indies; and the coast companies did not become involved until towards the end of of the nineteenth century. Then - of course - it was the south-east Asian trade in which they became involved. This great increase in Chinese emigration co-incided with the opening of the first treaty ports, and with the expansion of foreign shipping on the China coast. It was also when steam was replacing sail in many trades. The most reliable statistics on the emigrant trade are in the reports of the British Consuls at the treaty ports, which were necessary in order to curb the many abuses associated with the early trade. These are supplemented by British Colonial Reports from Hong Kong and the Straits Settlements. Hong Kong became deeply involved in emigration from its earliest years, and it was the Hong Kong Government which made the first attempts to remedy its abuses.

The great majority of Chinese escaping from the intolerable conditions of south China from early in the nineteenth century were too poor to pay their own passage. This resulted in two systems under which emigration was effected - the credit ticket and the indenture systems. Under the former, Chinese brokers paid the

expenses of the emigrant's passage, and until this debt was paid off the broker had a lien on his services, which might or might not be sold to an employer of Chinese labour in south-east Asia. At first sight this seems an innocent and reputable system; but it was operated by Chinese middlemen, crimps, and compradores, many of whom were thoroughly unscrupulous, and at times it developed into a virtual slave trade. The emigrants were decoyed into barracoons, induced to gamble and lose money, kept in confinement at port of departure and port of arrival, and so many costs added to the passage money, that they were forced to accept employment at low wages as the credit ticket agents dictated. Many of the Chinese middlemen were agents of the secret societies, and the 'samsengs' (fighting men in the pay of these societies) escorted the emigrants from ship to lodging houses in Singapore, from where they were virtually sold to their employers. For a long time Straits Settlements' officials were unaware of the power of the secret societies, and this rendered their earliest attempts to remedy the abuses abortive; while the immigrants themselves were unaware of the existence of any institution in their newly adopted land to help them.

Under the indenture system the emigrants contracted to work for a term of several years for a large employer, usual a plantation or mine owner, after which they might, or might not, have their passage paid back to China. Otherwise, the conditions under which the emigrant was induced to emigrate, travelled, and was treated in his new home were very similar.[15] There were also, of course, a number of bona fide voluntary emigrants, relatives of earlier emigrants, who could afford to send them the necessary passage money, and the proportion of these increased as the Chinese colonies abroad increased in numbers and prosperity. Even under this latter system,

however, the new arrival would require to work for several years for near starvation wages in order to repay the cost of his passage.

Although there are many reliable accounts of Chinese immigrants in many countries of south-east Asia before the treaty port era, it is not until the second half of the eighteenth century that accurate statistics become available. These are in the records of the East India Company. Penang, for instance, began to receive Chinese immigrants soon after its occupation by the Company in 1785. These came from Canton in homeward bound East Indiamen, several hundred being involved, consisting of about equal numbers of artisans and husbandsmen. In 1804, the Captain China of Penang returned to Canton to recruit additional Chinese, and was given a letter of recommendation from Lieutenant-Governor Farquhar to the Select Committee.[16] The Lieutenant-Governor asked the Committee to advance the Captain China credit up to 10,000 dollars and described him as: "a man of very considerable property and leaves large funds here; but he prefers to embark with very little money ...... acceding to Tiquo's request will tend to the advantage of the Honourable Company's interests at this important station, by the influx of Chinese Artisans and labourers that it is calculated to produce."[17] Emigration was then forbidden to Chinese, but the Chinese authorities at Canton took no steps to stop it, and the Company embarked their emigrants either at Macao, or other place outside the jurisdiction of the Canton authorities.

Raffles always advocated Chinese immigration, and in 1812 Mr. Roberts of the Select Committee was requested by Raffles to send Chinese labourers to Raffles' new settlement of Minto on the island of Bangka, off Sumatra. In response the Company sent 700 Chinese from Macao on 13 December 1813, and a further 425 on 8 February 1814.

On each occasion the commanders of the East Indiamen on which the Chinese travelled received passage money of thirty dollars for each man landed at Bangka.[18]

In 1816, after Napoleon was imprisoned on St. Helena, the Governor there requested 350 Chinese as artisans and labourers, and requested a further number in 1820. The imprisonment of Napoleon on St. Helena caused a minor boom in the island's economy.[19] H.B. Morse does not describe the conditions under which these Chinese emigrants travelled to Penang, Bangka, and St. Helena; but it is probable that these were as good as those enjoyed by the Company's own sailors.

South-east Asia was the second home of the Chinaman, and no matter the hardships he might endure on the passage and on first arrival there, he had a good chance of prospering after a few years. It was a different case with Chinese who were sold, or betrayed, to the coolie-brokers in the treaty ports between the 1840s and 1870s, and then subjected to intolerable hardship, both on the passage to, and on arrival in the alien West Indies or South America. The most unfortunate were those who ended up working on the guano deposits on Peru's Chincha Islands. Although our principal concern in this study is emigration by British ships to south-east Asia between 1842 and 1914, it is appropriate that some attention be paid to emigration to the West Indies and South America. British and other foreign ships participated in this trade, and British merchants and British ships were associated with several of its worst tragedies.

In a letter to Dr. Bowring (Superintendent of British Trade in China and Governor of Hong Kong) of July 21, 1852, the Foreign Secretary stated "Her Majesty's Government are not ignorant of the great irregularities having been committed in the transport of coolies

in British ships, and a very painful case has lately been brought to their notice of great mortality having occurred on board the British vessel Lady Montague. Another case, that of the British vessel Susannah, has lately been brought to the notice of Her Majesty's Government ......"[20]

In a previous letter to Dr. Bowring of June 12, 1852, the Foreign Office sent a questionnaire for him to forward to the British Consuls at the several ports, with instructions to return answers to them with as little delay as possible. The questions dealt with the number of emigrants from each port, was emigration sanctioned or connived at by the local authorities, were the emigrants suited for labour in the tropics, how they were recruited, would they take their families and settle out of China, and so on.[21] In the course of the correspondence which ensued, Dr. Bowring described his own experiences at Amoy: "I have myself seen the arrangement for the shipment of coolies at Amoy; hundreds of them gathered in barracooms, stripped naked, and stamped or painted with the letter C (California), P (Peru), or S (Sandwich Islands) on their breasts. A trifle advanced to give them food, a suit of clothes to cover their nudity, a dollar or two for their families, and candidates in abundance are found for transportation to any foreign land. The principal shipper of coolies is Mr. Tait, a British subject, who has all the advantages and influence which his being Spanish, Dutch, and Portuguese Consul gives him".[22]

The following is a summary of the information obtained from the British Consuls at the five treaty ports. There was little or no emigration from Shanghai, Ningpo, or Foochow, and it was concentrated at Amoy and Canton. Swatow, although not yet a treaty port, was also an important emigrant port, the Chinese authorities there

closing their eyes to this. The British Consul at Amoy described emigration at that port as of two kinds, native and foreign controlled emigration. The former was partly voluntary, as when the parties leave to join prosperous friends who have established themselves as cultivators or artisans in the countries of the Malay Archipelago. It is partly by contract with supercargoes of Chinese origin settled abroad, and agreement is usually that on consideration of a free passage the supercargo shall have the right to dispose of the services of the emigrant for a year, this giving plenty of opportunity for profit as passage cost varies from eight to sixteen dollars, according to whether it is to Singapore, Penang, or Batavia. The Consul pointed out that none but the most destitute would leave for the West Indies or South America unless in very hard times, these countries being to the Chinese a terra incognito.[23]

The principal shippers of coolies to the West Indies and South America at Amoy were Tait and Company, and Syme, Muir amd Company, and in November 1852 serious outrages were caused at the port by the activities of the latter. Mr. Syme and one of his employees, Mr. Cornabé, attempted to rescue one of their coolie-brokers who had been imprisoned by the Chinese authorities. The activities of such men had aroused great indignation among the Chinese, and ensuing disturbances threatened British lives and property. H.M.S. Hermes was sent from Hong Kong to investigate the matter, and a Consular Court was held at Amoy on 18th December, 1852. Messrs. Syme and Cornabé were fined $200 and $20 respectively, for being guilty of a breach of the treaty existing between Her Britannic Majesty and the Emperor of China, the Treaty of Nanking.[24] At the Court Henry Holmes of Dent and Company and Robert McMurdo of Jardine, Matheson and Company, stated that the coolie trade had very adversely affected the trade

of the port.[25]

The abuses of the emigrant trade aroused great indignation in Britain, and were the subject of debates and questions in Parliament. In reply to a question in the House of Lords from the Bishop of Oxford on 21 June 1858, the Foreign Secretary (the Earl of Clarendon) gave the following statistics on the mortality of emigrants carried in British ships to British West Indian colonies. Between September 1852 and April 1854, seven British ships carried a total of 2,340 Chinese, of whom 232 died on the passage, approximately 10 per cent. Statistics on the mortality on British and ships of other nationalities carrying Chinese to Cuba were also given. These revealed that sixty three ships were engaged in this trade between 1847 and 1857, twenty six of which were British. The highest mortality here was on Peruvian ships where there were 502 deaths among 1,314 emigrants carried in three ships, 38¼ per cent. The lowest mortality rate was, perhaps surprisingly, on three Portuguese ships, where only twenty eight deaths occurred among 1,049 emigrants, 2¼ per cent. There were 1,391 deaths among the 9,606 emigrants carried on British ships, 14½ per cent; while on the nine American ships which carried 3,910 emigrants, 373 died, 9½ per cent. The total number of emigrants carried to Cuba during this period was 23,928, of whom 3,342 died, an average of 14 per cent.[26]

The Earl of Carnarvon also supplied other statistics on Chinese emigration to Mauritius and several British West Indian islands, which give a more favourable impression of the British performance. These showed the high proportion of Chinese who became permanent residents, the extent of their remittances back to China and the money they took back when they returned or went back on holiday. In these places the Chinese were under British jurisdiction

as was not the case in Cuba or Peru.[27]

The Hong Kong Government's earliest attempts to curb the abuses of the emigrant trade achieved limited success. Their effect was to divert much of the trade to Macao and other ports, and from British to other foreign ships, both in the south-east Asian trade and that to South America and the West Indies in which the greatest abuses occurred. The Chinese Passengers Act of 1855, for instance, allowed British vessels to carry only one passenger for every two tons capacity, whereas other ships could carry three passengers.[28] Between 1855 and 1873 British Consular Reports from Amoy and Swatow, (Swatow became a treaty port in 1860), deplore this unsatisfactory situation, and have no statistics on coolie emigration in British ships. From the early 1870s, however, a series of regulations by the Hong Kong and Straits Settlements Government, and by the Portuguese Government, altered the situation, and allowed British ships to compete on more equal terms with other foreign ships in the emigrant trades.

On 7th October 1873 the Government of the Straits Settlements passed an Ordinance under which vessels of all nationalities entering the limits of the British Settlements were placed on the same footing as to the number of passengers allowed to be carried. The space to be allowed each passenger under the new ordinance to be the same as that prescribed by the Hong Kong Ordinance No.8 of 1871. In his report for 1874 the British Consul at Swatow wrote: "I am glad to be able to report that the complaints of British shipowners that, owing to the liberality of the Custom House rules, under which most of the continental vessels visiting this port could take passengers to the Straits and other places, British vessels which are forced to carry emigrants under the stringent Chinese Passengers Act of 1855

were placed at a disadvantage, and could not get so many charters as the others, have entirely disappeared, the Government of the Straits Settlements having on 7th October last, passed an Ordinance, ..."[29] Although handicapped in the emigrant trade during this period between 1855 and 1873, British ships carried an increasing number of Chinese passengers on the coast. In his report for 1866, for instance, the British Consul at Swatow noted that the visits of British passenger ships on the Hong Kong-Foochow service which also called at the intermediate ports of Amoy and Swatow, had increased from 192 in 1865 to 277 in 1866.[30] Most of the British ships on this service belonged to the Douglas Lapraik Company of Hong Kong, later called the Douglas Steamship Company, which had been formed in 1865.

From the beginning of large scale emigration from South China at the start of the treaty port era, Hong Kong legislation to curb the abuses in the trade had been largely ineffectual, because emigration from Macao was completely uncontrolled, and Macao acquired an unsavoury reputation for its part in the emigrant trade. Both the British and the Hong Kong Governments tried to persuade the Portuguese authorities to take effective action to control the trade, and these efforts were finally rewarded at the end of 1873, when the following letter was sent from Lisbon to the Governor of Hong Kong:-

Foreign Office, Lisbon, December 29, 1873,

to the Governor of Hong Kong,

"Sir,

I have the honour to inform your Excellency that His Majesty's Government has determined to put an end to the Chinese emigration carried on, under contract, through the port of Macao, and has directed that all the provisions and regulations which are in force at Hong

Kong with respect to Chinese emigrants shall be adopted there ...."[31]

The effect of this legislation by the Hong Kong, Straits Settlements, and Portuguese Governments, was the removal of the worst abuses of the emigrant trade, and enabling British ships to compete with other foreign ships. Another factor contributing to this was that from 1860 emigration from China became legal, and the Chinese Government took a much greater interest in the welfare of the overseas Chinese. Before describing the development of the emigrant trade after these improvements, however, it may be relevant to describe briefly some of the disasters of the preceding twenty years. The British Government published an official document entitled: A Memorandum of the Coolie Ships on board of which Mutinies have occurred, or in which the Vessels or Passengers have met with Disasters, from the Year 1845 up to the Year 1872. [32]

In this period thirty four major disasters occurred, fourteen of which involved British ships, and nine of the ships involved left from Hong Kong. Several of the most notable are described below. The Lady Montague left Hong Kong for Callao in 1852 with 450 coolies, and sickness struck early on the passage. She put into Hobart for relief and supplies. Later the coolies attempted to revolt, and by the time Callao was reached about 300 had died. In the following year the Lady Amherst left Amoy with 250 coolies for Havana. A revolt broke out early in the passage in which the captain was killed, and she put into Singapore for assistance. In 1856 there was a successful revolt on the Victory, bound from Hong Kong to Callao with 350 coolies. The captain, officers, and part of the crew were killed in this case, after which the coolies plundered the ship and landed on two small islands in the Gulf of Siam, the remainder of the crew taking the ship into Singapore.

The greatest disaster, however, was that of the Flora Temple in 1859. This vessel left Macao with 850 coolies for Havana, and encountered a hurricane a week out from port, in which she struck an uncharted reef off Indo-China, and was wrecked. The Captain, officers and crew, left in the lifeboats and reached Touron. A French warship was immediately sent to the scene of the wreck but could only find a few planks, and no sign of any of the 850 coolies. Another case involving almost as many casualties, but perhaps even more gruesome, was that of the French Dolores Ugante, in 1871, but flying the flag of San Salvador at the time. The Dolores Ugante left Macao with 608 coolies for Cuba, and two days out the coolies set the ship on fire. About 270 coolies were burnt to death, but the captain, officers, and crew left in the lifeboats and were saved.[33]

It will be noted that all the above cases involved vessels bound for the Spanish, or ex-Spanish, colonies in South America. The early 1850s was a particularly bad period in south China. As the Taiping rebels drew near Canton in 1850 and 1851, a flood tide of migration set in towards Hong Kong and Macao, and unscrupulous coolie brokers and pimps in both places were able to reap a rich harvest. In 1852 about 30,000 Chinese embarked in Hong Kong alone, paying more than $1,500,000 in passage money. There was one incident in this sordid recital which had a happy ending. In 1872 the Peruvian ship Maria Luz left Macao for the Peruvian guano islands with over 300 indentured labourers, and was forced into Yokohama in distress. One coolie jumped overboard and swam to H.M.S. Iron Duke, where he reported that the passengers on the Maria Luz had either been abducted or decoyed on board under false pretences. As a result, all the passengers were sent back to China. Peru threatened war unless Japan apologised and paid compensation; but the British Government

warned Peru that any hostile act on her part would invite retaliatory action by the Royal Navy. In the event, the matter was referred to the Tsar of Russia, who gave his verdict in favour of Japan.[34] This case focussed public attention on the many unsavoury aspects of the emigrant trade, and helped to remedy the worst of the abuses. Incidentally, it also led to the opening of diplomatic relations between China and Japan.

As described above, by the mid 70s legislation by the governments of Hong Kong, the Straits Settlements, and Portugal, had removed many of the worst abuses from the emigrant trade, and also some of the disadvantages under which British vessels suffered in competition with other foreign vessels. Much of the emigrant traffic until this time had been by sailing ships owned by small companies, or individuals, which had been chartered to agents and firms in the Chinese ports. From now the established steamship companies participated, sailing ships disappeared from the scene, and in the south-east Asian trade junks also declined considerably. With the emigrant trade under greater control, and British steamships obtaining a greater share, British Consular Reports from the treaty ports contain fuller statistics. Unfortunately, these reports were not compiled in a standardised manner, and accurate statistics for one port may be succeeded by an absence of similar statistics for another port, or coincide with the absence of statistics from a third port. The following description of the emigrant trade from the principal treaty ports, therefore, covering the years between 1874 and 1914, suffers from these limitations.

The principal emigrant ports were Amoy, Swatow, and Hoihow (the port for Kiungchow on Hainan). Although Hoihow was designated a treaty port in 1860, it was not officially opened to foreign trade

until 1876, at the time British ships were re-entering the south-east Asian emigrant trade. During the 1860s and early 1870s, the British Consuls made little reference to the emigrant trade, except to lament the handicaps under which British ships suffered compared to other foreign ships. From 1874, however, the reports contain an increasing amount of information on the emigrant trade, and in the later years the destinations of the emigrants and nationality of the ships in which they travelled is often included. In the Swatow Consul's report for 1874, for instance, 16,914 passengers left for the Straits Settlements, 489 for Bangkok, and 263 for Saigon. The number of returning passengers was only 678, but the Consul reported that 16,725 Chinese passengers had arrived at Swatow from Hong Kong, and it was assumed that many of these had arrived at Hong Kong from the Straits.[35] In the same year, the Amoy Consul reported 7,345 passengers leaving that port for Manila, Saigon, Java, and the Straits; and that twenty four British ships had been engaged in the trade. In this report the destinations were not stated, nor the particular British shipping companies involved.[36]

Hoihow was opened to foreign trade on 1st April, 1876, but the British Consul's report for the remaining nine months of the year made no mention of the emigrant trade, although by that time emigrants from Hainan were going to the Straits Settlements and Bangkok in considerable numbers in junks. In his report for 1880, however, the Consul referred to a "considerable passenger traffic from Hoihow to the Straits Settlements", presumably still by junk, although by this time British ships had the major share of the steamship trade of the port.[37]

The Scottish Oriental Steamship Company was formed in Glasgow in 1883, and initiated British participation in the Hoihow

emigrant trade when it commenced regular services from there to Singapore and Bangkok in February 1885. In that year 1,370 passengers left for Singapore and 2,686 returned; 841 left for Bangkok and 876 returned; and 7,402 left for Hong Kong and 8,816 returned.[38] The fare to Bangkok was then about $6.50 and to Singapore between $5 and $7, and until 1895 the Scottish Oriental Steamship Company had a near monopoly of the Singapore and Bangkok trades. In that year British steamships carried 1,482 passengers to Singapore, while all others only 500; and they carried all the 1,684 passengers who left Hoihow for Bangkok. In 1896, however, other foreign steamships entered these trades, and British steamships carried 1,803 passengers to Singapore against 1,137 by the others, and 1,811 to Bangkok against 3,192 by the others.[39]

There was a further development in 1899, when the Scottish Oriental Steamship Company sold its fleet to the German North German Lloyd, and from then until World War I the emigrant trade from Hoihow was almost a German monopoly, and that to Bangkok largely in the hands of the China-Siam Steamship Company.[40] The latter was a Chinese company formed the previous year by Chinese business men in Hong Kong and Swatow. Butterfield and Swire, however, had been agents in Hong Kong and Swatow for the Scottish Oriental Steamship Company, and retained these agencies under the new ownership of the company. The following table shows the native passenger trade at Hoihow in the three years previous to the outbreak of war in 1914.

	1911		1912		1913	
	To	From	To	From	To	From
Hong Kong	3,452	6,472	3,654	7,219	4,177	9,144
Singapore	32,431	9,052	24,088	9,019	16,858	4,051
Bangkok	9,464	9,723	9,882	7,990	10,997	6,915
Total	45,347	25,247	37,624	24,228	32,032	20,110

The total number of passengers which left Hoihow, therefore, during 1911, 1912 and 1913 was 115,003, and the total number which arrived was 69,585; an average of 38,334 leaving in each of these three years, and of 23,195 arriving.[41] In assessing these figures it must be realised that many of the passengers who left Hoihow for Hong Kong eventually made their way by overseas ships to Singapore or other ports in South-east Asia, and that many of the passengers who arrived at Hoihow from Hong Kong came from Singapore or other ports by overseas ships.

Amoy and Swatow were more important emigrant ports than Hoihow, and more important for British shipping. By 1885 the passenger trade at Amoy had increased greatly from the modest figures of 1874, and the table below describes the position in 1885.[42] Unfortunately, the British Consul made no distinction in his report between Hong and other coast ports.

	Native Passengers to	Native Passengers from
Singapore	28,818	21.221
Manila	8,726	10,427
Bangkok	82	141
Hong Kong, other coast ports and Formosa	12,111	11,929
	49,737	43,718

Of the 28,818 passengers who left for Singapore all but 131 travelled in Blue Funnel or Glen Line ships, and it may be assumed that a similar proportion of those returning would use the same ships.[43] Of the 19,153 passengers who travelled to and from Manila it can also be assumed that a good proportion travelled in ships of the Douglas Steamship Company of Hong Kong.

The Swatow Consul was even less specific in his report on emigration for 1885 than the Amoy Consul. He does note that 127

British ships were engaged in the passenger trade at Swatow in 1885; but gives no statistics on the passengers carried, and concludes his remarks on emigration as follows: "When we take into consideration the number of passengers that have gone from here to the Straits and Bangkok during the past five years, it is a matter of congratulation to all concerned that everything has worked so smoothly, and not a single accident has occurred. The passengers are well looked after and the steamers employed in the service are some of the finest in the world".[44]

There was a similar lack of details about the emigrant trade at Amoy and Swatow in the British Consuls' reports from these ports right up to the years just before World War I when they became much more specific. The Swatow report for 1901, however, is one of the fullest for many years, and the emigration returns are collated briefly below:

	Arrivals		Departures [45]	
	1900	1901	1900	1901
Coast Ports	8,431	5,448	4,882	5,467
Hong Kong	61,971	62,345	21,719	18,052
Bangkok	8,843	10,711	16,678	20,059
Saigon	...	...	5,863	7,491
Straits	225	...	40,420	36,888
Sumatra	637	942	8,699	6,110
Manila	...	232	...	...
New Guinea	...	...	...	...
TOTAL	80,107	79,718	95,201	94,344

In his report from Amoy for the previous year, 1900, the British Consul noted that: "Emigration continues to give employment to a large fleet, nearly all the vessels of which are specially

fitted for the traffic". In 1899, 62,000 passengers left for the Straits and in 1900, 79,000, of whom 69,000 were carried in ninety four British vessels. In addition some 10,000 left for Manila, many of whom were carried under the British flag.[46] This latter trade was expected to decrease very considerably in the future, as the United States were to extend their domestic exclusion laws to their newly acquired Philippines territory. Because of sporadic cases of plague, strict medical examination of departing emigrants had been imposed at Amoy, and the Consul noted that this precaution seemed to have been successful, as no cases had appeared on ships which had been subjected to this examination.

A brief summary of the emigrant trade at the end of the century shows that at the three principal ports of Amoy, Swatow and Hoihow some 60,000 emigrants left Amoy annually for south-east Asia, 85,000 left Swatow, and some 20,000 left Hoihow. These figures exclude an unspecified number who travelled via Hong Kong. The principal receiving ports in south-east Asia were Singapore, Bangkok, and Manila, with Batavia, Sourabaya and Saigon of secondary importance; many travelling to the Netherlands East Indies via Singapore. British ships, principally overseas ships, were predominant in the trade to Singapore from all three Chinese ports; but in the trade to Bangkok from Swatow and Hoihow, German ships were predominant. Both German and Dutch ships, principally the North German Lloyd and Java-China-Japan Line, had a considerable share in the trade to the East Indies. In the coast trade between the three ports and Hong Kong, British ships were predominant, and as the British Consul at Amoy noted in 1899: "between 65 and 75 per cent of emigrants returned later, filtering back via Hong Kong".[47]

One development towards the end of the nineteenth century,

which was to have great political significance in the future, was the emigration of Chinese women and children. The Chinese authorities, while comparatively lax in enforcing the law against the emigration of men before 1860, took great precautions to prevent women emigrating. As a result, a Chinese woman was a rare sight in south-east Asian cities until early in this century. This shortage of female compatriots led to many Chinese marrying, or having liasons with, Malays, Indonesians, and Siamese, and until comparatively recent times, there seemed a reasonable chance that the overseas Chinese would merge into the local communities. The relaxation of the law against the emigration of women, and their increasing emigration after 1860, facilitated by steamships, reversed the previous trend towards assimilation, and led to the explosive situation which arose in many places after the departure of the colonial powers.

The first reliable statistics on the emigration of Chinese women come in 1885. In that year the British Consul at Amoy noted that among the 29,409 emigrants who left in British ships were 614 women and 1,275 children.[48] In 1899 the British Consul at the same port, while unable to supply detailed statistics, estimated that some 2,500 women and 3,500 children were among the 62,000 emigrants who left for the Straits Settlements.[49]

By this time most of the abuses of the emigrant trade had been remedied. There may still have been some emigrants who left China with obligations to friends or organisations in south-east Asia for the cost of their passages, but all returned as free individuals. The increased protection the Chinese now received in the Straits Settlements and Indonesia from the British and Dutch colonial authorities, and the increased interest taken in their welfare by the Chinese Government also contributed to this improved state of affairs.

There had been serious riots in Singapore in 1871 and again in 1872, between samsengs (the fighting men of the Chinese secret societies), and coolie brokers and police. These had occurred when recently arrived coolies were being driven on board ships for passage to Sumatra, and were on such a scale that the Straits Settlements Government immediately ordered an investigation. The subsequent report revealed so many serious abuses that the Government quickly rushed through remedial legislation. Among other things, this provided for the appointment of Protectors of Chinese at Singapore and Penang, for the establishment of officially supervised coolie depots, and for the registration of all labour contracts entered into by Chinese immigrants. A Protector of Chinese was appointed at Singapore in 1877, and an Assistant Protector at Penang in 1881.[50] The Dutch colonial authorities, however, did not take similar action until 1901. In any comparison between British and Dutch colonial policy, it must be remembered that slavery was not abolished in the Dutch East Indies until 1860. Britain's last major improvement in the treatment of Chinese and Indian coolies was made in 1914, when indentured labour was abolished throughout the British Empire, a progressive act which, unfortunately, had a serious effect on the Penang sugar industry.

Until this time the principal coast companies had taken little part in the emigrant trade between south China and south-east Asia. Butterfield and Swire were involved through their agencies for the Blue Funnel Line, the Scottish Oriental Company (and its successor North German Lloyd) and also with emigration to Australia through the China Navigation Company's Australian service, when this was operating. Jardine, Matheson and Company were also involved in the south-east Asian trade through their agency for the Glen Line

and the Indo-China Steam Navigation Company's Calcutta-Singapore-China and Japan service. In 1882, however, the China Merchants Steam Navigation Company put two ships on the emigrant service. These took emigrants from Amoy and Swatow to Singapore, returning via Saigon with rice. The venture was initially successful; but was a victim of the crisis caused by the Franco-Chinese War, and the ships were withdrawn at the end of 1883, and laid up in Hong Kong to avoid confiscation by the French Navy. After this no further attempt was made by the China Merchants to enter the emigrant trade.[51]

The peak years of Chinese emigration to south-east Asia in the period under consideration here, were those immediately preceding World War I. In the five years, 1909 to 1913 inclusive, 1,130,550 Chinese immigrants arrived in the Straits Settlements from south China, an average of 226,110 per year. This total comprised 943,750 men, 97,433 women, 57,355 boys, and 22,012 girls. The record year was 1911, when the total was 269,854, after which there was a small decrease owing to more stringent medical inspections at ports of departure and ports of entry.[52] In 1911 there was also a record number of Indian immigrants, 118,583, into the Straits.[53] Immediately on the outbreak of the war on 4th August 1914, Chinese and Indian immigration was suspended, by which time 147,150 Chinese and 51,217 Indians had already arrived in the Straits Settlements.[54]

The Hong Kong Report for the same year of 1913 showed that 102,353 Chinese left for the Straits out of a total of 142,759 emigrants, and 103,665 of these travelled by British ships.[55] Most of the remainder - presumably - went to Indonesia and Siam. In the same year of 142,845 emigrants leaving Swatow, 55,315 went to the Straits; and of the 65,772 who left Amoy it is estimated that some

45,000 also went to the Straits.[56] The Swatow Consul's report for 1913 is one of the most detailed of the period, and includes the destinations of the emigrants as follows:- Hong Kong 25,693, the Straits Settlements 55,315, Bangkok 49,817, Saigon 3,581, the Netherlands Indies 8,325, and Nauru 111; a total of 142,845.[57] The trade to the German phosphate island of Nauru was a new venture, agreed upon between the German colonial authorities there, and the Peking and Canton Governments.

In the autumn a new Chinese company was formed to participate in the emigrant trade, and commenced with two ships. This was the Fock Tong Steamship Company, formed by a group of Hong Kong and Swatow Chinese merchants. The ships ran between Amoy, Swatow, Hong Kong, Singapore, and Java ports, taking emigrants and general cargo south, and bringing back returning passengers, raw sugar, and rice.[58]

Emigration on such a large scale could not fail to affect the region of origin of the emigrants. In 1913 the Amoy Consul reported that the country around the port was largely depopulated, and emigrants were now coming from inland districts.[59] This was one of the poorest regions of China, and revenue was always inadequate. The situation became even worse when in 1902 the Chinese Maritime Customs absorbed the Native Customs, thus depriving the local authorities of much of their revenue. The latter, therefore, proposed a tax of $1 on all emigrants leaving the port. The foreign shipping firms recognised the inevitability of some such tax, and suggested that it be levied on passengers returning from the south, who would be more able to afford this than departing passengers. This was agreed, and $1 per head was paid by the shipping companies to the Chinese Maritime Customs to hand over to the local authorities, the

shipping companies recouping themselves by adding this to the passage money.[60] In spite of their poverty, however, the Chinese were still loath to emigrate to unfamiliar countries. In 1902, for instance, an attempt was made to enlist Chinese for work in the recently opened tobacco plantations in British North Bornea; but in spite of the liberal terms offered this met with no success. As the Amoy Consul explained: "This colony being new to the Chinese of this district, it was difficult to find men willing to proceed".[61]

It is evident from the statistics quoted above, imperfect as many may be, that the Chinese passenger trade between South China and south-east Asia was not a one-way traffic. A large proportion of the Chinese emigrants to south-east Asia returned to China either to retire or for a holiday, and few completely lost touch with their ancestral village. In his report from Kiungchow for 1892, the British Consul wrote: "The Chinaman .... looks forward to the time when his body will repose in an expensive tomb, to which his posterity for long generations will piously bring offerings of paper money, food, and wine for his manes to enjoy. He wishes also to perform the same filial duty towards his own forefathers. These are the chief reasons why he desires to return home, or to have his body taken there. Many a man embarks to return home when he feels his earthly life is drawing to a close, and if it is too late, and he dies en route, the other Chinese passengers will often subscribe for a native testimonial - a Chinese inscription on a gay banner - to honour the captain who will take the trouble to bring the body back to China for burial instead of committing it to the deep".[62]

A common sight in the home of a prosperous overseas Chinese in south-east Asia used to be an elaborate custom built coffin, displayed for the admiration of friends and relatives. These coffins

travelled back and forth between south-east Asia. Regular emigrant ships, however, always carried a few coffins in reserve for the use of improvident travellers should the eventuality arise.

Considering statistics for the five years preceding 1913, and for the Straits Settlements only, it is possible to obtain an accurate picture of the Chinese passenger trade between south China and the Straits. In these years 1,130,550 Chinese emigrated to the Straits from south China and 867,131 returned, 76.7 per cent.[63] Applying this per centage to the annual average of 226,110 immigrants arriving in the Straits from south China to north bound passengers, produces an average of 173,427 Chinese returning each year. If the Swatow statistics relating to the proportion which travelled in British ships is again applied, then 162,120 Chinese travelled south and 124,347 north in British ships in each of these five years, 71.7 per cent.[64]

Emigration on this scale naturally had a serious effect on the population of the regions from where the emigrants originated. Paradoxically, it also contributed to their economy. In 1902 the Swatow Consul wrote: "The Swatow coolie is one of the most successful of emigrants .... and it would seem that it is the remittances of these emigrants which enables the territory to pay for the foreign goods it consumes, the total imports for a number of years being more than double the value of the exports".[65]

At Canton and Amoy in particular, the local economies were dominated by remittances from overseas Chinese. As early as 1884, the British Consul at the latter port could report: "That the Chinese do well out of their own country, is testified by the fact that although the emigrants leave without any money, they managed to forward from Manila and the Straits Settlements a sum of between

$5,000,000 and $6,000,000 to their friends and relatives here".[66] The University at Amoy was supported by a man from the city who had made a fortune in Singapore. C.F. Remer, an authority on China's foreign trade considered that Canton "repeatedly showed powers of economic recovery due to the influx of funds from abroad".[67] Remer also estimated that the annual average remittance of an overseas Chinese between 1899 and 1913 was $105, and increasing steadily.[68]

It is beyond the scope of this study to describe the economic consequences of the spread of Chinese abroad, as in addition to the effect of the influx of funds from abroad on the economy of China itself, especially south China, it would also entail writing much of the economic history of countries such as Siam, the Philippines, the Dutch East Indies, Malaya and the Straits Settlements. The sums of money sent back by the hundreds of thousands of Chinese labourers in the rice mills, rubber plantations, tin mines, and tobacco plantations of these countries may have been small in individual cases, but came to a considerable sum in the aggregate. The greater part of the funds from abroad, however, were the remittances of business profits and of income from property holdings, rather than the savings of wages; but it is impossible to draw a definite line of distinction between the two. The overseas Chinese built up businesses abroad with practically no outflow of funds from China. It was these payments from abroad which were of the greatest importance in China's balance of payments.[69]

Estimates of the number of Chinese abroad in the early years of the twentieth century usually vary between seven and nine million. An "official estimate" for 1914 puts the number at eight and a half million.[70] As to the amount of remittances from abroad, most credence should be given to H.B. Morse's estimate of Ch.$110,000,000 in 1903,

and Ch. $150,000,000 in 1906, approximately £9,166,000 and £12,500,000 respectively.[71]

Of equal, or more importance, than any economic consequence of the overseas Chinese remittances were the political consequences in both China itself and in south-east Asia of these overseas Chinese communities. Sun Yatsen spent most of his early revolutionary career enlisting financial support from overseas Chinese, and his Kuomintang party was largely financed from abroad. Until his appearance the overseas Chinese had shown very little political awareness, either in their newly adopted countries, or of events in China itself. Sun Yat-sen's work was greatly facilitated by the fact that so many of the overseas Chinese came from the provinces of Kwangtung and Fukien, which were traditionally hostile to the Manchu dynasty. After the Revolution of 1911, therefore, the Chinese Government took a much greater interest in the welfare of the overseas Chinese, creating political difficulties between China and the Colonial Powers.

This study, however, is more concerned with the maritime, than the political or economic aspect of Chinese emigration. This naturally embraces the conditions under which emigrants travelled between south China and south-east Asia. More seems to have been known about these in the 1840s to 1870s, than in the latter period up to 1914, when British ships were so much involved in the trade. Conditions in the early period, and especially in the trade to South America and the West Indies, closely resembled those in the West African slave trade a century earlier. Phrases such as "intolerable conditions", and "horrors of the Macao coolie trade" spring to mind. The emigrants were confined below decks for long periods, and not allowed to leave the small area in which they were confined, sometimes in two-tiered rows of bare boards. Food was appalling, medical

attention grossly inadequate, and sanitary conditions on a par, or non-existent. Voyages to the south-east Asian ports were much shorter than those to South America or the West Indies, being measured in weeks compared with months in the latter, so that even if conditions had been similar, the passengers had to suffer them for a much shorter period.

Any study of the Chinese emigrant trade, however, must be undertaken in historical perspective. It is probable that the thousands of Irish emigrants to America during the famine years of 1846 to 1848 endured conditions little, if any, better than those of the Chinese coolies bound for South America and the West Indies.[72] The greatest hardships during the famine emigration were on ships chartered by landlords anxious to clear their estates of impoverished tenants, and involved British, more than American or German ships. The latter charged higher fares, and applied the Passenger Acts more strictly. Two of the most tragic cases involved the British ships Larch and Virginius, which left Sligo and Liverpool respectively for Quebec in 1847, the latter taking nine weeks to cross the Atlantic. Of the Larch's 440 passengers, 108 died at sea, and 150 of the remainder were landed sick; while of the Virginius' 476 passengers, 158 died at sea, and 106 of the remainder, including the master and mate, were landed sick.[73]

In the south-east Asian trades, conditions for emigrants were usually better in China coast ships, than in the overseas ships which engaged in the trade in their passages up and down the coast. The latter usually had steel or iron decks, compared with wooden decks in coast ships, although Blue Funnel and Glen Line ships had wooden decks and conditions on these ships were very similar to those on coast ships. In The Ben Line, George Blake describes the preparations

for emigrants as "laying wooden flooring on iron decks and slinging awnings overhead". The emigrants, usually about 200, were accommodated on the foredeck, where they settled down to several days of domesticity, cooking for themselves, bathing their babies and so on, just as if the ship's deck was their native village.[74] Blake is apparently describing conditions in the early years of this century. In Typhoon, Conrad describes conditions on a coaster some twenty years earlier, and where the ship is returning emigrants from Bangkok to Foochow. On the Nan-Shan the coolies are accommodated in the forward 'tween deck, a wooden deck, where battens are nailed down to keep the 200 emigrants' camphor wood boxes from shifting in bad weather. Among other things, these boxes each contained a small hoard of silver dollars, the fruits of seven years labours in Siam.[75] Conrad's description of the typhoon is a classic of its kind; but his story has some minor inconsistencies. The coolies are destined for Foochow, an unlikely port for Chinese returning from Siam, who generally hailed from further south in Fukien Province, from Amoy, or from Swatow in Kwangtung Province. Then, although the Nan-Shan had been out on the coast for several years, and been transferred from the British to the Siamese flag, she still had European sailors and firemen. In most cases, newly built ships changed to Asiatic crews soon after they arrived on the coast.

On coasters with Chinese crews, deck passengers normally received better treatment than on overseas ships, and this was especially so on north bound ships, on which the passengers were either returning to China for a holiday or to retire. They were then a valuable source of income to every Chinese crew member, from Number One Compradore down to Firemens' Cook's Boy.[76] Deck passengers were provided with two spartan, but adequate meals per day,

consisting principally of rice with some dried fish and vegetables. All China coasters had one or more cast iron rice boilers fitted with steam coils, capable of cooking a hundredweight or more of rice at a time. The compradore's staff cooked these meals, swept the decks, and looked after the passengers; but the entire crew provided additional luxuries. Some ran food and drink stalls, others opium dens and gambling schools, and others hired out their accommodation and slept on deck. From the earliest hours of the day until late at night, therefore, the 'tween decks resembled the market place of a prosperous small Chinese town. Affluent passengers were thus able to have a pleasant passage.

Not all Chinese who emigrated to South-east Asia became wealthy 'towkays', but most attained a modest degree of prosperity, and all retained their liking for traditional Chinese food and delicacies.[77] There was, therefore, a considerable south bound trade in these - Swatow cabbages and oranges, lychees, preserved eggs, and Chinese wine, which paid freight either to the shipping company, or, most likely, to some member of the crew.

While the emigrant trade to South-east Asia was increasing so was the passenger trade on the coast, and on the Yangtze, Canton, and West Rivers. Almost every China coaster was equipped to carry deck passengers. Unless in some specially designed river passenger these were carried on the forward main deck and the forward 'tween deck. The fact that few statistics are available on the numbers carried on different routes is because the native passenger trade was the responsibility of the compradore and Chinese brokers. Most passenger tickets were sold at offices in the Chinese quarters of the treaty port towns, and few at the shipping companies' offices in the foreign concessions and settlements.

Commenting on this in 1884, the British Consul at Chefoo wrote: "Chinese passengers never take their tickets at the steamer office or on board. It is customary for them to get their tickets from passage brokers, who also keep hotels for the accommodation of passengers. These brokers get a large quantity of tickets on credit, and having disposed of them, would make one excuse after another for deferring payment. None of the companies liked to take legal proceedings".[78]

On the Canton River, where foreign ships first operated on a regular basis, the deck passenger trade was of great importance as soon as the first foreign steamships appeared on the river. Competition between different companies, and between companies under different flags, kept the cost of travel between Hong Kong, Canton, and Macao very low. Distances were short here compared with the Yangtze and for the most part in sheltered waters, and there was no restriction on the numbers carried. In 1866, for instance, the Acting Colonial Secretary of Hong Kong, in a Blue Book on the increase in crime in the Colony, commented on the large number of passengers brought down from Canton in the river steamers. For a journey of nearly ninety miles, the cost was only twenty or twenty five cents, about five pence, and had sometimes been as low as ten cents. He stated that as many as 1,500 passengers had come down in one steamer.[79]

The British Consul's report for Canton for 1905 illustrated the magnitude of the passenger trade on the river, as he estimated that in that year 2,000,000 Chinese passengers travelled to and from Canton.[80] Basing an estimate on the fact that at that time 70.0 per cent of the shipping using the port was British, it is probable that about 1,400,000 travelled in British ships.

On the Yangtze, although here again official statistics are

unavailable, British Consular Reports at irregular intervals from various treaty ports, contain impressive statistics for various years and ports. In 1892, according to the Ichang report, 152 foreign and 9,940 Chinese passengers travelled between Hankow and Ichang, and the corresponding figures for 1893 were 162 and 10,632 respectively.[81] At this time regular steamship services on the Middle Yangtze were in their infancy, and it can be assumed that the numbers travelling here would also increase with the expansion of steamship services.

The situation on the West River was similar to that on the Yangtze; but on a smaller scale because of the smaller population involved. Considering that regular steamship services did not commence on the West River until 1898, however, the statistics are impressive. The British Consul's report for Wuchow for 1914, revealed that in that year 427 foreign and 163,368 Chinese passengers left the port, and 522 and 143,564 respectively arrived.[82]

Many of the sailings between Hong Kong, Canton, and Macao took place during night time, and six or seven steamers left the Praya at Hong Kong almost every night, returning the following night. These were smaller editions of the Lower Yangtze steamers, and their departure within a short time of each other, when they were ablaze with flamboyant and garish lights, was a familiar feature of the Hong Kong scene for most of the treaty port era. Many Chinese used these night time sailings for a prolonged drinking and gambling session, and the Canton and Macao steamers were especially busy at Chinese New Year.

Although competition between the different companies kept passenger fares at a reasonable level on the Lower Yangtze, the passenger trade was profitable. It cost a deck passenger only six taels to travel between Shanghai and Kiukiang, and four between Hankow and

Kiukiang, about £2 and £1.33 respectively for passages of 458 and 138 miles.[83] This was not so low as on the Canton River, but low enough to encourage gangs of criminals to travel up and down, robbing passengers' baggage and broaching valuable cargo. Efforts by the steamship companies to combat this sometimes led to serious trouble, and it was suspected that such gangs were responsible for the burning of the China Navigation Company's Shanghai, and the China Merchants Paoching in 1890. Both incidents took place on the Lower River and with considerable loss of life, over 300 deck passengers losing their lives on the Shanghai. The British Consul at Kiukiang described these incidents thus: "It is shocking to add that these unfortunate people were, too probably, the victims of the malice of their own countrymen, as there is now little room to doubt that the fires in these cases were the work of incendaries".[84] Another vessel might have been added to the list but for the fortunate discovery of the fire before she left Shanghai.

The Shanghai-Tientsin service was not only one of the most important on the coast, but was probably the most prestigious. Until the railway to Peking was built, and even afterwards, many Chinese and foreign passengers preferred to go to Tientsin by steamer, and then conclude their journey by train. The Tientsin steamers also served the intermediate ports of Tsingtao, Weihaiwei, and Chefoo, all of which became popular summer holiday resorts for Europeans living in Shanghai and the Lower Yangtze ports, and also to a lesser extent for Europeans in Hong Kong and the south. By the early 1900s there was over one regular sailing per day from Shanghai to Tientsin and intermediate ports, and keen rivalry between the different companies. There were also several sailings per week from Hong Kong and Canton to Tientsin and the same ports. In July 1914 the North China Herald

advertised thirteen sailings to Tientsin in the ten days between 25 June and 5 July, of which four were by the China Navigation Company, four by the Indo-China Steam Navigation Company, two by the China Merchants, one each by the Japanese Nishen Kishen Kaisha and Mitsui Baishan, and one by the German Hamburg-Amerika Line.[85] The round trip Shanghai back to Shanghai lasted ten days, similar to a Shanghai-Hankow trip, as shown by the Shipping Intelligence of the North China Herald. The Indo-China's Kingsing departed from Shanghai for Weihaiwei, Chefoo, and Tientsin on June 25 and again on July 5; and the China Navigation Company's Fengtien I for the same ports on June 27 and July 7.[86]

Fengtien I was a typical Tientsin cargo-passenger liner. She was built at Scotts of Greenock in 1905 and was of 1,765 gross registered tons. Fengtien I had accommodation for thirty three European first class, fifty six Chinese first class, and seventy six Chinese steerage passengers, and could also carry 1,720 tons of cargo on a draught of fourteen feet at a speed of thirteen and a quarter knots. She was built in record time, arriving at Shanghai within twenty six weeks after her keel was laid in Greenock.[87] Fengtien I ran regularly between Shanghai and Tientsin until 1932, when she was sold for breaking up.

By the time World War I broke out in August 1914 the passenger trade on the China coast had attained great importance. The China Navigation, Indo-China Steam, and to a lesser extent the China Merchants Steam Navigation Companies, employed specialised ships on each section of the trade - the Canton River, Lower and Middle Yangtze, Hong Kong-Shanghai, and Shanghai-Tientsin trades. On each of these - but in particular on the Yangtze - the two major British companies played a predominant role.

In the passenger trade between south China and south-east Asia, however, overseas ships - British and foreign - had until the immediate pre-war years enjoyed the major share of the trade. Post war developments in south-east Asia, however, particularly the expansion of the rubber and tin industries leading to increased emigration, led to the coast companies greatly increasing their share. The China Navigation Company, by taking over the German, North German Lloyd's south China-Bangkok trade, and inheriting by mutual agreement much of Blue Funnel's south China-Singapore trade, was the principal British coast company involved. In these south-east Asian trades many small Hong Kong and Singapore based companies were also involved. These were often one or two ship companies, owned by Hong Kong and Singapore Chinese, flew the Union Jack, and employed British officers.

REFERENCES FOR CHAPTER 5

1. C.M. 24/4/1850

2. Liu, Anglo-American Steamship Rivalry, p.89

3. Ibid, p.89

4. I.M.C. Reports on Trade, 1869, p.68

5. Gutzlaff, Three Voyages, p.53-62.

6. Pearl Buck, Fighting Angel, (1960) p.84-85

7. G.A.

8. See Glossary.

9. N.C. Buckley, 'The Extraordinary Voyages of Admiral Cheng Ho', H.T. Vol. 25, 1975 p.462-71.

10. V. Purcell, The Chinese in South-east Asia, (1951) p.26-27.

11. John Crawfurd joined the Bengal Medical Service in 1803, and spent most of his thirty years in the Company's service in its south-east Asian territories. He was Resident to the Sultan of Jogjakart in 1811 during the British occupation of Java under Raffles, and later Resident of Singapore, again under Raffles. In 1822 the Governor General of India sent him to Siam, which resulted in his A Journal of an Embassy from the Governor General of India to the Court of Siam (1828), and in 1827 a similar mission to Burma resulted in A Journal of an Embassy from the Governor General of India to the Court of Ava in the Year 1827.(1829)

12. BPP 1850 V p.295-312.

13. Ibid p.297

14. Purcell p.98

15. The main source of these particulars has been P.C. Campbell, Chinese Emigration to Countries within the British Empire, (1971) p.14-16.

16. The Captain China was the Chinese who exercised authority over Chinese communities in south-east Asia, and was recognised by the Colonial Governments. Latterly the post became very largely honorary, and was eventually abolished.

17. Morse, Chronicles II p.429

18. " " III p.2-3-4.

19. " " III p.166 and 254

20. BPP 1852-53 LXVIII (1686) p.305. The Lady Montague lost nearly 40 per cent of her coolies and had to put into Hobart for relief and supplies.

21. BPP 1852-53 LXVIII (1686) p.303

22. Ibid p.306

23. " p.322-3

24. " p.32

25. " p.68-9

26. *Hansard 3rd Series 151*, 1858, p.77

27. Ibid p.76

28. BPP 1868-9 LX (4192) p.59

29. BPP 1875 LXVII (1243) p.17

30. BPP 1867 LXVIII (3947) p.274

31. BPP 1874 LXVIII (908) p.12

32. BPP 1875 LXVII (1212) p.6-7.

33. *The Times*, 28 July, 1871.

34. *The Cambridge Modern History*, Vol. XII, Cambridge University Press, 1934, p. 554-5.

35. BPP 1875 LXXVI (c. 1243) p.17-18.

36. Ibid p. 84.

37. BPP 1881 XCI (No. 3054) p.666

38. BPP 1886 LXVI (c. 4672) p.89

39. BPP 1898 XCIV (No. 3012) p.6

40. S. Marriner and F.E. Hyde, *The Senior John Samuel Swire, 1825-98*, (1967) p.121

41. BPP 1914 XC (Report No. 5270) p.6

42. BPP 1886 LXVI (c. 4658) p.48

43. Ibid p.39

44. " (c.4762) p.99

45. BPP 1902 CVI (No. 2839) p.10

46. BPP 1901 LXXXI (No. 2644) p.1

47. BPP 1900 XCII (No. 2502) p.3

48. BPP 1886 LXVI (c. 4762) p.49

49. BPP 1900 XCII (No.2502) p.4

50. Straits Settlements Ordinance No.11 of 1877, and Campbell p.11

51. K.C. Liu, 'British-Chinese Rivalry in China', The Economic Developments of China and Japan, edited by C.D. Cowan (1964) p.70-4.

52. BPP 1914-16 XXIV (No. 838) p.16

53. Ibid (No. 862), p.22

54. " p.22

55. BPP 1914-16 XLIII (No. 814) p.13

56. " " LXXI (No. 5468) p.9

57. Ibid, p.9

58. BPP 1914-16 LXXI (No. 5468) p.8

59. Ibid (No. 5335) p.3

60. BPP 1904 XCVII (No. 3066) p.7

61. Ibid, p.7

62. BPP 1893-4 XCII (1199) p.10

63. BPP 1914-16 XLIV (No. 838) p.16

64. " " LXXI (No. 5468) p.9

65. BPP 1903 LXXVI (Report No.3012) p.1

66. BPP 1884-85 LXXX (c.4400) p.5

67. C.F. Remer, The Foreign Trade of China (New York) 1930, p.187

68. Ibid p.221

69. " p.179

70. C.Y.B. 1923, p.143

71. H.B. Morse, An Enquiry into the Commercial Liabilities and Assets of Chinese in International Trade, C.M.C., Shanghai, 1906

72. Cecil Woodham-Smith, The Great Famine (1970)

73. Ibid p.221

74. George Blake, The Ben Line (1970) p.78-9

75. Joseph Conrad, Typhoon (1927) p. 7, 13 and 14.

76. The lowliest crew member of a China coaster was the Firemens' Cook's Boy, to whom was generally attributed any untoward incident, such as dirty footmarks on the Captain's deck. In ascending order of importance were the Sailors' Cook's Boy and the Topaz. There was no caste system on a China coaster and the Firemens' Cook's Boy, who bore his misfortunes lightly, aspired to end his career as Firemens' Cook, the Sailors' Cook's Boy as Sailors' Cook, and the Topaz as Boatswain.

77. See Glossary for 'towkay' and also for 'topaz'.

78. BPP 1884-5 LXXX (c.4440) p.17

79. BPP 1866 LXIX (3719- I) p.162

80. BPP 1906 LXXXIII (No.3613) p.8

81. BPP 1893 XCII (1211) p.867

82. BPP 1914-16 LXXI (No.5499) p.11

83. BPP 1864 LIII (c.4440) p.169

84. BPP 1890-91 LXXXV (No.864) p.4

85. N.C.H. July 4 and 11, 1914.

86. Ibid

87. Scotts, Two Hundred and Fifty years of Shipbuilding, 1961, p.145-7.

CHAPTER 6

Piracy on the China Coast, and how trade by foreign ships developed in spite of this, before and after the treaty port era. Approximately 1800-1914.

Until comparatively recently piracy was a menace to seaborne trade everywhere; but especially in the Far East. It was especially rife along the south China coast and in the delta of the Canton River, the birthplace of China's foreign maritime trade. The maritime population of south China are a tougher and more ferocious breed than their fellow countrymen in the interior and in the north. They were also more xenophobic, and the combination of these factors enabled piracy to continue in south China long after it had been suppressed in other parts of the world. Morse described the Kwangtung people as "hardy fishermen, and, when necessity serves, bold pirates".[1] He described the population around the Canton River estuary in general terms as "a riotous lot, considering brigandage and rebellion the natural concomitants of a bad harvest".[2] In 1864, Sir Hercules Robinson, Governor of Hong Kong, when stressing to the British Government the necessity for improving anti-piracy measures, described the Cantonese as "the most enterprising and cruel pirates on the coast, and the best informed as to the movements of European vessels. These are seldom attacked by other than Cantonese".[3]

When the first English ships arrived in the Far East in the early seventeenth century much of the China coast was overrun by Japanese pirates. For more than three centuries after Kublai Khan's

unsuccessful invasion of Japan in 1281, Japanese pirates from Kyushu had pillaged the coast, from the Liaotung Peninsula in the north down to the Straits of Malacca. One notable victim of these pirates was John Davis, the famous Arctic explorer, when he was pilot to Sir Edward Michelborne's expedition to the Far East.[4] Davis was serving on the Tiger in December 1605, en route from Bantam to Patani on the east coast of Malaya, when she met a Japanese vessel, which was in a dangerous state. When being assisted by the Tiger, the Japanese revealed themselves as pirates and turned on their rescuers, and in the fighting which ensued Davis and several other Englishmen were killed. This set back decided Michelborne to return to England with his mission uncompleted.[5] Soon after this Ieyasu, the first of the Tokugawa Shoguns, gained complete control of Japan and established a strong central government, and forbade Japanese to go abroad or build ships big enough for long voyages.[6] This combined with the increasing of Chinese over Japanese junks, brought about the decline of Japanese piracy.

Previous to the Michelborne expedition the English had themselves engaged in piracy, and had plundered Chinese and Indonesian vessels in the neighbourhood of Bantam. These actions had damaged England's reputation in the Far East, and endangered the lives of the East India Company's servants at Bantam and elsewhere. It was this which led to the Company bringing an unsuccessful suit against Michelborne and his associates in the Admiralty Court.

The depredations of the Japanese pirates had often extended inland, and led to the Ming Emperors banning all intercourse between China and Japan. This gave the Portuguese the opportunity to act as middlemen in the valuable trade between the two countries, largely the exchange of Chinese silk and gold for Japanese silver, and through

this get a foothold at Macao. The Chinese, however, soon found the Portuguese to be equally formidable pirates as the Japanese. Their behaviour in the Far East at this time was a bewildering compound of gallantry, greed, religious zeal and religious bigotry.

At this early period of Sino-Western relations, Western trade was very largely based on piracy. The most important commodity in Dutch trade with Japan, for example, was Chinese silk, and the Dutch - who were excluded from direct trade with China until 1729, obtained much of their silk by plundering Chinese and Portuguese ships.

The persistence of piracy in the Far East was because the most powerful states there were land powers, China herself and other states in India and Indonesia, while Portugal, the Netherlands, and England were essentially maritime powers. China had no centrally organised navy, and the provincial navies were never powerful enough to restore order. The traditional method of combatting piracy, therefore, was by paying blackmail to the pirate chiefs, or enlisting them in the Government service. The well armed Western ships were a law unto themselves in Far Eastern seas. Another contributory factor to the persistence of piracy was that during much of the seventeenth, eighteenth and early nineteenth centuries, the Western Powers were at war with each other. Even during the rare periods of peace in Europe, maritime war between Britain, France, the Netherlands, and Portugal continued in the Far East under the guise of piracy.

Until the East India Company was firmly established at Canton in the early eighteenth century, English behaviour was no better than Dutch or Portuguese. This was illustrated by Captain Weddell at Canton in 1637. His expedition of four vessels was promoted by the newly formed Courteen Association. This company was granted a Royal Charter by Charles II on the pretext that the East

India Company was proving itself unsuccessful in promoting English trade. Weddell arrived off Macao in June 1637, and became immediately embroiled with the Portuguese there and with the Chinese at Canton, by insisting on proceeding up river and attempting to engage in trade without permission. In the ensuing imbroglio Weddell destroyed one of the Chinese forts in retaliation for being fired on, three of his supercargoes were imprisoned at Canton, the Chinese attempted to destroy the English vessels with fireships, and Weddell destroyed a village below Canton. Eventually a temporary truce was arranged at the end of November and the three supercargoes were freed and rejoined the squadron at Whampoa with a small quantity of cargo. Weddell then departed, convinced that the failure of his enterprise was due to the machinations of the Portuguese. During the homeward voyage in 1639 Weddell's flagship was lost with all on board.[7]

When the East India Company controlled the China trade, piracy was well established along the south China coast and in the estuary of the Canton River. It was a traditional way of life for most of the maritime population who were fishermen or pirates as circumstances warranted. The large and well armed East Indiamen and country ships, however, were usually capable of fighting their way past these local pirates, as were the smaller but even better armed opium clippers. They were also able to protect themselves against attacks by other Western ships. They were not completely immune from pirates, however, as there was always some danger for even the most powerful sailing ship when becalmed in inland waters or when aground, from fleets of well armed junks, and many instances of this occurred both before and after 1842. In cases of plundering of ships aground, it was often fishermen turned pirates for the occasion, not an uncommon occurrence on European coasts at the same time.

Chinese piracy differed from Caribbean or Mediterranean piracy. Until about 1860 it was carried on by large fleets of well armed junks, sometimes manned by opponents of the government. In times of war and famine, the ranks of such pirates would be swollen by starving peasants and fishermen. Koxinga, the most famous of all Chinese pirates, for instance, was a supporter of the Ming dynasty, and so a rebel against the Manchus. His most famous exploit was the capture of Taiwan from the Dutch in 1661. With the island as a base, Koxinga harassed the coast so effectively that K'ang-hsi, the second Manchu Emperor, issued an edict in 1662 commanding all the inhabitants on the coast to remove inland for a distance of at least twelve English miles, and that the islands be abandoned. Although Koxinga himself died in 1663, this edict remained in force until 1669, when Koxinga's son surrendered Taiwan to the Manchus.[8]

In other cases the pirates were enterprising fishermen banded together to plunder any likely victim which came within their reach, and until very recent times, there were few fishermen along the south China coast who had not at one time or other acted as pirates. Piracy in south China was equally common on the high seas and on rivers and inland waterways. The Chinese distinguished between the two, the former being called "sea robbers", and the latter "river or water robbers".

After the first China War there was an increase in piracy in the waters around the Canton River estuary. One reason for this was that many of the junks which had been armed privateers against the British during the war, retained their arms and returned to piracy. Another reason was that the increase in shipping and trade following the establishment of a British colony at Hong Kong was a great attraction for pirates. There had been a similar increase in

piracy in the waters around Singapore after 1819, when it became a British possession. Among the Malays, piracy was traditionally regarded as an honourable occupation, so that in south-east Asia pirates tended to be professional practitioners, rather than part-time fishermen. Between 1840 and 1860, when Malay piracy was being suppressed, well-armed Chinese junks were enticed to plunder the flourishing native trade around Singapore, and even on occasion to attack European vessels.[9] It was natural, therefore, that the appearance of the new British colony at Hong Kong seemed to be a gift from the gods to the maritime population of south China.

At times in the early treaty port years the danger of piracy was so great, that trading and fishing junks were afraid to leave port, and foreign ships often found it more profitable to protect convoys of trading or fishing junks than engage in normal trade. This has already been referred to earlier.[10] The danger of piracy, of course, was an inducement to Chinese merchants to patronise British and foreign ships.

Before describing piracy in the modern era, beginning with the opening of the treaty ports, a brief description of it in the East India Company's time is appropriate, with a reference to the attitude of the Canton authorities to the Royal Navy. On the whole, piracy was not a serious menace to the East Indiamen, nor to the equally well armed country ships and opium clippers. Until 1815, however, Britain was at war with France or Spain, or with both, and the ships in the China trade required protection from the French and Spanish navies. Although well armed, and ranking almost as auxiliary cruisers, there was always the danger of meeting an enemy squadron. For this reason, for most of the period of the 'Old China Trade', East Indiamen sailed in convoys, and there were usually two outward

and two homeward bound convoys each year. The Chinese refused to allow the naval ships accompanying the convoys to go inside the Bogue, and so they anchored either at Lintin or at Taipa off Macao.[11] On many occasions the Company offered the Viceroy at Canton the assistance of the Royal Navy to combat piracy; but were always rebuffed on the grounds that the Chinese themselves were perfectly capable of this, or that they presented no great danger. It was, however, a perennial complaint of the Company that the Chinese took no effective action against the pirates, nor allowed it to do so. In any case, they respected the Viceroy's wishes in order to maintain good relations, and dissuaded naval commanders from bringing their ships inside the Bogue.

At the Bogue the approaches to Canton were guarded by forts on each side of the river; but the batteries cannon were fixed and of little use against well navigated warships. On several occasions after Weddell's visit in 1637, Royal Naval ships forced their way past the Bogue and went up to Whampoa against the wishes of the Viceroy and in face of opposition from the forts. Lord Anson did so in the _Centurion_ in 1743, Captain Panton in the _War Horse_ in 1816, Captain Maxwell in the _Alceste_ in 1816, and the _Andromache_ and _Imogene_ in 1834 during Lord Napier's ineffective interlude at Canton in 1834.[12] These passages had been contested by the forts, and the weakness of the defences exposed. Cook's _Discovery_ and _Resolution_, however, on their return passage home after Cook's death in Hawaii, had remained near Macao where they had been careened and provisioned before continuing their homeward voyage.[13]

While piracy may have merely been an annoyance to the East India Company rather than a serious menace, the Company's officers were often in danger when travelling between Macao, Whampoa, and

Canton in ships' boats, and armed escorts were sometimes provided by the Chinese authorities. Even on short trips between the Macao anchorage and the city, ships' boats were liable to attack, and on several occasions officers were captured and held to ransom. In December 1806 chief officer Turner of the British country ship Tay was captured along with five of his lascar crew, when going ashore from the anchorage to Macao for a pilot, and not released until six months later after paying a ransom of $6,000.[14] A similar misfortune befell Richard Glasspoole, fourth officer of the East Indiaman Marquis of Ely three years later, when he was returning to the anchorage with the pilot. After his departure the Marquis of Ely had changed her anchorage because of a threatened storm, and three days later after the storm was over and Glasspoole was searching for the ship, he was captured by one of the squadrons of a large pirate fleet, estimated by Glasspoole to number nearly 2,000 vessels, the largest of which were between 500 and 600 tons. Glasspoole was held for nearly three months, and only released after proloned negotiations for a ransom, which in cash and goods was valued at $7,654, nearly £2,000.[15]

On several occasions foreign ships were attacked at anchor off Macao, or in the waters of the delta approaching Macao; but there is no record of an East Indiaman being attacked in this manner. In 1797, however, the British country ship Kennett, bound from Manila to Macao, was captured by a fleet of twenty six pirate junks in the delta. All on board except four were killed and after being plundered the ship was set on fire.[16] Then in 1809 and 1817 respectively the American ships Atahualpa and Wabash were attacked by similar fleets, on each occasion when anchored off Macao. The attack on the Atahualpa was beaten off; but the Wabash was plundered and

several of the crew severely wounded.[17]

It was, however, during the first two or more decades of the treaty port era, that piracy in south China became a serious menace to British and foreign shipping. By this time the East Indiamen had disappeared from the scene, and the China trade - coast and overseas - was conducted by smaller and less powerful ships, and by lorchas.

After the Treaty of Nanking and the increase in maritime trade, there was an increase in piracy. Contributory factors in this were the attitudes of the Kwangtung provincial authorities and of the Hong Kong Government. The former requested the latter not to allow the Royal Navy to interfere to protect shipping; and Sir Henry Pottinger, therefore, instructed Admiral Sir Thomas Cochran, Commander in Chief of the China Squadron: "not to interfere directly or indirectly with any ship, vessel, or boat they may fall in with, belonging to Chinese subjects, under the impression that he may be a pirate, or have been engaged in any unlawful act, unless he shall within view, have attacked some British vessel or subject (or that on such proof of the fact as would satisfy a Court of Admiralty in England) in which case only, the said vessel is to be detained or interfered with".[18]

This was manna from heaven to the pirates, and also encouraged American, British, French and Portuguese adventurers to carry on their lucrative convoy protection. In this they employed well armed lorchas under foreign flags, to escort Chinese junks from port to port. This order was not repealed until 1849, and in that year occurred the notable battles between the Royal Navy and fleets of hundreds of pirate junks which have been described so often. The chief protagonists at this time were Captain (later Admiral) J.C.

Dalrymple Hay and Chui A-poo and Shap Ng-tsai.[19] For the first few years after the Treaty of Nanking, therefore, the Hong Kong Government and the Royal Navy paid no serious attention to piracy.

The division of the far flung East Indies Squadron into two in 1844, however, shows that the British Government and Royal Navy did recognise the gravity of the situation, as more than seventy per cent of the squadron's strength was allotted to the new China Station. This was thirteen of the total of seventeen ships, and included one battle ship, two fifth raters, three sixth raters, three sloops, two survey ships, and two steamships. The China Station extended from Singapore to Japan, with headquarters at Hong Kong, and the commander-in-chief was usually a rear-admiral.[20]

As soon as Hong Kong became a British colony British traders there and at Canton protested to the British and Hong Kong Governments about the threat piracy caused to trade, and in 1847 the Hong Kong Government passed the first of many anti-piracy ordinances, This was the first step towards the Royal Navy taking effection action.[21] It faced a difficult and complex situation. It could attack pirates anywhere on the high seas and commit them for trial to any British or Chinese court. Piracy on the coast and rivers, however, outside Hong Kong's territorial waters, was a Chinese responsibility, and the Navy could not operate there without permission from the Canton authorities. Anglo-Chinese co-operation was essential and not always forthcoming. When Naval vessels trespassed into Chinese territorial waters Anglo-Chinese relations were seriously strained.

During the first few decades of the treaty port era, piracies involving foreign ships were almost too numerous to record, while those involving native vessels were even more numerous, but attracted little attention in foreign circles. Their effect on Hong

Kong's trade, however, was equally damaging. C.C. Gutzlaff, when he was Chinese secretary at Hong Kong in 1848, stressed this in a report as follows: "While our hopes in regard to the future trade of native vessels at Hong Kong cannot be sanguine, we need not despair .... and could a stop be put to piracy, the junks would bring more valuable cargoes than they have hitherto ventured to do".[22]

During the First and Second China Wars it was sometimes difficult to distinguish between piracy and war. An early instance of this was the case of the British lorcha Enterprise, which was attacked in the Canton River estuary in 1843, not long after the end of the First War. The Enterprise was plundered and burnt; but the captain - the only European on board - escaped.[23] There were other similar cases, both before and after the pitched battles of 1849 between the Navy and fleets of hundreds of pirate junks. Governor Bonham of Hong Kong when reporting these engagements to Earl Grey, Foreign Sebretary, as "successful attacks against the pirates on the Coasts of China by H.M. Sloop Columbine, steamers Medea and Fury, and the Honourable East India Company's steamer Phlegethen, by which your lordship will learn that no less than 99 piratical vessels have been destroyed, as well as a large number of pirates, by Commander John C. Dalrymple Hay of the Columbine and Commander Robert Willcox of the Fury", In the series of engagements in 1849 in which Commander Hay and his ships were so successful, and in which so many junks were captured, and so many pirates killed or captured, the Royal Navy earned a total of £42,425 in prize money.[24] This was considered excessive for the risks involved, and the prize, or bounty system, was later modified.

This, and similar campaigns against the pirates, earlier and later, invariably led to hopeful forecasts by Hong Kong's Governors of a decrease in piracy, which were as invariably proved wrong.

Two years previously in his report for 1847 Governor Sir John Davis had written optimistically: "The former prevalence of piracy has been checked, as appears best proved by the increase in native trade, through the active exertions of Captain Loring of H.M.S. Scout, by whom nearly 300 pirates were captured in 1847, and handed over to the Chinese Government".[25] For this the Scout's eleven officers and 113 men received £5,985 in prize money, awarded by the Vice Admiralty Court of Hong Kong.[26]

The Admiralty were notoriously laggard in paying out prize money, and a letter to the Times in 1862 drew attention to one particular case. On 20th August 1858, H.M.S. Surprise - a despatch vessel - engaged a fleet of pirate junks outside Hong Kong, destroyed eighteen and captured another seven, which were taken into Hong Kong. Three and a half years later no steps had been taken to grant the officers and men any prize money.[27]

At this time piracy was not confined to the waters around Hong Kong and the Canton River estuary, although most prevalent there, and many cases occurred elsewhere on the coast. One was the Chimmo Bay piracy of February 1847. Chimmo Bay, some three hundred miles north of Hong Kong and a few miles north of Amoy, was one of the most important opium receiving stations. The opium receiving ships Caroline and Omega, of Jardine, Matheson and Company, and Dent and Company respectively, were attacked by a fleet of pirate junks and lorchas. Most of the officers and crews on both ships were killed, including the two captains, and their valuable cargoes carried off.[28] Opium receiving ships at anchor were a prime objective for pirates, and although invariably well armed and with large crews, several were victims of successful attacks.

One of the most notable piracies of this period was that of the brig Arratoon Apcar, belonging to Apcar and Company of Calcutta,

which ran regularly between Calcutta, Singapore and Hong Kong. It is also one of the best documented of this period, and like several at the time, a compound of mutiny and piracy. The Arratoon Apcar, of 275 tons, had a British captain, two British mates and a British gunner. Her crew were a mixture of lascars, Portuguese sea-cunnies, and Chinese sailors and carpenters, and on this voyage she carried two European and several Chinese deck passengers. On 6 August 1853 she left Hong Kong for Calcutta, and shortly after midnight and after dropping her pilot, the Chinese crew, assisted by two of the Chinese passengers rushed aft, and armed with long knives attacked the European officers and passengers. The second mate who was on watch was stabbed to death, and his body thrown overboard, the Portuguese sea-cunny and lascars on watch taking refuge in the rigging. Ignoring them, the Chinese went down to the saloon where the captain, chief mate, and the European passengers were sleeping, and attacked them. They then attempted to set fire to the ship, and after spiking the guns and plundering some of the cargo, left in two lifeboats. When the gunner, who slept forward, came on the scene, he found the captain on the point of death, and his bull dog severely wounded, and was told by the lascars that one of the European passengers had escaped overboard and been seen swimming for Green Island. The gunner, with the help of the remaining crew, was able to turn the ship and take her back to Hong Kong.[29]

The Arratoon Apcar affair was a mystery. Most of the Chinese crew had been two or more voyages in the ship; she carried no valuable cargo, nor was any attempt made by the Chinese to look for anything of value, being more concerned with attempting to destroy the ship. The cause may have been a personal vendetta between the Chinese crew and the captain and officers, or perhaps an extreme

example of the anti-British feeling so prevalent among the Cantonese at this time.

There were other similar cases during these years, of mutiny, piracy, or a combination of the two. In October 1857, for instance, the British schooner Neva was attacked by pirates who had boarded as passengers. The Neva was a Hong Kong ship, owned by Gibb, Livingstone and Company, and the attack, led by the Chinese carpenter, took place just forty miles north of Hong Kong at midnight. In this case the captain was killed in the initial attack, but the mate - the only other European on board - managed to take the ship back to Hong Kong after the pirates had left. Before leaving, the pirates ransacked the ship and took away some $20,000.[30]

The case of the North Star, another British brig, resembled that of the Neva in many respects, and occurred in 1861 only a few miles outside Hong Kong harbour. In this case the Chinese pilot and chief steward were in league with the pirates, the former on leaving the ship just outside the harbour going in his sampan to a large junk which immediately manned her sweeps, overtook and boarded the becalmed North Star. The steward meantime had made the ship's armament of four muskets and a revolver useless. Using the muskets as clubs, and with belaying pins and sheath knives, the captain and non-Chinese crew, including two of the three European passengers, put up a brave fight; but only three escaped death or serious injury. These three had been below when the attack began, and when they realised the position had hidden in the foretop. After the pirates ransacked the ship and returned to the junk, they came down on deck and found only the mate and three others still breathing. They gave what assistance they could, and then took the dingy back to Hong Kong where they informed H.M.S. Imperieuse. The surgeon returned with

them to the North Star in an armed cutter; but it was too late to save any of the four left alive. Only the third passenger, therefore, and these three survived the attack. The former had jumped overboard when the attack began, hidden under the counter, and then swam ashore after the pirates left. As in the case of the Neva, nothing more was heard of the pirates.[31]

Although piracy was much more prevalent on the south China coast, than in the north, the north was not immune. One notable anti-piracy action by the Royal Navy in the Gulf of Liaotung in 1856, was reminiscent of many of those on the south China coast of just a few years earlier. In this action Captain Vansittart in H.M.S. Bitterne attacked a fleet of forty pirate junks which was commanded by an American sailor, Eli Boggs. Accompanying Captain Vansittart was another American, the notorious Captain Bully Hayes, who later achieved fame as a 'blackbirder' in the South Pacific.[32] Hayes had provided Captain Vansittart with information on the movements of the pirate fleet, and in the engagement with the pirates, which lasted for several days, and in which many pirate junks were destroyed, Hayes personally captured Boggs. The latter was taken to Hong Kong and tried for murder and piracy in July 1857; but because of a legal technicality was acquitted of the former charge, and found guilty only of piracy, for which he was sentenced to transportation for life.[33]

During the Second China War from 1856 to 1860, there were many instances of piracy, of anti-British disturbances, and lawlessness, often difficult to classify. These were concentrated in south China, in the Canton River estuary. The Viceroy at Canton at this time was Yeh Ming-chen, who was violently anti-British, and suspected of being behind many of these incidents. Beginning with

the Arrow incident of 8th October 1856, which started the Second China War, the following are the most notable.

14th December, 1856	Burning of the Canton factories by Chinese mob on orders from Viceroy Yeh.
30th December, 1856	Second attack on the British steam packet Thistle on her way from Canton to Hong Kong. Chinese soldiers, disguised as passengers, take over ship, captain and all foreigners on board killed, ship set on fire and a total loss.
14th January, 1857	Affair of the poisoned bread at Hong Kong. Mass attempt to kill foreigners, many Chinese arrested but mystery never solved although Yeh again suspected of complicity.
23rd February, 1857	Steamship Queen, British owned but flying Portuguese flag, attacked soon after leaving Hong Kong for Canton by pirates posing as passengers. Captain and chief engineer killed, ship set on fire and later destroyed by Chinese war junks.
.... March, 1857	Plan discovered of Chinese crews on river steamers to poison British officers. All Chinese crews paid off, and for some time steamers manned by Europeans and Indians.
7th August, 1857	Royal Navy blockades Canton, river trade suspended.
29th Deeember, 1857	Canton captured by Anglo-French forces and administered by Anglo-French commission until 1861.
10th February, 1858	Blockade of Canton lifted, river trade resumed.
24th October, 1860	Convention of Peking, end of Second China War.

Although the Second China War and China's defeat failed to bring about any significant decline in piracy, it did lead to a change in tactics. There were no more pitched battles between the Navy and large fleets of pirate junks, perhaps because of a strengthening of Chinese Government authority, and better co-operation between them and the Navy. Steamships had proved their worth in the First and Second China Wars, and the rapid development of steam navigation in Britain and the United States at this time was reflected in

the increasing use of steamships on the China coast. By the end of the Second China War, sailing ships had all but disappeared from the Canton River and from regular coast services north of Hong Kong. The practice of pirates boarding ships as passengers, however, which had occurred on several occasions on the Canton River estuary and on the south China coast continued. With the war now over, these were plainly acts of piracy, and the first case was that of the Chinese steamer Melee on 30th April 1861, again on the Canton River. After leaving Canton, the Melee called at Whampoa where the pirates boarded as passengers, and attacked soon after leaving there. The European captain, mate, and purser were killed, after which the pirates transferred the most valuable cargo to waiting junks and escaped ashore. The Chinese engineers, who had prudently kept out of the way, then took the ship back to Canton.[34] The Melee was transferred to British ownership after this, and went north to trade on the newly opened Yangtze.

On the Yangtze, in contrast to the Canton River and the south, piracy - at least so far as British and other foreign ships was concerned - was comparatively rare.[35]

Not all piracies were successful. There was an unsuccessful attempt on the postal packet Thistle in early December 1856, followed, however, by a successful attempt at the end of the same month. On December 30th, Thistle left Whampoa for Hong Kong at 11.00 hours, and soon after departure a group of Chinese passengers attacked and killed all the Europeans on board, the master, mate, two engineers and one Spanish passenger. Four coloured seamen were also killed. The pirates then plundered the vessel, set her on fire, and ran her aground about six miles below Whampoa.[36]

As referred to above, during this period of war and

turbulence in the south, few cases of piracy occurred north of Swatow. Consul Robertson wrote from Shanghai to Sir John Bowring, Superintendent of British Trade and Governor of Hong Kong on 7th March as follows:- "Peace and order remain undisturbed at this port, and I see nothing as yet which leads me to believe any change will occur; my relations with the Chinese authorities continues on the same amicable footing, and the people appear to take little note of the events now occurring at Canton".[37]

Although by this time foreign sailing ships were rapidly disappearing from the coast and river trades, many were still operating in the overseas trade, among them the tea clippers. Several of these were involved in cases of pillage and plunder in the neighbourhood of Foochow. In 1865, for instance, the _Childers_ ran aground a few miles below the Pagoda Anchorage, and was immediately surrounded by dozens of fishing junks, who within a short time removed everything moveable of any value.[38] The same fate befell the _Young Lochinvar_ the following year, and within a few miles of the same place. In both cases the crews were threatened and forced to leave for Foochow, returning later with assistance in the vain hope of retrieving something from the disaster.

The fishermen-pirates of the Min River did not always wait until a vessel was wrecked before despoiling her. An important factor affecting the speed of the tea clippers was the condition of the copper sheathing on their hulls, placed there to prevent fouling. This was renewed every few years. On several occasions large parts of this copper was removed while the clippers lay at the Pagoda Anchorage, and was later purchased from ships' chandlers in Foochow.

At this early period the pilotage system on the coast was in its infancy. In the absence of an official system, British

consuls sometimes recommended certain pilots - both Chinese and European - to ships' masters; but both were unreliable. The Chinese pilots were sometimes in league with the fishermen, who never missed an opportunity of plundering any vessel unlucky enough to be stranded in their waters. The pilots knew the dangers to be avoided, but sometimes deliberately put vessels ashore where they were at the mercy of the fishermen colleagues. The clippers carried an armoury of muskets, pistols, and cutlasses, as well as cannon, but often this was not sufficient to deter swarms of determined and equally well armed fishermen-pirates. Because of the heavy drinking which was common among all Europeans on the coast at this time, the European pilots were equally unreliable.

In his report from Foochow for 1868, the British Consul - after listing numerous wrecks and accidents in the approaches to Foochow - wrote: "Subsequent to the recent transfer to the Customs of the control over the pilots, by the high provincial authorities, upon the recommendation of the Consuls, measures have been taken to render the service efficient, and I am sanguine that under our auspices the system inaugurated will work satisfactorily. With the erection of the lighthouse and beacons agreed to, the navigation to and from the port will be rendered comparatively safe and easy".[39]

Meanwhile official reports from Hong Kong continue to lament the continued prevalence of piracy. Although there was some decrease in the number of British and other foreign ships attacks, attacks on Chinese craft continued, and adversely affected the trade of the Colony. A despatch from Government House to the Foreign Office of 14th April 1866, referred to "the possibility of placing at the disposal of this Government, one or more gunboats to be built and maintained wholly or in part at the expense of the Colony, and to

be employed within the Hong Kong jurisdiction, or its immediate neighbourhood".[40] This plan was not adopted, the Hong Kong Government pleading poverty, and Downing Street, in a reply of 10th August, 1866, placing hope in a report from China that the "Chinese Government are about to charter a certain number of steamers and employ them upon the service (anti-piracy), in concert with the British vessels engaged upon it."[41]

In 1868 the Hong Kong Government passed an ordinance which it was hoped would lead to the disarming of all native craft. Less than a year later in his annual report, the Harbour Master commented on this as follows: "In May 1868 an Ordinance (No.2 of 1868) was passed enabling His Excellency in Council to pass orders for the gradual disarming of all native vessels. A commencement was made on the fishing craft which had been represented to the Government as being the fruitful source of piracy. Stinkpots being weapons more of offence than defence, no vessel was to be permitted to carry them. Through the medium of this Department the provisions of the Ordinance were being stringently adhered to, and fishing vessels were deprived of their arms, but it was soon observed that many of the more important of these vessels deserted the Colony, and on the matter being enquired into, it was found that this Government alone was acting up to the spirit and intentions of the understanding come to on this subject with the Canton Authorities. The Order in Council was consequently repealed, and the fishing trade has again resumed its former briskness".[42]

This underlined the weakness of the Hong Kong Government's position, as the Governor had reported previously to the Foreign Office in 1866: "It must unfortunately be reported that piracy in the neighbourhood of the Colony has been as rife as ever, and I fear

it must continue so until some pressure is brought to bear on the Imperial Government of China, by which their own culpable apathy in this respect may be removed, and they be made to acknowledge and perform the duty that reasonably devolves upon them of keeping under control their own people on their own coasts and in their territories".[43]

In spite of this pessimism there was a distinct, but gradual, decrease in pirate activity against British and foreign ships from about this time. This was due to a combination of factors, and not to any single factor. These included the increasing use of steamships, more effective patrolling by the Royal and other western navies, and a decrease in lawlessness and anarchy in south China. With fewer sailing ships operating in both coast and overseas trades, there were fewer attacks on ships becalmed in coastal and river waters, and steam hoses were found a very effective deterrent against pirates attempting to board steamships from junks. The days of pitched battles involving fleets of pirate junks were over, and most attempts at piracy were by pirates who had boarded and posed as passengers.

One such case was that of the British river steamer Spark in 1874, which was attacked half way between Canton and Macao by pirates who had boarded as passengers. The British captain and mate, the Chinese purser, one Chinese fireman and four Chinese passengers were killed in the attack. Then after looting the ship and robbing the passengers, the pirates went ashore in the ship's boats, and the Chinese engineers - who had prudently taken refuge in the bunkers - took the ship back to Macao.[44] This piracy, similar to that on the Melee in 1861, was to be typical of many in the final wave of piracy in the 1920s.

As referred to previously, piracy as known on the Canton River and on the south China coast, was comparatively rare on the

Yangtze and on the coast north of Shanghai. Anti-foreign disturbances, however, were not unknown, nor instances of pillage and plunder of foreign ships. In August 1883, for instance, the British barque Flodden of 432 tons, went ashore in the Yangtze, and was quickly pillaged by the local population. In spite of repeated protests by the British Ambassador at Peking, the Chinese Government refused to accept responsibility, or punish the Chinese living in the neighbourhood. After investigation it transpired that the officers and crew of the Flodden had deserted her soon after the mishap, leaving the ship unprotected. In view of this the Law Officers of the Crown agreed with the Chinese Government that the vessel was a derelict, and the matter was dropped.[45]

It was common knowledge that since the founding of Hong Kong, in addition to receiving information about ship movements and cargoes from accomplices there, many pirate junks were fitted out in Hong Kong, where they also obtained arms and ammunition. In one official report the Colony was described as "a depot for arms, an asylum for pirates, and a warehouse for smuggled goods". The licensing system for junks instituted in 1847 was ineffective, and junks posing as fishing or trading junks, easily obtained licenses, and later turned out to be pirates. The Times, quoting from the Overland China Mail, noted that "the pirates had plentiful supply of munitions of war at Hong Kong, every ship-chandler there having his yard full of guns, etc." [46]

Not only Chinese merchants, but also some foreign merchants, were suspected of complicity in illegal arms deals. In consequence, between 1866 and 1868 the Hong Kong Government passed a series of ordinances designed to bring within legal restrictions "the haunts and stores of the robbers and the native dealers in marine supply."

The Ordinance for the Suppression of Piracy of 1866 enacted that aiding and abetting piracy, arming, equipping, or protecting pirates, deliberately dealing with their stolen goods, and all association with pirates were defined, and subjected to heavy penalties. This Ordinance was amended in 1867 and again in 1868. The British Government also invited other Western Governments to co-operate with the Royal Navy in anti-piracy operations. The Chinese Government also promised its co-operation, and this - largely provided by its newly acquired Customs cruisers - was more effective than before. As a result, although Chinese junks were occasionally attacked or pillaged, there were few major instances of piracies of British of foreign ships during the 1880s.

Then the successful piracy of the Douglas Steamship Company's Namoa on 10 December 1890 shook the complacency of the maritime community. Although not so tragic as some previous piracies so far as loss of life was concerned, this piracy was important in that it resulted in British passenger ships taking more stringent anti-piracy measures. The Namoa, of 1,375 gross registered tons, was bound from Hong Kong to Swatow, Amoy, and Foochow on a routine voyage, with five European and 220 deck passengers. She was attacked by a gang of between forty and fifty pirates, who had boarded in Hong Kong as passengers, some five hours out.[47] In the attack the captain and two Chinese quartermasters were killed, one European passenger was later found dead on deck (presumably having died from a heart attack), and the second engineer and third mate slightly wounded. The pirates remained on board for about eight hours, during which t time they ransacked the cargo and robbed the passengers of money and valuables worth about $20,000; but overlooked forty chests of opium in the cargo. Eventually they left the ship in six junks

which had evidently arranged to meet them, and went ashore in Bias Bay. Soon afterwards the officers and European passengers who had been imprisoned in the captain's cabin freed themselves, and took the ship back to Hong Kong.

On the morning after the Namoa's return, H.M.S. Linnet left and spent over a day around Bias Bay trying to trace the pirates, but with no success. And again when another two gunboats were sent on the same mission, they had a similar lack of success. On both occasions the commanders of the gunboats received all possible assistance from the local Chinese authorities. Questions in the House of Commons on this case brought the assurance from the Foreign Secretary that the Hong Kong Government were being instructed to take all possible steps to prevent the surreptious embarkation of arms by Chinese passengers in future.[48]

Some time later ten of the pirates were captured in a village in Bias Bay, taken to Canton, and within twelve hours tried, found guilty and beheaded. Another twenty were found in and around Hong Kong, and suffered the same fate. In this case, the pirates were undoubtedly acting on information received from accomplices in Hong Kong, and the fact that the Chinese firemen were given $200 by the pirates as they left, led to them being suspected of complicity, although this was never proved.

The Namoa case has been described in some detail, as it provided a blue print for many other piracies in the 1920s. Bias Bay, some sixty five miles north east of Hong Kong as a rendezvous for junks in league with the pirates, the presence of passengers with large sums of cash and valuables, the suspicion that information was provided by accomplices on the ship and in Hong Kong, and the choice of a meal time (in this case lunch) as a suitable time for attack, when most officers and European passengers would be congregated in

the saloon.[49]

This piracy, and the publicity it attracted, led to ships carrying deck passengers taking special anti-piracy precautions. These included arming the European officers; secreting rifles, revolvers, and outlasses at several places around the bridge and officers' quarters; and separating these parts of the ship from the deck passengers' accommodation by steel grilles. The doors through these grilles were guarded by armed quartermasters - Indians, Malays, and latterly Chinese. In addition to this, armed guards were sometimes carried, and on Canton and West River ships these were very often Portuguese.

After the Namoa piracy there was a considerable lull of some sixteen years before there was another serious case involving a British steamer. During this period, however, there were many cases involving British and Chinese steam launches on the West River. The West River was opened to foreign shipping in 1897, and piracies there were almost a daily occurrence in spite of frequent patrolling by British gunboats. The British Consul at Wuchow reported that between August and November of 1904 no fewer than eight steam launches, four of them British, were held up by pirates within thirty miles of the port. One vessel was actually pirated within harbour limits, when steaming from her anchorage to the customs pontoon. In his opinion "British gunboats are absolutely useless to prevent outrages of this description, for they cannot possibly tell whether a launch they pass is in the hands of pirates or not, and the Chinese gunboats are conspicuous by their absence on the West River".[50] The British Consul at Canton in his report for the same year wrote: "Piracy continues to flourish in the Canton delta and along the coast. During the year there were half a dozen serious attacks on British steam

launches. Chinese passenger launches are frequently held up and plundered. Complaints are made to the local authorities but nothing is really done to protect trade. Even within the precincts of the harbour pirates and robbers plunder and loot with impunity." [51] In his report for 1905, the Wuchow Consul was able to report that "piracy was less frequent than in the previous year; but there had been a recrudescence at the beginning of the present year. Four British launches were held up and plundered in 1905." [52]

The Hong Kong Report for the following year of 1906, however, dispelled any optimism, when it stated that "piracy in the waterways leading to Canton was rife, culminating in the attack on the British steamer Sainam of 349 tons, of the Hong Kong, Canton, and Macao Steamboat Company on the evening of 13 July near Sam Shui on the West River, on her way from Canton to Wuchow." In the attack the master and several Indian watchmen were wounded, and a European missionary killed. The one redeeming feature of this case was that, stimulated by the British Consul-General at Canton, the Chinese authorities displayed some vigour in detecting and eventually punishing the pirates. [53]

It was suggested in some quarters that this revival of piracy in the West River and Canton River delta, which succeeded the opening of the West River to foreign shipping, was partly caused by bandits and robbers from Tongking. Increasing French control there was forcing such elements to cross into neighbouring Kwangtung, making an already disturbed situation worse. In a Parliamentary debate in the House of Commons on "Piracy in the Canton Delta", Sir Edward Grey, the Foreign Secretary, told the House of Commons on 5th November 1906 that "commanding officers of H.M. ships in the West River are to make periodic reports on the state of security of

traffic on the waterways around Canton, and from time to time to suggest improvements to keep piracy in check, and this was now engaging the attention of the commander-in-chief. The Chinese Government have sent very strict instructions to the Canton Viceroy as to the necessity of suppressing piracy". [54]

The West River was opened to foreign shipping when British ships were expanding their services on the Middle Yangtze, and planning to extend these to the Upper Yangtze and Chungking. It was a time when anarchy and unrest were more than usually prevalent especially around the upper waters of the Yangtze and West Rivers. For this reason the British Government decided that the Royal Navy required a squadron of specially designed river gunboats for service on the upper reaches of the two rivers, and so the Yangtze and West River squadrons were formed.

The first two of the new gunboats, H.M.S.'s Woodcock and Woodlark, were built in 1897, originally intended for the Nile campaign. They were shipped out in sections and assembled at Shanghai for the Upper Yangtze, where they made some notable voyages. Together they made a successful ascent to Chungking in May 1900, the first foreign gunboats to navigate the Upper Yangtze. Two years later Woodcock went a further 350 miles to Kiating, only ninety miles from Chengtu, the capital of Szechuen. [55]

Towards the end of 1897 three even smaller gunboats were sent out for the West River, H.M.S.'s Robin, Sandpiper, and Snipe. All these gunboats drew only two feet of water fully loaded; but while the first two were 150 feet long by twenty four feet beam and of 150 tons, the latter three were only 108 feet long by twenty feet beam and of eighty five tons. Then between 1901 and 1904 another three gunboats were built, H.M.S. Moorhen, 105 feet

long by twenty four feet beam and of 165 tons for the West River; and H.M.S. Teal and H.M.S. Widgeon, both slightly larger for the Upper Yangtze.[56] All these gunboats drew only two feet of water. As on the Yangtze, the West River gunboats made some notable voyages on the upper reaches of the river; but were not involved in any serious anti-piracy operations. There is no doubt, however, that their presence kept the incidence of piracy down, and also provided a sense of security for the foreign merchants and missionaries in the West River ports.

The Royal Navy's Yangtze squadron was commanded by a senior naval officer, Rear Admiral, Yangtze, whose flagship was H.M.S. Krasha, the former Upper Yangtze river steamer Pioneer.[57]

The West River squadron was commanded by a senior naval officer, usually a commander, who was based at Hong Kong. Both squadrons were under the overall command of the Commander-in-chief of the British naval forces at Hong Kong.

In spite of this strengthening of the Royal Naval forces in the Canton and West River region, it was here that piracy continued to be most serious, although most attacks were on junks and launches. After the Sainam piracy of 1906, the next serious case involving a British ship was the Shui On of November 1911. This West River steamship of 876 tons was owned by a Hong Kong Chinese company, and a regular voyage between Hong Kong and West River ports ran aground near Kongmoon , and was immediately attacked by pirate junks; her British chief officer, Mr. H.J. Nicholson being killed in the attack and several other members of the crew wounded. As a result of this case, and as a protest against inadequate protection, the British steamship services on the West River were suspended for a time.[58] The Canton Government sent a strong force to

the scene of the piracy, and reported inflicting a severe defeat on the pirates, and destroying several of their village strongholds.[59]

Less than two years later the first piracy of the Tai On took place, another West River steamer on the same service and in the same neighbourhood. The Tai On, of 438 tons, left Hong Kong on the night of 2nd April 1913 for Wuchow, her first port of call being Kongmoon, a hundred miles from Hong Kong. Soon after leaving Hong Kong at dusk and when passing Lintin Island, a gang of about fifty pirates who had boarded as passengers attacked the bridge and engine room simultaneously, about half of them armed with modern pistols and revolvers. The officers were overpowered and locked up with the European lady passenger, a Chinese quartermaster and deck passenger were killed, and three other Chinese wounded. The passengers and crew were then robbed of money and valuables worth about $25,000, after which the steamer was run ashore, and thh pirates made off inland. Next day Tai On was towed off, and returned to Hong Kong, having suffered no severe damage.

The Hong Kong Government offered a reward for information about this case, and some time later seven of the pirates were captured near where Tai On had been run ashore. One of them had a gold watch which had belonged to the lady passenger. It was discovered during the official investigation into this case, that four Chinese women and three children had gone ashore with the pirates, and it was assumed that these had smuggled the pirates' arms on board with their baggage.[60] It also became evident during the investigation, that many of the anti-piracy precautions were not being observed. As a result there was a considerable increase in the police whose duty was to search the passengers and their baggage when embarking on river steamers, and so yet another anti-piracy ordinance.[61]

Replying to a question in the House of Commons after this piracy, the Under Secretary of State for Foreign Affairs said: "The circumstances, as stated, in the despatch from the Governor of Hong Kong respecting the incident, do not appear to disclose any ground on which reparation could be demanded from the Chinese Government".[62] Presumably this was because the pirates had boarded the vessel in British territory.

The unfortunate Tai On was pirated a second time just over a year later, on 27th April 1914, and this was a much more tragic affair than the previous piracy. The circumstances were very similar - time, place, numbers involved, and so on. As before, Tai On left Hong Kong at 7.00 p.m., and the attack took place just over three hours later, by pirates who had boarded in Hong Kong as passengers. They attacked the bridge and engine room simultaneously, but the bridge was protected by steel grilles and bullet proof shields, and from behind these the captain, chief engineer, chief officer, and two Portuguese guards were able to repel them. The pirates then tried to persuade the captain to surrender peacefully by means of dire threats conveyed by the Chinese passengers. When this also proved unsuccessful they became so desperate and frustrated that they set the ship on fire in several places, and began firing indiscriminately into the mass of deck passengers.

At the beginning of the attack the captain had sent off distress signals, bringing to the scene the British steamers Hosang, Shui On, Shun Lee, the Chinese steamer Wo Kwai, and the Chinese Preventive launch Kaip'an.

By this time the Tai On was burning fiercely in several places, dynamo and steering gear were out of action, and passengers, crew, and pirates were all in a panic. When the wheel house caught

fire the position was hopeless, and it was decided to abandon the ship; men, women and children were already jumping into the water, as lifeboats and life rafts were cut off by the fires and thus inaccessible. The captain and chief officer were picked up by a boat from one of the rescue steamers; but the chief engineer - who had been wounded and weakened in the attack - was never seen again. About half of the total of 513 persons on board were rescued, the rest being either burned or drowned. The following day a Royal Naval torpedo boat towed the charred remains of the Tai On back to Hong Kong. For their behaviour in this piracy, the captain, chief engineer, and one of the Portuguese guards were commended for their gallantry by the Governor of Hong Kong.[63]

Just six weeks before this second Tai On piracy, the Norwegian steamer Childar was pirated shortly after leaving Hong Kong for Swatow. In this case, fortunately, there was no loss of life. The pirates who, as usual, had boarded as passengers, robbed the other passengers and looted the cargo. Then they took the ship close to Chinese territory and escaped ashore.[64] Following these two piracies the Hong Kong Government passed yet another ordinance with still more stringent regulations, Ordinance No.23 of 1914.[65] Co-operation between the Hong Kong police, the Chinese authorities at Canton, and the Portuguese authorities at Macao resulted in nine of the pirates involved in the Childar's piracy of March, and seventeen of those involved in the Tai On's piracy of April, being captured in Kwangtung. All twenty six were executed at Canton.[66]

These were the last cases of piracy involving foreign ships in the period covered by this study, and were succeeded by a lull of several years, which included the years of World War I. Then in 1922 there was a serious revival of piracy, again mostly in south

China waters, most cases involving British ships, which lasted almost to the outbreak of the Pacific War in 1941. The mid 1920s, when this revival was at its peak, co-incided with the final years of the war lord era.

The last major piracy on the China coast took place in December 1952, and was that of the China Navigation Company's Hupeh, the company which had suffered most from piracy in the inter war years. The Hupeh, of 2,801 gross registered tons, and the third China Navigation Company ship to bear this name, was on a voyage between Tientsin and Hong Kong, and was pirated off the Chusan Archipelago, about twenty five miles from Ningpo, at 5.00 p.m. on 13th December. A pirate junk opened fire on her, and ordered her to stop, and she was boarded by twenty eight pirates. Before the actual boarding the Radio Officer had managed to send a message to Royal Naval Headquarters in Hong Kong, however, and at midnight Hupeh was overhauled by the New Zealand frigate, H.M.N.Z.S. Rotioti, who made preparations to board Hupeh.

During the seven hours in which they were in control of the ship, the pirates warned the passengers and crew to keep out of the way, and took control of the bridge and engine room, and Captain R.E. Selwyn-Jones was ordered to take Hupeh to an island in the Chusan Archipelago. During this time the pirates treated the passengers and crew courteously, and did very little looting. When Rotioti threatened to board Hupeh, however, Captain Selwyn-Jones was ordered by the pirates to signal Rotioti that passengers and crew were being held as hostages, and that any attempt to board would be followed by bloodshed. After a further exchange of messages it was agreed that if the pirates were guaranteed their freedom, the passengers and crew would not be harmed. Rotioti then ordered Hupeh to follow her

to Tungchu Island, to the south of Chusan, where the pirates went ashore. This, the last major piracy on the China coast involving a British ship, was also the only one in which the Royal Navy intervened successfully to prevent bloodshed and looting.[67]

By this time the Communists had secured complete control of the China coast, and for the first time for many centuries the coast is completely free of pirates. Unfortunately, there is still piracy in certain south-east Asian waters, particularly in the Sulu Sea between North Borneo and the Philippines, where piracy has as long and honourable a tradition as on the China coast. This, however, usually involves only native craft trading between Indonesia, Malaysia, and the Philippines, and is likely to continue until the several states there have strong central governments enjoying popular support.

The absence of a strong central government and of an effective Chinese navy allowed piracy to flourish on the China coast right into modern times. These omissions largely nullified the efforts of the Royal Navy and the Hong Kong Government to suppress piracy. In spite of its prevalence, however, British and foreign shipping expanded and prospered, and suffered much less from piracy during the anarchy which prevailed throughout most of the treaty port era than Chinese shipping did.

REFERENCES FOR CHAPTER 6

1. H.B. Morse, The Trade and Administration of the Chinese Empire (1908) p.257

2. Ibid, p.269

3. Despatch from Sir H. Robinson, 11 May 1864, C.O. 129/98

4. W. Foster, England's Quest of Eastern Trade, 1973, p.170 Michelborne was granted a license by James I in 1604 to "discover the countries of Cathaia, China, and Japan ...." This flagrantly disregarded the East India Company's charter of Queen Elizabeth five years before. On the expedition's return the Company attempted to bring a suit against Michelborne

5. Ibid, p.171

6. East Asia, p.34

7. Morse, Chronicles I p.14-30 describes the Weddell expedition.

8. See Introduction p.21, and East Asia, p.28-9 and 118.

9. D.G.E. Hall, A History of South-east Asia (1960) p.459

10. See Chapter I, p. 22-3

11. The Bogue, or Boca Tigris, literally Tiger Gate, is at the mouth of the Canton River, forty miles below Canton. It is at the head of the bay, on the west side of which, and another forty miles down is Macao, and at the eastern side is Lantao, with Hong Kong behind Lantao. Map No.1.

12. Page 29-31 and 37, also M. Collis, Foreign Mud (1946) p.38

13. Morse, Chronicles II, p.43. Resolution and Discovery arrived at Macao on 4 December 1779, having surveyed part of the North-West coast looking for a North-West passage, after leaving Hawaii. At the request of the Select Committee, the Chinese authorities granted facilities for careening, refitting, and provisioning, the total cost of which was £1,519. The Company paid this in return for bills on the Admiralty. While at Macao some of Cook's sailors sold seal and sea otter skins which they had obtained very cheaply from the Indians at Nootka Sound, and it was dis-vered that the Canton mandarins placed a very high value on such furs. This led to the development of the fur trade, and to the near extinction of the seal and sea otters of the Pacific coast.

14. Chronicles III, p.32

15. Ibid, p.117-122.

16. Chronicles II, p.289

17. Chronicles III, p.108 and 116.

18. BPP 1850 LV (367) p.13

19. J.D. Hay, The Suppression of Piracy in the China Sea, 1849 (1889) p.28-31

20. G.S. Graham, The China Station; war and diplomacy 1830-60 (1978) p.267

21. "Ordinance against Piracy", passed by the Hong Kong Legislative Council, Ordinance No.18, March 1847.
The chief clauses of the above were:-
(1) The right to board and search.
(2) Offensive weapons called fire-pots or stink-pots, to be deemed proof of a vessel being a pirate.
(3) Any offensive weapons found in a junk or fast-boat renders her liable to forfeiture.
(4) Trading junks, fast-boats, lorchas, etc., belonging to Hong Kong to be registered and licensed, and to carry a flag with their registered number on it.
(5) Fifty pounds fine for any vessel not hoisting her number.

22. BPP 1849 XXXIV (1126) p.509.

23. Ch. R. 1843 XII p.56

24. J.D. Hay, p.32-43 and The Times 21 January 1850.

25. BPP 1847-48 XLVI (1005) p.308

26. BPP 1850 LV (723) p.1

27. The Times 9/1/1862

28. Ch. R. 1847 XVI p.208

29. C.M. 11/8/1853 and B. Lubbock, The China Clippers (1929) p.334-5.

30. Lubbock, p.335-6 and E.J. Eitel, Europe in China (Taipeh) 1968, p.270

31. The Times 9/7/1861; Eitel p.352, and Lubbock p.5-7.

32. "Blackbirders" was the term used to describe the unscrupulous men who kidnapped the natives of the South Pacific islands in the second half of the nineteenth century, and took them to Queensland, where they were forced to work under slave like conditions in the sugar plantations.

33. Lubbock, p.296-7, and Eitel, p.339

34. Q.C.M. 1/5/1861.

35. BPP 1857 LXIII (2223) p.41

36. BPP 1857 LXIII (2206) p.31-2

37. C.M. 8/5/1865

38. Lubbock, p.177

39. BPP 1867-8 LXIX (3976) p.42

40. Despatch No.19, 14 April 1866, C.O. 129/112.

41. G.B. Endacott, An Eastern Entrepot, (1964) p.130

42. Ibid p.162, from Hong Kong Government Gazette, 20 March 1869

43. BPP 1867 LXVIII (3812-1) p.96

44. Japan Weekly Mail, 5 September 1874, and The Times 25 August, 1874.

45. Hansard, 3rd Series, 354, 1883, p.1581

46. The Times, 19 December, 1865.

47. Hansard, 3rd Series, 349, p.1520-1.

48. do. do. 351, p.237

49. In this description of the Namoa piracy, official reports from Hansard and British Parliamentary Papers have been supplemented from A.G. Course, Pirates of the Eastern Seas (1966) p.195-197, and H. Miller, Pirates of the Far East (1970) p.153-155.

50. BPP 1905 LXXXVIII (Report No.3449) p.17-18.

51. Ibid (Report No.3344) p.12-13.

52. BPP 1906 CXXXIII (Report No.3613) p.8

53. BPP 1907 LIII (No.521) p.24

54. Parliamentary Debates, 4th Series 164, p.95

55. See p.204

56. Particulars of these gunboats are from G. Haines, Gunboats on the Great River (1976) p.167-8.

57. See p.203-5 for particulars and history of Pioneer.

58. The Times 25 March, 1911.

59. Ibid, 6 December, 1911.

60. BPP 1914-16 XLIII (No.814) p.30, supplemented by information from A.G. Course, Pirates of the Eastern Seas, (1966) p.199-200, and H. Miller, Pirates of the Far East (1970, p.156

61. BPP 1914-16 XLIII (No.814) p.18, Ordinance No.18 of 1913.

62. Parliamentary Debates 5th Series 1913, LII, p.1641

63. BPP 1914-16 XLIII (No.856) p.31, supplemented by information from Course, _Pirates_ ..... p.200-204; and Miller, _Pirates_ ..... p.156-158.

64. Ibid, p.31

65. " p.18 Piracy Prevention Ordinance No.23

66. BPP 1914-16 XLIII (No.856) p.31

67. A.G. Course, _Pirates of the Eastern Seas_ (1966) p.253

CHAPTER 7

The Chinese Maritime Customs. Customs collection during the early years of Sino-Western trade and during the treaty port era, and how the foreign administered customs fostered overseas and domestic maritime trade; emphasising the role of Sir Robert Hart.

Although China has always been considered as essentially a land and continental power, maritime trade has been important from the earliest days of its history. Neglecting the legendary and semi-mythical past, we know that there was a great development of maritime commerce in China and all South Asia between the eighth and thirteenth centuries. This was the result of several factors, the improvement of navigation largely by South and West Asians, the outburst of energy in West Asia following the rise of Islam (the overseas trade of China being at first largely in the hands of Islamic Arabs and Persians), and - probably most important of all - the prosperity of China under the T'ang and Sung dynasties.

During the Sung dynasty, overseas trade was concentrated at a few large ports on the south coast and on the Lower Yangtze, where it was supervised by officials known as Superintendents of Merchant Shipping. These ports were very similar to the staple towns in contemporary Western Europe. During the Sung period, from about 1000 A.D. to 1300 A.D., the customs duties collected at these ports became an important source of government revenue. The ships' captains paid anchorage fees, while the merchants gave presents to the officials and the government, and also paid taxes ranging roughly from 10 to 20 per cent of sales value, depending on the goods. Until

about 1100 A.D. most foreign trade had gone through Canton; but from then Ch'uan-chow in Fukien, (Marco Polo's Zayton), also became an important port.

The great increase in maritime trade, based on the south and east coasts, gradually changed the orientation of China to the outside world. Previously the north-west frontiers had been China's front door, and the sea coast - especially of Kwangtung and Fukien - a remote and unimportant area. These, however, now became China's chief areas of contact with the outside world, and the north-west provinces began to decline to a remote hinterland. It was not, however, until the treaty port era was established that this unpalatable truth was acknowledged by the Chinese Government at Peking.[1]

In 971 the Canton Inspectorate of Maritime Trade was reorganized to meet the demands of the increasing volume of trade, and also to obtain a larger share of customs revenue for the government.[2] Twenty years later additional customs houses were established at Hangchow and Mingchow (later called Ningpo). The fall of the Sung dynasty in 1279, and its replacement by the Yuan (or Mongol) dynasty, had little effect on trade or commerce. nor had the fall of the latter and its replacement by the Ming dynasty in 1368. The first Ming Emperor attempted to concentrate foreign maritime trade at ports in Kiangsu Province; but this proved impracticable, and in 1370 the former ports of Ningpo, Ch'uan-chow, and Canton, were officially reopened. Trade with Japan and Korea went through Ningpo, that with the Loochow Islands through Ch'uan-chow, while all trade with the south went through Canton.

Cheng Ho's voyages between 1405 and 1433, although usually

considered from a purely political aspect, were also very important economically. Cheng Ho's enormous fleets sailed to South-east Asia, India, and eventually East Africa, and developed trade between China and those regions. His fleets, now estimated to have been as much as ninety times larger than Vasco da Gama's nearly a century later, were also important in making the Chinese themselves play a larger part in their maritime trade to South-east Asia, hitherto the preserve of Arabs, Persians and Malays.[3] Voyages further afield, however, were still left to non-Chinese.

From the foregoing it is evident that by the time the Portuguese reached China, and pioneered maritime trade between China and Western Europe, there were recognised procedures for customs collection at Canton and other ports in south China which had been in use for many centuries.

By the eighth century a Bureau of Trading Junks had been in existence at Canton for some time, and had formalised a regular system of Customs Administration for the South-east Asian trade. Captains of foreign ships registered at the Bureau and submitted their manifests there, after which customs and other charges were paid. The cargoes were then discharged into godowns and remained there until the last ship of the monsoon, or season, had arrived. There was then a general sale of all goods in one large operation.[4]

The Canton Inspectorate of Maritime Trade established in 971 made several changes. After the junks reached Canton, they were anchored. The sub-District Deputy Magistrate sent soldiers to guard them, this is called 'Registering and stopping at the Bar'. Upon the arrival of a junk the Chief Commissioner and Superintendent

of Trading Junks went on board to examine its cargoes and levy duty, this is called 'Taxing for Release'. Rates varied from ten to thirty per cent, in addition to which each official levied a small tax. Penalties were imposed. "Should anyone, before the ship has paid its clearance dues, dare to remove from it any part of the cargo, no matter how small the quantity, the remainder of the cargo is confiscated, and beside this, he is punished according to the gravity of the offence. So traders dare not violate the law." [5]

A further development in the control of foreign maritime trade took place in the fifteenth century, when the Bureau of Trading Junks was revived as a Tribute-transmitting office with tax levying functions, responsible to the provincial authorities. This meant that the collection of customs duties on imported goods was no longer the direct concern of the state; but became that of the provincial authorities in whose province the port was located.[6] For collecting these dues the provincial authorities did not set up any special organisation; they simply made use of the local magistrates under them. These went on board ships after their arrival, to inspect cargoes and assess the amount of duties to be paid.[7]

Customs procedure became further regularised after 1685 when all foreign trade was confined to Canton, from which time the East India Company and Britain steadily gained dominance in the China trade. The customs revenue was farmed to the Superintendent of Customs, known to the foreigners as the 'Hoppo'. The Hoppo was a high official appointed by Peking, who received no salary; and was expected to pay himself out of customs revenue. He had to purchase his appointment from the Emperor, and it was considered one of the

most lucrative posts in the Empire. This system applied all through the customs service, right down to the lowest officials. It was accompanied by a bargain system of paying duties; by which a judicious bribe to an official by a merchant could result in his paying reduced duties, the difference between this and the proper payment being divided between merchant and official. On top of all this there was no proper schedule of duties or tonnage dues, and every vessel and its cargo was the subject of prolonged bargaining.

Foreign vessels paid their tonnage and customs duties through the Cohong merchant responsible for that particular vessel, and were always uncertain of the charges which would be imposed on them. They were victims of a "milking process", under which they were forced to pay the maximum the Chinese officials thought they could afford; but stopping just short of what might drive them away. Under this system very little of the revenue collected actually reached the Imperial exchequer. This - after allowing for payment of salaries, the share due the provincial treasury, and other expenses - was supposed to be forty per cent of the total collected. In practice never more than ten per cent reached Peking.

H.B. Morse described the system as it was in 1687 thus: "The Chinese merchants pay the customs duty, both on imports and exports; that is the essential feature in Chinese official dealings with foreign trade for a century and a half after this date (1687). The supercargoes were compelled, of course, to give presents, gratuities, fees, and bribes; and also paid measurement dues as a rough and ready method of assessing the value to them of using the privileges of the port; but customs duty on the goods, both import and

export, was paid by the Chinese trader with whom they dealt. The legal rate of the customs duty, according to the official tariff - apart from fees and bribes - was exceedingly light, being at the rate of 6 per cent ad valorem. Duties were much higher in Britain, where tea was then taxed at 5/- per pound. The London, for instance, in 1687 paid £5,000, or Tls. 15,000, on the tea she landed in London, while on departure from Amoy she had only paid Tls. 1,147 for her entire cargo.[8]

Nearly a century and a half later Morse quotes the following statistics taken from a Memorandum to the Throne in 1823, by the Viceroy at Canton, giving customs duties collected for the past season -

		Tls.	Tls.
Import duty:	assessment by Imperial authorities	855,500	
	excess collected	629,647	
	Actual collection		1,485,147
Export duty:	Collection at Canton	510,056	
	" " sub-stations	128,593	
	Measurement of ship (tonnage dues)	182,098	820,747
	Total collection		2,305,894

From the above it will be seen that an additional Tls. 629,647 was collected, approximately 27.3 per cent in excess of the official Imperial assessment.[9]

This system continued in the interregnum between the abolition of the East India Company's monopoly of the China trade in 1833 and the establishment of the treaty port system ten years later. The removal of the East India Company's control and its substitution

by British Superintendents of Trade, made matters worse. The increasingly unjust exactions, inequality of treatment, and rapacity of underlings, was a minor factor contributing to the war of 1839-1842, which was ended by the Treaty of Nanking.

This treaty, in addition to opening four more ports to foreign trade, ended the old co-hong system at Canton, by which trade could only be carried on through the members of the co-hong. It also imposed a fixed tariff on imports and exports at all the treaty ports, replacing - at least in theory - the system of bargaining and bribes. Both parties to the Treaty of Nanking and to the supplementary Treaty of Hoomunchai, concluded just over a year later, knew that smuggling was the cause of most of the trouble at Canton, and also that the Chinese - lacking an effective naval or preventive force - were powerless to stop this. Accordingly, a clause was inserted in the Treaty of Nanking providing that the British Consuls to be appointed to the treaty ports would see 'that the just dues and duties of the Chinese Government .... are duly discharged by Her Britannic Majesty's subjects'.[10] Significantly, this clause was not repeated in the American and French treaties concluded soon afterwards. Its effect was to make the British Consuls responsible for collecting customs revenue on British trade, and seeing that this was paid to the Chinese Government.

It was soon apparent that the treaties and opening of the new ports had not eradicated the old faults. The assessment and collecting of duties was left in the hands of the Chinese Customs House officials, and it was here that the new treaty system broke down. As foreign trade increased in the 1840s, smuggling also

increased, and to an even greater extent. Much of this was by vessels of non-Treaty Powers, that is by vessels flying flags of countries having no treaty relations with China, and so immune from consular control. This, of course, put British merchants and ships at a disadvantage with merchants and ships of such countries, sometimes overcome by placing ships under these 'flags of convenience'. The Chinese officials at the ports were still the same men, or of the same type, as in pre-treaty days. They had obtained their posts by nepotism or purchase, and being subject to abrupt dismissal, followed the time hallowed practice of keeping as much of the revenue to themselves as possible, as did the provincial authorities. The bargain system of paying duties, the corruption, and the wholesale smuggling still continued, and the Imperial Exchequer was deprived of vast sums by Chinese and foreigners alike.

The British Government was completely baffled by Sino-foreign evasion of customs duties, and by the failure to enforce a uniform tariff treatment on merchants of all nationalities. This, the cornerstone of the treaty port system, was thus seriously threatened.

In the early treaty port years, Britain was the only Western Power effectively represented at the treaty ports, and the British Consuls the only foreign consuls with adequate power to uphold their authority and prestige. This meant that only British merchants and ships were subject to consular supervision and control. Most smuggling, therefore, was by non-British ships, or by ships flying other than the British flag. British merchants naturally protested against a state of affairs which allowed their rivals to

evade payment of full legal duties, and to engage in illegal, but profitable trades. These protests came from the Shanghai Chamber of Commerce, most of whose members were British, by this time an influential body. Lord Palmerston, then Foreign Secretary, instructed Sir George Bonham, British Superintendent of Trade and Governor of Hong Kong, in a letter of 24 May 1851, to inform the Chinese Government that, as Article VIII of the Treaty of Hoomunchai conferred on British subjects the right of enjoying the same treatment as that accorded subjects of other Treaty Powers, and that as the Chinese Government had failed "to act up to the Manifest intention of the treaties between Great Britain and China, the British Government feels itself entitled to withhold for the future all interference on the part of the British Consular authorities for the protection of the Chinese revenue".[11] This would certainly put British merchants on equal terms with other foreign merchants; but as British trade formed the larger part of China's foreign trade, it would also mean a substantial loss of customs revenue to China. This resulted in the Taotai and Hoppo issuing a new set of Customs regulations. As before, these were admirable in intent; but because of the continued inefficiency and dishonesty of the Chinese officials, proved impossible to implement, and there was no improvement in the situ- ation. A year later the North China Herald commented, "the situation at this port (Shanghai) gets worse and worse, and so far from recent changes being of any benefit to the honest merchants .... it should not be possible to compound legal dues by an instalment of twenty per cent from one hong, fifty per cent from another, and seventy per cent from a third, while the honourable man pays the

full duty agreed upon".[12] Fortunately, the opportunity for a full scale reform was at hand.

The Taiping Rebellion broke out in south China at the end of 1850, and very soon spread to Central and North China. Nanking was captured from the Imperial forces on 8 March 1853, and became their capital. Six months later on 7 September the native city of Shanghai was captured by the Small Sword Society.[13] The Customs House was in the British Settlement, and in the resulting confusion a mob swarmed into the British Settlement and looted the Customs House. The staff fled, silver coins and sycee - without which duties could not be paid - disappeared, native bankers refused credit, and trade became paralysed.

When the Taiping Rebellion broke out, the British, American and French Governments agreed on a policy of neutrality; but their principal aim was to restore trade as quickly as possible, and this - with the collection of customs duties - would in itself strengthen the Imperial Government. Various provisional systems of customs collection were attempted by the British and American Consuls during the next year so as to keep trade moving. In one of these the Consulates became temporary Customs Houses, where merchants deposited their papers, made their declarations, and paid their duties - the latter being held in trust for the Imperial Government. Owing to the scarcity of silver, the merchants were given the option of paying the duties by bills on demand at forty days' sight. Ships of other nationalities ignored this arrangement, however, which soon broke down. Then the Taotai threatened to establish two collecting barriers inland, one north and one south of Shanghai, and move the

collection of customs to these. This was the last thing either the Consuls or the merchants wanted, the unchecked exactions of inland tax stations being the danger most dreaded by everyone on the foreign side.

At last, on 15 June 1854, when the situation was in danger of getting completely out of hand, and smuggling increasing rapidly, Rutherford Alcock, the British Consul, submitted to Sir John Bowring, British Superintendent of Trade, a memorandum with suggestions for an improved administration of the Customs and an improved method of levying duties. In this Alcock was elaborating an idea he had suggested previously. His proposal was that the Taotai and the Treaty Power Consuls unite in appointing a foreign Inspector of Customs, to inspect and check all documents and duty receipts, as well as Chinese records and registers. These should also be open to inspection by the Consuls and the Taotai. The foreign inspector should be assisted by first-class linguists and one or more Chinese writers, and also one or more foreigners as Tide-waiters. On condition that the Taotai engage reliable foreigners for this work, Alcock was willing to allow the Customs House to be established in the British Settlement. The Commissioner for the United States also played his part. In a meeting with the Governor General on 21 June, he persuaded the Governor to abolish the two new inland collecting barriers, and instruct the unwilling Taotai to conclude an arrangement with the Consuls for the administration of the Customs. Finally, on 29 June an historic meeting took place between the Taotai, and the British, American, and French Consuls, and regulations were drawn up for the reorganised Customs House. This meeting marked the birth of the

modern Chinese Customs Service.[14] The Taotai at Shanghai at this time was Wu Chien-chang, formerly the Canton hong merchant called Samqua, who enjoyed a great reputation among the Chinese as an "expert on the barbarians".[15]

The Board of Inspectors appointed - with the concurrence of and under the authority of the Chinese Government - were T.F. (later Sir Thomas) Wade, the British Vice-Consul; Lewis Carr, of the American Consulate; and Arthur Smith, Interpreter to the French Consulate.[16] The new system at first only applied at Shanghai, so that Shanghai's foreign merchants were handicapped against foreign merchants at other treaty ports, where the old corrupt methods still continued. In 1858, however, Rule 10 of the Rules of Trade attached to the Treaty of Tientsin, stipulated that the new system should apply at all treaty ports, and also that the foreigners who were to assist in the Customs administration, should be chosen by the Chinese Government. The second Customs House on the new model, therefore, was opened at Canton on 11 October, and the third at Swatow in June, 1860.[17] An American, B.G. Glover, was appointed Commissioner at Canton, with Robert (later Sir Robert) Hart as his Deputy. Hart, who was to spend fifty years in the Customs, had already been five years at Canton in the British Consular Service when he joined the Customs Service.

The renewal of hostilities between the Anglo-French forces and China in the final stages of the Second China War halted further progress; but immediately war ended in the autumn of 1860 it was resumed. Ningpo, Chinkiang, Tientsin, Foochow, Hankow, and Kiukiang, received the new style Customs Houses in 1861, Amoy in 1862,

Chefoo, Tamsui, and Takow in 1863, and the fourteenth and last port, Newchwang, in 1864.[18]

The Convention of Peking of 1860, between the victorious Anglo-French forces and China, contained a clause under which China agreed to indemnify the victors for the expenses of the war by a sum of Tls. 8,000,000 each, a total of approximately £5,333,333. This was to be paid in quarterly instalments of one fifth of the gross customs revenue, making it necessary to have a centralised arrangement for the collection of customs duties, and for the foreigners at the head of the Customs to be appointed by the Chinese Government. This was the first instance where China's Customs revenue was allocated to the service of her foreign debts.

Prince Kung, a younger brother of the Emperor, became head of the newly created Foreign Office, or Tsungli Yamen, also a result of the Second China War. One of his first acts was to appoint H.N. Lay, as first Chief Commissioner of the Customs.[19] Lay, who changed the title of Chief Commissioner into Inspector-General, was gazetted to the post on 21st January, 1861. Shortly afterwards he was granted long leave in England for health reasons, and G.H. Fitzroy, the Shanghai Commissioner, and Robert Hart, were appointed to act jointly in his place.

At this time, and for many years afterwards, Britain was the predominant foreign power in China, having within the previous twenty years beaten China decisively in two major wars. British trade with China exceeded that of all other countries combined, and the duties on British exports and imports supplied the greater part of Customs revenue. In addition, certain factors combined to give

British officials in the Customs Service much greater influence than that of their foreign colleagues. Wade and Lay were the only members of the original panel of foreign advisers with any knowledge of Chinese, or of customs procedure, and so inevitably wielded much greater influence than the others. These two, with Alcock - who had played such an important part in establishing the Service - and Hart, who joined in its early formative years, saw that British interests were not overlooked. Then when the United States and France neglected to appoint successors to their original representatives, Lay carried on alone for several years.

Hart's first years in the Customs Service were employed in opening the new style Customs Houses at all the treaty ports, and in establishing uniform methods of customs procedure. He visited all the treaty ports, modifying the rules and regulations, and solving the difficult problems which arose. Among these were the duties to be levied on domestic produce carried on foreign ships, control of the newly opened trade on the Yangtze, and the controversial question of the relationship between foreign Customs officials and their ministers and consuls. Hart insisted that his foreign staff consider themselves as servants of China, and not of their own countries, and had many disputes with foreign ministers and consuls over this. Some wanted their nationals in the Customs Service to use, or abuse, their positions to promote their own countries' interests and policies. British and American policy was comparatively liberal in this respect, and Hart's views were eventually accepted by all but the most intolerant and aggressive of the Western Powers. British policy towards China, however, often had two aspects - that of the Hong Kong

Government and that of the Foreign Office. The former's relations with the Chinese Maritime Customs were often seriously strained, due to disagreement between the Hong Kong colonial authorities and the Canton provincial authorities over control over the southern junk trade. This was exacerbated by the opium smuggling activities, or suspected smuggling activities, of Hong Kong registered junks. [20]

While Hart was extending and consolidating the administration of the new style Customs Service to all the treaty ports, Lay in England was purchasing a fleet of armed steamers to be used in suppressing the Taipings, in anti-piracy operations, and as preventive cruisers. He had been authorised by Prince Kung to do this, and had succeeded in obtaining the approval of the British Government. Britain was at that time abandoning its policy of neutrality towards the Taipings, and Lay was permitted to recruit British personnel to man his fleet. In a memorandum to Earl Russell, Foreign Secretary, of 16 June, 1862, Lay described the aims of this naval force as:- (a) to re-establish Imperial authority upon the Yangtze and command security upon the inner waters, and (b) to suppress piracy between the open ports. [21] A statement from the Foreign Office of July 10, 1862, granted Lay and Captain Osborne, R.N., permission to accept military and naval service under the Chinese Government, and for this purpose Captain Osborne was given official leave from the Admiralty. Lay and Osborne were also allowed, under the Foreign Enlistment Act, "to fit out and equip vessels for warlike purposes in China, and to enlist British subjects to serve in naval and military operations in China". [22]

The Lay-Osborne fleet consisted of eight vessels. There

were three gunboats purchased directly from the Royal Navy, the Mohawk of 670 tons and 150 horse power; the Africa of 669 tons and 200 horse power; and the Jasper of 301 tons and eighty horse power; which were renamed Pekin, China, and Amoy respectively. Then there were the Keangsoo of 1,000 tons and 300 horse power (the largest vessel in the fleet), and the Kwangtung of 552 tons and 150 horse power, both built at Lairds at Birkenhead; and the Tientsin of 445 tons and eighty horse power, built at Thorneycroft's yard in Southampton. The last two ships, the store ship Ballarat and the tender Thule were bought from private owners. The fleet mounted forty guns and had a complement of about 400 men. [23]

Lay could afford to pick his men with care, as the rate of pay he was able to offer was very attractive for those days. It ranged from £3,000 per year for the Commander-in-Chief down to £1,000 for a captain, £400 for a lieutenant, £100 for a midshipman and £25 for a Boy. Captain Sherard Osborne, R.N., was Commander-in-Chief, Captain Burgoyne, R.N., second in command, and Captain Forbes, R.N., in command of the flagship, the Keangsoo. Captain Osborne had commanded a squadron in the Crimean War, and in 1858 had commanded H.M.S. Furious on Lord Elgin's expedition up the Yangtze; while Captain Burgoyne had won the Victoria Cross in the Crimean War. [24]

The Lay-Osborne Flotilla, as it was called, had a short and inglorious career. The first five ships left for the Far East in April 1863, and anchored off the mouth of the Peiho, while Lay engaged in crucial negotiations with the Chinese Government in Peking over the precise status of himself and Osborne with the Government, and with the Viceroys of the semi-independent provinces. Lay

insisted that Captain Osborne only should receive orders from him, and that he in turn would be responsible only to the Imperial Government through Prince Kung. The latter was unable to approve of this, as it would antagonise the powerful Viceroys, and thus jeopardise the success of the Flotilla's operations. Although it was pointed out to Lay that Colonel Charles Gordon was then conducting successful operations against the Taipings under the Viceroy Li Hung-chang, and Sir Frederick Bruce attempted reconciliation, Lay remained adamant. He also demanded as of right that his official residence in Peking should be a palace, as was the prerogative of a Royal Prince. In such an atmosphere his dismissal with that of Captain Osborne was inevitable. This ended the project, which might have resulted in a powerful Anglo-Chinese Navy, and altered the course of Far Eastern history for the next half century and more.[25]

Some ships of the Flotilla went to India, and the others returned to Britain. When it left Britain the Admiralty valued it at £152,500; but its sale only realised £67,083, the difference being made good to China by the British Government. In return Lay and Osborne were treated generously by the Chinese Government, and Hart succeeded Lay as Inspector-General of the Customs Service.[26]

The British and foreign merchants in China already disliked the new style Chinese Customs, and the arrival of the Lay-Osborne Flotilla, heralding a great increase in the power and prestige of the Customs increased this. In his brief period in charge, Lay had brought many charges of smuggling and other irregularities against such prestigious British firms as Jardine, Matheson and Company; Dent and Company; and Lindsay and Company. Customs-commercial

relations were aggravated by Lay's high handed methods and personal rancour towards the commercial class, and this had resulted in a flood of complaints from the firms concerned, and from the Hong Kong and Shanghai Chambers of Commerce.[27] Undoubtedly there were faults on both sides, and Lay's supercession by Hart resulted in a great change for the better.

It is easy to understand the resentment of the foreign merchants to the new style Customs Service. Under the Canton system customs collection was left to the Cohong merchants and to the Chinese customs officials, and the foreign merchant - although he suspected the corruption which prevailed - was content so long as his profits were not adversely affected. There was little change after the treaty ports were opened, except that the foreign merchant's compradore now handled customs business. In a letter of November 1864 to Sir Frederick Bruce, Hart gave a resumé of former and present methods of customs collection.[28] Under the old system the taipan of a foreign firm did not come into personal contact with Customs officials; he merely said to his compradore "pass these goods" or "clear that ship", and left the business to be settled between the compradore and the Chinese officials.[29] He was concerned with the amount of customs duty he had to pay; but was not concerned with how much of this went to the Imperial Exchequer, and how much to corrupt Chinese officials and his own compradore.

Hart's tact, understanding, and sound advice, combined with his proficiency in both Mandarin and Cantonese, soon won him the respect and confidence of the Chinese officials. Within twenty years he built up an international service from men of twenty nine

nationalities, long before international co-operation was thought a practical proposition. Although often dictatorial towards his foreign staff, he inspired them with loyalty to China, and impressed on them that it was their duty to serve the interests of China before those of their own countries.

By 1863 Customs revenue from the thirteen ports with the new style Customs Houses amounted to Tls. 8,408,985, about £2,806,995. Of this Shanghai contributed Tls. 2,526,620; Foochow Tls. 1,703,632; Canton Tls. 950,555, down to Tls.156,152 from Chefoo and Tls. 6,685 from Chinkiang. [30] When the final instalments of the war indemnity to Britain and France were completed in 1866, the Tsungli Yamen was so satisfied that in a Memorial to the Throne it proposed the continuance of the Foreign Inspectorate, which had proved too useful an organisation to be dispensed with.[31]

Hart's most important achievement in his first ten years as Inspector General was the organisation of the Marine Department, to supervise harbours, erect and maintain buoys, lights, and other aids to navigation, and to survey coasts and rivers. This was financed by a small proportion of tonnage dues. At the head of this Department was a Marine Commissioner, assisted by harbour and coast lights engineers, harbour masters, and inspectors. This department underwent changes over the years, all aimed at increasing its efficiency, and when Hart died in 1911, it had a staff of 895, of whom 114 were foreigners. Then in 1868, he drew up the General Pilotage Regulations, which recognised Chinese sovereignty in a field where there had previously been disagreement with the Powers. When the first Customs Service List was published in 1873, it showed a

foreign Indoor Staff of ninety five, of seven different nationalities.[32] The cosmopolitan nature of the staff was an outstanding feature of the Chinese Maritime Customs, and gave it an international camaraderie which had no parallel elsewhere. Two years later in 1875 the foreign staff had increased to 408, of whom 252 were British.[33]

Hart tried to give each country trading with China representation on the Indoor Staff roughly proportionate to the trade of that country. This proved difficult to reconcile with efficiency, as more and more countries developed trading relations with China. Britain was always strongly represented, although not to the extent that her predominant position in China's foreign trade might have warranted. For most of the treaty port era slightly more than half the foreign staff were British, although British trade was responsible for some seventy per cent of customs revenue.

Although Hart was cautious and conservative, in his first twenty five years he brought about a great expansion of the Customs Service. He never moved without testing the ground thoroughly in advance, and one of his greatest achievements was his success in securing the co-operation of some of the highest officials in the Chinese Government, from the Empress Dowager down. In some cases he also secured their friendship and trust. As his prestige and influence increased, he moved into fields not directly concerned with Customs administration, establishing the Statistical Department, for instance, with a trained staff and modern printing plant. This was necessary for the monographs and reports brought out by the Service, which dealt with a wide variety of subjects, including opium, silk,

tea, Chinese music, hospitals, and river conservancy.[34]

Hart's greatest achievement outside the Customs, however, was undoubtedly the creation of the modern Postal Service. This began after the Treaty of Tientsin, Article IV of which provided for the carriage of Legation mails between Peking and the treaty ports. In winter when the Peiho was frozen, this required a mounted courier service from Peking to Chinkiang on the Yangtze, via Tientsin, and thence to Shanghai and other treaty ports. The Tsungli Yamen entrusted this to the Customs, and this meant post offices being established at all the treaty ports Customs Houses. This proved so successful that in 1878 China was invited to join the international Postal Union. This final step, however, was deferred until 1896, as many local postal and club agencies had not been eliminated or absorbed into the Customs Postal Service and were protected by strong vested interests.[35]

On 20th March 1896 the Chinese Government issued a decree establishing a national Post Office under Hart, who thus became Inspector-General of Customs and Posts, and the Customs accepted the responsibility of financing the early years of the Post Office.[36] The Post Office was separated from the Customs in 1911, when M. Piry, a Frenchman, was appointed the first Postmaster General. This was in accordance with an assurance given France in 1898. At the same time Britain was given an assurance that a British subject would always be Inspector General of Customs, so long as British trade exceeded that of any other country.[37] The financing of the Post Office in its early unprofitable years strained Customs finances, and Hart partly offset this by an arrangement with the foreign steamship

companies. He offered to refund to any steamship company the special permit fees paid to the Customs for work done out of normal Customs hours, in return for their undertaking to carry Post Office mails coastwise without further charges, and to refuse such facilities to all others.[38] This offer was accepted by all the companies, and hastened the end of the private mail companies.

Hart's influence and prestige were at their height in the 1880s, when he achieved a great diplomatic success by bringing an end to the Franco-Chinese War of 1883-85. Both China and France claimed suzerainty over Annam, and it was in Annam's province of Tongking, adjoining Yunnan, that hostilities broke out in December, 1883, between Chinese Imperial troops and mercenaries and the French. On several occasions after this Hart attempted to reconcile the two parties; but not until the following October was this possible, when the French seized the Customs lighthouse tender Feihoo. He obtained secret plenipotentiary powers from the Chinese Government, and instructed his Commissioner in London, J.D. Campbell, to negotiate the release of the Feihoo.[39] Concurrently, Campbell found out from M. Ferry, the French Foreign Minister, on what terms France would be willing to end hostilities. When the French Government realised that the Tsungli Yamen had given Hart full authority, they entered into negotiations with Campbell, which were kept secret from Chinese and French officials in China. Thanks to Hart and Campbell, therefore, a protocol was signed at Paris on 4 April 1884 agreeing to China's proposals. This was, in effect, merely the ratification of an earlier convention signed at Tientsin in May 1884, between Li Hung-chang and Captain Fournier for France. Unfortunately,

confusion over the date on which Chinese troops were to evacuate the Kwangsi border resulted in a revival of hostilities, during which the French Navy destroyed China's Fukien fleet anchored at the Pagoda Anchorage below Foochow, the French built shipyard at Foochow, bombarded the forts at Keelung in Formosa, and blockaded Formosa. [40]

At this time Sir Harry Parkes, British Minister at Peking, died, and Hart was offered and accepted the post, the appointment being gazetted on 10 June 1885. He hoped that, with the consent of the Tsungli Yamen, he would be succeeded by his younger brother James, then a Commissioner. As it appeared that this might cause international complications, and antagonism between him and Li Hung-chang, who wanted Gustav Dietring, the German Customs Commissioner at Tientsin, to be Inspector General, Hart - at the request of the Empress Dowager and to the relief of the Service - stayed on.

It was fortunate for the Customs Service that Hart was at the helm in 1891, at the time of the 'Mason Affair'. C.H.A.V. Mason joined the Service in December 1887, and was posted to Chinkiang as Fourth Assistant. He at once took a leading part in the sports life of the foreign community, and became an enthusiastic student of Chinese, and of Chinese history and political institutions. This led him to join the Ko-lao-hui (literally "Society of Brothers and Elders"), a secret society known to be violently anti-dynastic, and became involved in a conspiracy to overthrow the Government. When on leave in Hong Kong in 1891 he bought dynamite and arranged a shipment of arms and ammunition for Chinkiang via Shanghai, for use in an attempt to overthrow the Government. He also confided his plans to another colleague at Chinkiang, who passed the

information on to the Commissioner of Customs.

Mason was arrested on his return from Hong Kong and a quantity of dynamite found in his baggage, and the arms and ammunition seized at Shanghai. As a British subject enjoying extra-territorial privileges, he was tried before Sir Bicholas John Hannen, British Consul General and Chief Judge at Shanghai on 29th October, on the sole charge of illegal possession of dynamite, to which he pleaded "Guilty". Although both before and during the trial Mason had admitted being a member of the Ko-lao-hui, and acting with it to overthrow the Government, this was never mentioned at the trial. . . His sentence of nine months' imprisonment, without hard labour, naturally infuriated the Chinese Government, who had wanted his execution, and attempts were made through the Chinese Legation in London to have Mason re-arrested after completing his sentence in Shanghai, and given a proper trial in Hong Kong.

In Hart's opinion the Mason case did the Customs service immense harm, and the enemies of the service used it in every way.[41] As Wright expressed it: "There was not a province in China in which there were not Chinese officials who resented the presence and activities of the foreign-run Customs Service, with its strict methods of supervision and its all too scrupulous honesty in the rendering of revenue accounts." [42] The Tsungli Yamen, however, stood by Hart, whose policy throughout the affair was - again according to Wright - "one of masterly inactivity." [43]

The Mason affair came just as the situation in the Yangtze Valley was quietening down after violent anti-foreign disturbances, largely directed against Roman Catholic establishments. As the

British Consul at Chinkiang described it: "Childishly mischievous as his proceedings were regarded by many, the Chinese authorities manifested great uneasiness at the connection of a foreigner with secret societies".[44] Opinion in Western circles was divided as to whether Mason was a fool, a madman, a tool, or a plotter. Hart, however, inclined to the first alternative, and seemed to have a soft spot for him, as he helped him financially on several occasions after he returned to England.[45]

The Times described how the court in which the enquiry was held was thronged with Europeans and high Chinese officials, including the Governor, and a deputy of the Viceroy of Nanking. Concluding its article which was headed "The English Conspirator in China", the Times said: "In view of these facts and the violent excitement prevailing in the valley of the Yangtze among natives and foreigners alike, a charge against an Englishman, which in effect amounted to one of supplying the enemies of Europeans with weapons which would almost certainly have been used against the latter, filled his countrymen in the East with anger and shame."[46]

Hart was often accused of nepotism, not surprising, as at one time he had a son, a brother, two brothers-in-law, and four nephews in the Service. There was never any dearth of Irishmen, most of whom claimed relationship of some sort with Hart.

It is impossible to divorce the history of the first half century and more of the Customs Service, from the career of Sir Robert Hart, and this was universally recognised.[47] When he went on leave in 1908, prior to retirement, he had been fifty four years in China. Forty nine of those years had been spent in the Customs

Service, forty six as Inspector General. His time in China, therefore, spanned the first six decades of the treaty port era. He retained his title of Inspector General until his death in 1911, when - after Sir Robert Bredon, his brother-in-law, had acted as Officiating Inspector General for two years - Mr. (later Sir) Francis A. Aglen was appointed first as Deputy Inspector General, and then after Sir Robert Hart died, as Inspector General.[48] After Sir Francis Aglen retired in 1927, Mr. A.F.H. Edwardes, the British Commissioner of Customs at Shanghai acted as Officiating Inspector General until 1929, when Mr. (later Sir) Frederick Maze was appointed Inspector General. Sir Frederick Maze was the last British Inspector General of the Chinese Maritime Customs, and resigned in 1943, during the Pacific War.[49]

The men who succeeded Hart were all his protégées and in most cases his relatives. Bredon, a brother-in-law, Aglen a nephew, and Maze a nephew. Hart's influence, therefore, shaped the development of the foreign administered Chinese Customs almost from its creation until its demise in 1950, after the Communist victory.

The Chinese Maritime Customs played an important part in modernising China's education system, beginning as early as 1861 when the T'ung Wen Kuan College was established in Peking, with a branch in Canton.[50] Hart strongly supported the College, which was intended to educate Manchu youths in foreign languages and science, and which came to depend more and more on the Customs Service for finance and teaching staff. His hope, however, that in time it would turn out qualified Chinese for the higher posts in the Customs Service, was never realised. One reason was that graduates were

required more urgently for other government posts, and also because Chinese Government policy did not favour Chinese being admitted to the senior posts in the Service. The Tsungli Yamen were opposed to this, realising that the "corrupt tendencies and practices which the conditions of Chinese life then rendered almost inevitable" would risk a return to the disorders and corruption of the old style Customs.[51]

An Education Department was established later to train Chinese for senior posts in the Customs Service, and in 1902, after the Boxer Rebellion, merged with Peking University which had been established in 1898, during the Emperor Kwang Hsu's short period of reform. The T'ung Wen Kuan College barely survived the Boxer Rebellion, but was revived as the I Ksueh Kuan, or School of Interpreters, soon afterwards, and as such continued until the Revolution of 1911, when it too merged with Peking University.[52] Many of the teaching staff of the University came from the Customs Service, while others were loaned temporarily, and the Inspector General nominated appointments to certain faculties.

Of more direct concern here, however, is the Preventive Fleet. The failure of the Lay-Osborne Flotilla in 1863 postponed the formation of an effective Preventive Fleet for several years, although a modest start was made in 1867 when the Marine Department of the Customs Service was formed. Then three steamships of 700 tons each and two of 300 tons each were bought, to act as lighthouse tenders and customs cruisers. In the following years additional vessels were acquired, and by 1914 the Fleet consisted of nine vessels of 4,237 tons, of which the largest was the Fee Cheu of

1,034 tons, built in 1884; several of the older vessels having been disposed of during these years.[53] This was totally inadequate for a country with such a large coast as China, and not until China regained her tariff autonomy in 1929, and customs duties were revised upwards, did a really effective Preventive Fleet come into existence. From the earliest years of this Fleet most of the floating staff were British, many coming from British China coasters.

Shortly after the Marine Department was formed in 1867, events in China's tributary territories of Formosa and Annam, involving Japan and China in the former, and France and China in the latter, underlined China's need for a modern navy. This would not have presented any difficulty for a country with a strong central government, and an Admiralty or Naval Ministry. China, however, had none of these, and with the Lay-Osborne fiasco always in his mind, Hart was reluctant to take any initiative through the Customs Service, although he continually pressed on the Tsungli Yamen the need for a Chinese Admiralty. At length, when it became apparent that Li Hung-chang, the most powerful official in the country, was prepared to deal with foreign arms and munitions agents, some of them unscrupulous adventurers, he decided to act through J.D. Campbell, his agent in London.[54] After long discussions in which Hart, Li Hung-chang, Campbell, and the Admiralty were involved, an order was placed with Armstrong and Company of Newcastle, for four modern and powerfully armed gunboats.

The first two gunboats, of 350 tons displacement and speed of nine knots, cost £23,000 each; and the second two, of 440 tons and nine knots, £33,400 each, in each case the cost including

preparation for sea. The total cost of the project was Tls.450,000, about £150,000, which included manning and delivery in China. Among his many posts, Li was Imperial Commissioner of Trade for the Northern Ports, which meant jurisdiction over all ports on, and north of, the Yangtze. In this capacity he arranged that the bulk of this sum should come from the Customs remittances sent to Peking from Shanghai, Hankow, Kiukiang, and Ningpo; Tls. 130,000 from Shanghai, and Tls. 80,000 from each of the others. The remaining Tls. 80,000 came from the Canton remittance. The first two gunboats left Newcastle on 19 June, 1876, and arrived at Tientsin on 20th November; while the second two left Plymouth on 1st March 1877 and arrived at Foochow on 25th June. For the passage all four were rigged as schooners and fitted with auxiliary sails, and the Admiralty regarded their safe arrival in China as a splendid achievement. [55]

Shortly after this two powerful ironclads were ordered from Armstrong and Company, this time through the agency of the Chinese Minister at Berlin. These two cost £200,000 each and were financed independently of the Customs revenue, and were by far the largest warships built for China until then. Following this again, and this time through the Customs, another four gunboats were ordered from Armstrong and Company, these to be slightly larger, faster, and more powerful than the previous four of 1876-77, and - of course - more costly, which arrived in China in late 1881. The five years 1876-1881, therefore, were hectic years for the purchase of arms and warships. By this time China had established legations at most European capitals, and it was clear that the Customs was not required to act as agent for the purchase of arms and warships. In 1881,

Armstrong and Company informed J.D. Campbell that they had sent out a Major Bridgford, formerly of the Royal Marine Artillery, to China, to act as their agent, with instructions to do armament business with China through Jardine, Matheson and Company.[56]

Unfortunately, China's efforts at this time to obtain a modern navy were unsuccessful. The first disaster came in the Franco-Chinese War of 1884-5, when the new naval arsenal at Foochow, and a large part of the fleet were destroyed by the French Navy. Ten years later the Northern, or Peiyang Fleet, was ignominiously defeated by the Japanese off the Yalu River between China and Korea. In this encounter the Chinese fleet, which included the two ironclads of over 7,000 tons each, was superior in numbers and firepower to the Japanese, and most foreign observers, including Hart, had predicted a Chinese victory. As a result of the incompetence displayed in these two wars, the efforts of Hart and the Customs were nullified, and in 1914 China was no nearer having a modern navy than she had been thirty years earlier.[57]

The Chinese Maritime Customs, during its near century of existence, comprising practically the whole treaty port era, was confronted with many grave problems, many not directly concerned with normal Customs matters. They arose because of the unique situation in China, and the unique position occupied by the foreign administered Customs Service. Some of those problems were caused by the weakness of China's central government, and the rivalry of the foreign powers seeking commercial and political privileges. The absorption of the Native Customs into the Chinese Maritime Customs posed many difficulties. Hart always wanted a single Customs administration

covering the whole country; but moved towards this objective very cautiously. It meant taking control of a number of widely scattered, decentralised, and semi-independent customs establishments, each with its own tariffs, and its own over-manned staff. Most of these establishments were hundreds of years old, and their staffs had their own jealously won interests to protect. The Native Customs Houses were, of course, the original Customs establishments, which in pre-treaty days had controlled all sea and river trade; but since 1854 had been restricted to control only of native coastal and inland craft.

This question was closely linked with the extension of steam navigation inland and the likin taxes, and began to assume greater importance during the Taiping Rebellion in the late 1850s. The Chinese Government then purchased and chartered foreign steamers for use against the rebels, and Ward and Gordon also used steam launches in their campaigns in the inland waters around Shanghai. This extension of steam navigation into such inland waters was for military purposes and under Chinese control. Soon, however, Chinese and foreign merchants followed suit in order to develop trade inland. This alarmed the provincial authorities, and in February 1865, when the country was pacified they forbade steam launches to go inland to places not opened by Treaty. [58] Two years later Hart, always an advocate of private Chinese enterprise in steam shipping, brought out provisional regulations under which Chinese-owned steamers could ply, and in 1872 when Chinese merchants began to avail themselves of this permission, these regulations of 1867 were put into force. They also extended control of the Maritime Customs to such Chinese-owned

vessels, whose cargoes were made subject to similar duties on similar goods carried in foreign-owned vessels.

The Sino-Franco and Sino-Japanese Wars of 1884-5 and 1894-5 respectively, so weakened the control of the Central Government that the provincial authorities allowed steam launches to extend their range of operations, and not only trade from treaty port to inland places, but also from inland place to inland place. The Treaty of Shimonoseki of 1895 further extended the limits of inland steam navigation by providing for the opening of Soochow and Hangchow as treaty ports, and so opening the inland waters leading to these places to steam navigation. The attempts of the Maritime Customs to control unlicensed inland steam traffic were constantly hindered by the foreign Powers, who demanded further concessions from the Chinese Government. In 1898, for instance, the British Minister demanded that foreign-flag vessels be allowed to trade to inland places, a demand supported by the other Powers. The final extension came in 1902, at Japanese insistence. Then the privilege of engaging in inland water trade was thrown open to any steamer capable of navigating inland waterways, thus removing a stipulation of the 1898 regulations, that vessels engaged in inland water trade were not to be of sea-going type. [59]

The Taiping Rebellion also saw the introduction of likin, an internal transit tax levied to finance the campaigns against the rebels. This tax was farmed out to the highest bidder, and gradually came under provincial control. It continued to be a thorny problem in Sino-Western relations until finally abolished in 1931.

The transfer of the collection of likin and salt taxes from

the Native to the Maritime Customs was not accomplished without causing disturbance. In 1898 the British Consul at Hankow reported: "It was causing great anti-foreign feeling in his district." There were anti-foreign riots at Sungpu and Shasi, and British gunboats had to be dispatched to support the Chinese Government.[60]

The problems concerned with control of the Native Customs and of inland steam navigation continued all through Hart's years as Inspector General and beyond. The Peace Protocol of 1901, after the Boxer Rebellion, stipulated that payment of the indemnity imposed on China by the Powers, come from the Native Customs and Salt Gabelle, any shortfall to come from the Maritime Customs. In order that the revenue from the Native Customs be available for this purpose the Chinese Maritime Customs took over the administration of all Native Customs within fifty li, about seventeen miles, of all open ports. This proved difficult and was not completed until 1907. Eventually all Native Customs establishments, within and without this fifty li limit, were abolished in 1931, and the foreign administered Customs Service obtained jurisdiction over the whole of China.[61]

During this period of expansion, the customs guards on China's land frontiers were strengthened, and the manning of these by the Maritime Customs led to the anomaly of tide waiters working hundreds of miles from navigable water. The most important of these inland treaty ports were Aigun and Manchouli on the Siberian border, Mengtz and Szemao on the Indo-China border, Tengyuen on the Burmese border, and Yatung on the Sikkim border. Yatung was at the foot of the famous Chumbi Valley in the Himalayas and controlled Indo-Tibetan trade via the valley. Because of the complicated relationship

between India and China over Tibet, this post was always more important politically than commercially. Yatung Customs House began with a British Commissioner in 1896, and when he was replaced by a Chinese Commissioner in 1906 the change was questioned in the House of Commons. The Secretary of State for Foreign Affairs then stated that: "the change was made in accordance with the Convention with China of 27 April 1906, in which it was agreed that in future no one not of Chinese nationality would be employed in Tibet in any capacity whatever." He concluded: "I am not aware of any other appointments which will displace Englishmen in the Customs service."[62]

The Customs Service was organised in three departments, Revenue, Marine, and Works. The former again was sub-divided into Indoor, Outdoor, and Coast Staffs. The Indoor Staff consisted of Commissioners, Deputy Commissioners, and Foreign Assistants down to Chinese Assistants and clerks; and all foreign staff - in addition to other qualifications - required a good knowledge of Chinese. The Outdoor Staff was also sub-divided into Executive and Examination Branches, and included tide surveyors, assistant tide surveyors, boat officers, and tide waiters. The Coast Staff consisted of the crews of the revenue steamers and launches, which were employed in revenue and preventive duties, light tending, aids to navigation generally, and surveying. Each department was divided into a bewildering multiplicity of grades, each with appropriate uniforms and titles. The Service was born and developed in a period of colourful uniforms and elaborate titles, and the Chinese Maritime Customs outdid the Diplomatic, Military, and Naval Services in this respect.

When the first foreigners were recruited for the Customs

Service, many from the British China Consular Service, salaries were approximately twice those in the Consular Service, so that there was no difficulty in obtaining suitable staff. Hart was in full control of the salary scale of the Customs Service, and the large allowance, approved by the Throne, and which was increased to Tls. 1,000,000 in 1876, enabled the foreign commissioners to maintain a life style which was the envy of the British Consuls, their social confreres in the treaty ports. Hart's own salary at this time was said to amount to between £10,000 and £12,000 per year. [63]

One serious criticism of the Service was the very large gap between foreign and Chinese salaries. There may have been valid reasons for this in the early days of the Service; but it inevitably bred discontent. Edward Bowra, when he took up his first post at Tientsin in 1863, describes the ostentatious style in which he lived, and commented on the fact that the most senior Chinese clerk in the Tientsin Customs received a salary of about £70 per year, little more than one tenth of his.[64] A photograph of Bowra at this time in full dress uniform, seems more appropriate for a senior diplomat at the Congress of Vienna, than for a Customs officer. Another photograph of the American Commissioner of Customs at Ningpo about 1894, showing him with his wife and family and twelve Chinese servants confirms this impression. [65]

The life of foreigners in the Chinese Maritime Customs has been well documented, and the following books on or by four foreign officials - two British, one American, and one Norwegian - are representative. The British officials were E.C. Bowra and P. King; the American L.C. Arlington; and the Norwegian, A.H. Rasmussen. [66] Many

of the books and literature about the Chinese Maritime Customs are remarkably uncritical, and if Sir Robert Hart is the subject, almost hagiographic.[67] In this respect Arlington's book is a necessary corrective. As well as referring to Hart's nepotism, Arlington writes feelingly of his lack of concern for the welfare of his Outdoor Staff, of which Arlington himself was a member. The disparity between the salary and conditions of service of the Indoor Staff and those of the Outdoor Staff, resulted in the foreign merchants practically ostracising the Outdoor Staff socially.[68]

Hart acquired more than a modest competence during his service in the Customs. As early as 1869 we find him referring in a letter to London to his purchase of part of an estate in Ireland with which his family had a tenuous connection. Campbell in London, among his many duties, attended to many personal affairs for Hart, and few of Hart's letters to him are without some reference to Hart's investments. In 1877 he authorised Campbell to complete the purchase of this Irish estate at a price not exceeding £60,000.[69] A few years later he writes of being able to invest some £30,000 that year.[70] It is not surprising that the British China Consuls looked on their compatriots in the Chinese Maritime Customs with some envy.

If one neglects the extra curricular functions performed by the Chinese Maritime Customs and its foreign staff, many arising from the unique situation in treaty port China, and from the undeveloped nature of the country, the history of the Service would be merely a dry statistical record. Starting from a modest base, this would be impressive, as is illustrated by the following brief table for the years 1864 and 1913, the former year being that by which

every treaty port was equipped with a modern style foreign administered Customs House.

Expansion of Shipping, Trade, and Customs Revenue between 1864 and 1913

Year	Tons of Shipping	Trade £	Trade Tls.	Customs Revenue	Customs Revenue
1864	6,635,584	35,179,083	94,864,943	2,070,435	5,915,524 [71]
1913	93,334,834	204,421,415	1,353,410,749	6,641,279	43,989,852 [72]

The above figures are distorted by the fall in value of the tael during these years, from 7/5d in 1864 to 3/0¼d in 1913, about sixty per cent. This meant that in the forty odd years between 1864 and 1913 the sterling value of China's foreign trade increased by 5.2 times, but its silver value by 14.2 times.

The following statistics of the personnel of the Customs in the years 1875, 1905, and 1915 are equally impressive. In these it must be noted that the seemingly disproportionately large figure for 1905 included 4,504 employees in the Postal Department, which department was separated from the Maritime Customs in 1911.

Personnel of Chinese Maritime Customs, 1875, 1905, and 1915 [73]

Year	British	Americans	Germans	French	Scandinavians	Others	Chinese	Total
1875	252	47	34	26	23	26	1,417	1,825
1905	713	102	156	63	133	157	9,465	10,789
1915	701	76	141	26	147	285	6,159	7,535

Included among the 157 of other foreign nationalities in 1905 were seventeen Japanese, and among the 285 in 1915 were 106 Japanese. In 1864 there were fourteen treaty ports, and in 1913 forty nine open ports, which included in addition to the treaty ports four ports opened voluntarily to foreign trade by the Chinese

Government. By 1913 there were also eight ports of call on the Yangtze and West Rivers, and a fluctuating number of passenger stations on these two rivers, all of which came under the jurisdiction of the Chinese Maritime Customs. [74]

Hart's last years in China were very largely concerned with the problem of his successor, a matter of international importance. Hart would have liked his fellow Ulsterman, Sir Robert Bredon, to succeed him as Inspector General, and Bredon did act as Deputy Inspector General for a short time after Hart went on leave, prior to retirement, in 1908. For various reasons, however, Bredon was persona non grata to both the British and Chinese Governments, and also unpopular with many senior Customs officials, and the final choice fell on Sir Francis A. Aglen. [75]

The opium question, however, was settled more harmoniously just before Hart retired from the scene. For the previous few decades native opium, principally grown in Szechuen and Yunnan, had been steadily supplanting imported (mainly Indian) opium, and by the early years of the twentieth century such statistics as were available showed that India only supplied about one ninth of China's consumption. In settling the opium question, British, Chinese, and world wide public opinion were in accord. After lengthy consultations between the British and Chinese Governments, in which Hart took a prominent part, an agreement had been reached by the time Hart went home on leave. Britain agreed to reduce opium imports from India to China by one tenth annually, beginning on 1 January 1908, while China agreed to reduce her production and consumption by a similar annual proportion during the decade between 1908 and 1918. [76]

Hart died on 20th September 1911, three weeks before the Revolution destroyed the dynasty he had served so long and faithfully.[77] The war lord era began several years later, and in the succeeding years until the outbreak of the Pacific War in 1911, the Service which he had worked so hard to create, was put to its greatest tests. Hart always believed in the need for a united China, and the Customs Service became the principal symbol of the Central Government's authority. It also became the first international civil service in the world, staffed by men from practically every civilised nation in the world, and Hart inspired them with the idea of loyalty to China, and the furtherance of China's interests and of the welfare of the Chinese people. During the war lord era, the Customs Service was often the only symbol of Central Government authority, and the only unifying agency in the country. As such it well deserved the description of it by The Times in 1899 as "one of the most striking monuments ever produced by the genius and labour of any individual."[78]

In May 1914 the Chinese Government erected a statue to the memory of Sir Robert Hart on the Shanghai Bund to the north of the Customs House, which was removed to an island site just opposite the Customs House in 1927. In 1942, shortly after occupying the International Settlement, the Japanese military authorities ruthlessly destroyed this statue and the pedestal on which it stood.[79]

The foreign administered Chinese Maritime Customs undoubtedly brought many benefits to China, and played an important part in bringing her into the modern world. The Chinese themselves, however, did not have the same high regard for the Service which foreigners

had. To many it acted as an internal irritant, and from early in the twentieth century an increasing number of Chinese patriots and students looked on it as essentially a debt collecting agency for the foreign powers. The fact that so much of the borrowed foreign capital designed to build a modern fleet and railway system, was wasted through a combination of corruption and incompetence, did nothing to endear the Service to the Chinese people. Had Sir Robert Hart's statue survived the Japanese occupation of 1942-45, it would almost certainly have been removed from its place of honour on the Shanghai Bund after the Communist capture of Shanghai in 1949.

REFERENCES FOR CHAPTER 7

1. This resumé of China's maritime trade in the Sung period is largely derived from E.O. Reischauer and J.K. Fairbank, East Asia The Great Tradition (Tokyo 1962) p.214-217.

2. T.T. Chang, Sino-Portuguese Trade 1514-1644 (Leyden 1934) p.17

3. T'ien Ju Kang, 'Cheng Ho's Voyages and the Distribution of Pepper in China', J.R.A.S., No.2, 1981, p.186-197

4. Chang, p.9

5. Ibid, p.17-18.

6. " p.29

7. " p.31

8. H.B. Morse, Chronicles of the East India Company Trading to China, 4 vols., 1926-29, I, p.81

9. Ibid, IV p.58

10. Article II, see Appen. No.5

11. Appen. 6, and Palmerston to Bonham, Dispatch No.49, F.O. 228/123.

12. N.C.H. 1/5/1852.

13. The Small Sword Society was an offshoot of the famous, or notorious, Triads Society. This was founded in 1674 by Buddhist fighting monks near Foochow. It developed into a blood brotherhood, whose members were sworn, on pain of death, to absolute loyalty to the society. The principal aim of the Triads was to overthrow Manchu rule, and their slogan was "Overthrow the Ch'ing and restore the Ming." Ch'ing was the official Chinese name for the Manchu dynasty.

14. BPP 1865 XXXVIII (3509) p.1-13. Foreign Customs Establishment in China. A lengthy memorandum from Robert Hart to Sir Frederick Bruce, and passed by him to the Foreign Office. Dated Shanghai, November 1864, it described the introduction and working of the Foreign Inspectorate of the Customs.

15. Fairbank, East Asia, p.167-8.

16. B. Foster Hall, The Chinese Maritime Customs: an international service, 1854-1950, London, National Maritime Museum, 1977, p.7

17. Hall, The Chinese Maritime Customs, p.8

18. Ibid, p.8

19. Lay was the son of one of the first British China Consuls, and since 1855 had been the British representative on the foreign triumvirate administering the customs at Shanghai, where he had formerly served as Interpreter in the British Consulate.

20. BPP 1876 LIV (c.1628) p.1-40. Hong Kong and Chinese Revenue Cruisers. This describes many instances of Hong Kong junks being boarded in Hong Kong waters by Customs cruisers with European officers, and by mandarin junks. In several cases junks were taken to Canton, crews imprisoned, and sometimes ill treated.

21. BPP 1862 LXIII (3057) p.1

22. BPP 1864 LXIII (3271) p.3

23. S.F. Wright, Hart and the Chinese Customs, Belfast, 1950, p. 231

24. Ibid, p.235

25. This account of the Lay-Osborne Flotilla has been compiled from BPP 1864 LXIII (3271) p.57-103, C. Drage, Servants of the Dragon Throne, London 1966, p.82-92, and Wright, p.235-253.

26. BPP 1864 LXIII (3271) p.34

27. Ibid, (3240) p.1-21.

28. BPP 1865 XXXVIII (3509) p.1-14.

29. Ibid, p.7

30. BPP 1865 LIII (3489) p.148

31. Wright, p.30

32. Hall, p.9. These were 58 British, 14 French, 11 Germans, 8 Americans, 2 Norwegians, 1 Russian and 1 Swiss.

33. Wright, p.897

34. Hall, p.2

35. Ibid p.17, and S. Couling, Encyclopedia Sinica, Shanghai 1917, p.332.

36. Hall, p.17

37. BPP 1899 CIX (9131) p.141

38. Hall, p.17

39. Ibid, p.10

40. Fairbank, East Asia, p.373-4.

41. J.K. Fairbank and E.N. Matheson. The I.G. in Peking, letters of Sir Robert Hart, 1868-1907. (1971) p.860-1.

42. Wright, p.628

43. " p.629

44. BPP 1893 XCII (No.1228) p.7-8

45. Fairbank and Matheson, p.1103

46. The Times, 19 November, 1891

47. Hart was created K.C.M.G. in 1882, and received many other honours from the Chinese and other governments, including that of Commander of the Order of Pius IX, conferred on him by the Holy See in 1883. He commented on this to J.D. Campbell, London Agent of the Customs: "Fancy me - an Ulsterman - with a Papal decoration." Fairbank and Matheson, The I.G. in Peking, Letter No.550, p.618

48. Sir Francis Aglen was no relation of Hart, but was the son of an old Ulster friend.

49. Hall, p.33, 35, and 37.

50. Wright, p.323-5.

51. Ibid, p.333

52. " p.332

53. Hall, p.42

54. J.D. Campbell, after several years on the Customs staff in China, was sent to London to open an office there, where foreign candidates for the Service were chosen, stores purchased, contracts placed, etc. Campbell soon became Hart's trusted confidant and adviser, and had the rank of Senior Customs Commissioner.

55. Wright, p.469-473. This is a brief and simplified version of what was a long and complicated operation.

56. Wright, p.477

57. J.A. Rawlinson, 'China's Failure to Co-ordinate her Modern Fleets in the late Nineteenth Century,' from Approaches to Modern Chinese History edited by A. Feuerwerker, R. Murphey, and M.C. Wright, Beverley and Los Angeles, (1967) explains why China's, in some cases superior fleet technically, was so unsuccessful.

58. Hall, p.15

59. Ibid, p.16

60. BPP 1899 CIX (9131) p.85-91

61. Hall, p.27

62. Hansard, 4th Series, 1906, 164, p.1056.

63. D.C.M. Platt, The Cinderella Service, British Consuls since 1825, (1971) p.196

64. Drage, p.71

65. Ibid, facing p.85; and Fairbank, East Asia, between p.320 and 321.

66. Ibid, (about E.C. Bowra); P. King, In the Chinese Customs Service, (1924); L.C. Arlington, Through the Dragon's Eyes (1931); and A.H. Rasmussen, The China Trader, 1924.

67. S.F. Wright, Hart and the Chinese Customs (1950)

68. Arlington, p.172

69. The I.G. in Peking, p.231-2.

70. Ibid, p.322

71 Wright, p.891

72. BPP 1914-16 (No.5424) p.62

73. Wright, p.897-904

74. Ibid, p.894-96.

75. Hall, p.33

76. BPP 1908 CXXV (Cd.3881) p.14, 17, 21, 29, 45, 47 and 48

77. The Times, 25 September, 1911, quoted from the Imperial Edict of Peking of 24 September: "Sir Robert Hart performed many duties in China in connection with the establishment of the Customs; the organisation of the

coastal lighthouse system, the foundation of Tsungwan College, the participation in International exhibitions abroad, and the creation of the Post Office, highly satisfactory results being obtained in each case. We deeply deplore his death, and as a special honour, to display our exceptional favour, we award Sir Robert Hart the brevet rank of Senior Guardian to the Heir-Apparent, and also promote his son."

78. The Times, 10 January, 1899, p.5

79. Wright, p.867.

CHAPTER 8

The Great Hongs: brief account of the principal foreign companies engaged in China coast shipping, mainly Jardine, Matheson and Company and John Swire and Sons.

A remarkable feature of the treaty port era on the China coast was the domination of the coast and river trades by a few foreign companies. Four companies in particular - one American and three British - dominated the China coast scene from the last years of the Old China Trade until 1914. In point of seniority there is little to choose between Russell and Company, the American, and the two oldest British companies of Dent and Company and Jardine, Matheson and Company. Russell and Company was formed in New York in the first years of the nineteenth century, and opened a branch in Canton in 1818 under the title of Samuel Russell and Company, which was re-organised in 1830 as Russell and Company. James Matheson and William Jardine commenced business in Canton in 1820 and 1822 respectively, the former after working for a short time in London and in his uncle's counting house in Calcutta; and the latter after serving for sixteen years in East Indiamen as surgeon's mate and surgeon. The two joined forces in Magniac and Company in 1827, and in 1832 when the last Magniac left for home, re-christened the company Jardine, Matheson and Company.

Magniac and Company was the oldest private foreign company in Canton, tracing descent from Cox and Beale which was established in 1782, and which under various names owing to charges of partners,

maintained itself at Canton in spite of the East India Company's objections.[1] The origin of Dent and Company is less well known, but the company originated with the firm established by W.S. Davidson, when he arrived at Canton in 1811. Davidson was a Scotsman, and managed to obtain a foothold at Canton by asserting that while he was a Portuguese subject at Canton, he was a British subject elsewhere. He was joined in 1822 by Thomas Dent, and when he left Canton in 1824, the firm became Dent and Company. John Swire and Sons was established in Liverpool in 1816, and John Samuel Swire, son of the founder, opened an office in Shanghai on 1st January 1867, under the title of Butterfield and Swire.[2] Shortly after this Dent and Company failed, and as Russell and Company had little interest in coast shipping after they sold the Shanghai Steam Navigation Company to the China Merchants Steam Navigation Company in 1877, for most of the period under consideration, China coast shipping - as far as foreign interests were concerned - was mainly represented by Jardine, Matheson and Company, and John Swire and Sons.

Russells, Jardines, and Dents, were all prominent at Canton during the latter years of the East India Company's régime, the final years of the Old China Trade. To some extent all three owed their success to the restrictions imposed on trade by the East India Company's monopolies. American involvement in the China trade began soon after the Revolution, the Empress of China making the first American voyage to China in 1784. The Empress of China, a 360 tons former privateer, sailed from New York to Canton in the year after the treaty of peace was signed. She went by the Canary Islands and the Cape of Good Hope with a cargo which included thirty tons of

ginseng from the forests of Massachussetts, a root highly prized in China for its supposed aphrodisical properties. She exchanged her cargo for silk, tea, chinaware, and muslins, and made a profit of $36,727 on the voyage, on an original outlay of $120,000. [3]

Russell and Company soon became the most important of several American firms established at Canton about this time. They worked closely with Howqua, the greatest of the Hong merchants, and with Baring Brothers, the London bankers. [4] Russell and Company was primarily an agency house, and for the most part not shipowners in their own right. Their interest in shipping was as agents and consignees for ships owned largely by partners and former partners of the firm, and agency usually amounted to management and almost complete control.

All three companies operated their ships on the managing agency system, a flexible system giving them control over ships without any great investment of capital. All three were originally agency houses, and their shipping interests derived from their original import and export business. In addition to being managing agents, they also provided many other services - providing stores and bunkers, acting as freight and insurance brokers, and so on. This sometimes led to a conflict of interest, when shareholders in the shipping companies were not also shareholders in the managing agency companies. There were several instances of this, between shareholders of the China Navigation and Indo-China Steam Navigation Companies on the one hand, and shareholders of John Swire and Sons, Butterfield and Swire, and Jardine, Matheson and Company on the other. [5]

Although Russell and Company was formed in New York, Samuel Russell and many of the principals came from New England, and it was generally considered a Boston company, many of its ships being built at Donald Mackay's famous shipyard there. Many Russell taipans commenced their careers at sea, among them R.B. Forbes, W. Delano, and W.H. Low. R.B. Forbes, one of the greatest of the American China merchants was a third mate at sixteen, a captain at twenty, a shipowner at twenty six and an important merchant at twenty eight.[6] Warren Delano, taipan of Russells during their greatest days, also started at sea and became a captain. He was the maternal grandfather of Franklyn Delano Roosevelt. The close relationship between Russells and Baring Brothers is illustrated by the career of Russell Sturgis. After Sturgis, a partner in Russell and Company, left China in 1849, he went into the London office of Baring Brothers, and became senior partner in 1873.

Russell and Company were known to the Chinese as 'Kee-chong', the American hong. Like Jardines and Dents, they followed the tradition of lavish hospitality towards distinguished visitors made famous by the East India Company. Commodore Perry, in his expedition to Japan in 1853-4, was greatly impressed by the hospitality he received at the Russell messes in Canton and Shanghai.

Because of their influence as charterers and managing agents, it is permissible to treat ships with which Russells were concerned as Russell ships. In this sense the Midas, the first American steamship to round the Cape of Good Hope, was a Russell ship. The Midas, a wooden twin screw auxiliary steamship of 148 tons, arrived at Hong Kong in May 1845, and with Jardines' Corsair,

operated a twice weekly service between Hong Kong and Canton. The <u>Midas</u> was built by Donald Mackay.[7]

Although it is widely believed that the Americans had little connection with the opium trade, the facts are that every American company in China - with the exception of Olyphant and Company - were engaged in it. There were American receiving ships at Lintin in the pre-treaty era, and at the outer anchorages at every treaty port until the trade was legalised by the Treaty of Tientsin of 1858. The Reverend Robert Morrison regarded D.W.C. Olyphant, the head of Olyphant and Company, as "a pious, devoted servant of Christ and a friend of China .... and the only foreign trader in Canton who did not engage in the forbidden traffic."[8] Russells, as the largest American firm in China were naturally the one most involved in the trade. In 1839, for instance, when Commissioner Lin demanded that all foreign firms surrender their opium stocks to him for destruction, the amount surrendered by Russell and Company was surpassed only by Jardine, Matheson and Company and Dent and Company. Jardines gave up 7,000 chests, Dent 1,700, and Russells 1,500.[9]

Russell and Company's most important enterprise in China, however, was their establishment of the Shanghai Steam Navigation Company in 1862, which pioneered steam navigation on the Yangtze. This has been described as: "not only the most successful undertaking in its field; in the techniques of capital organisation and of management it set the pattern in China, in the same way as New England entrepreneurs set the pattern of railway building in the American Middle West. It was not until the 1870s, a decade after the founding of the American company, that British firms in Shanghai

began to catch up, using similar entrepreneurial techniques." [10] Until the arrival of the first China Navigation Company ships on the Yangtze in 1873, the Shanghai Steam Navigation Company had almost a complete monopoly of the Yangtze's steamship trade. The situation which developed after that, which was further complicated by the almost simultaneous appearance on the river of the first ships of the China Merchants Steam Navigation Company, has been described earlier. [11]

Russell's relations with their British rivals varied between intense rivalry and friendly co-operation, similar to those between the United States and Britain during the same period. The first Americans to arrive at Canton after the Revolution were surprised by the friendly reception they were accorded by the East India Company's officials. During the First China War, when British trade at Canton was at a standstill, and the British were excluded from Canton, Russells with help from Howqua, handled a large part of British exports from Canton and most of British imports. These goods were transhipped to and from British ships at Hong Kong, to which place the British merchants from Canton had retired. Between October 1, 1839, and June 18, 1840, 24,826,599 pounds of tea were shipped to England in this way. [12] This transhipment trade by the American companies, of which Russell and Company was the most important, was highly profitable for the Americans. It was said that the freight for the ninety mile passage between Canton and Hong Kong was as much as for a voyage from Canton to America under normal conditions. [13] It is ironic that Captain Elliot, the British Superintendent of Trade. had previously begged R.B. Forbes, Russell's taipan and also

United States Vice-Consul, to go with the British to Hong Kong, in the hope that this would soon bring the Chinese to terms. R.B. Forbes' reply was that: "I had not come to China for health or pleasure, and I would remain at my post as long as I could sell a yard of cotton goods or buy a pound of tea .... we Yankees have no Queen to guarantee our losses." [14] During both China Wars Russells' staff at Canton did their best to protect British property at Canton from Chinese depredations.

Until 1854 the United States had no professional consular officials in China, and except when major issues between the two countries were under consideration, such as the Treaty of Wanghia in 1844, made use of merchant consuls. Russell and Company's taipans at Canton and Shanghai often acted as consuls and vice-consuls before 1854; W. Delano, R.B. and P.S. Forbes at Canton in the 1840s and 50s, and H.W. Walcott at Shanghai soon after the port was opened to foreign trade in 1843. [15] Shanghai, very soon after the Yangtze was opened to foreign shipping in 1860, became Russells' most important base in China. By the mid 60s they were operating three services weekly between Shanghai and Hankow, and a daily service to Ningpo. They also ran more infrequent services south to Canton, Hong Kong and intermediate ports. Their installation of the first telegraph line in China was only one instance of their enterprise. This ran from their office in the International Settlement in Shanghai to their wharves and godowns on the Bund. [16]

In 1877, the combination of several adverse factors led Russell and Company to sell the fleet and shore properties of the Shanghai Steam Navigation Company to the rapidly expanding China

Merchants Steam Navigation Company. Among these factors were - increasing competition on their two main services - the Lower Yangtze and the Tientsin services - from the China Navigation, China Merchants Steam, and the Jardine, Matheson companies; the apprehension felt by many Western business men that the Chinese Government intended to exclude foreign ships from the coast and river trades; and the increasing attraction to Russell and Company partners of investment in trans-Pacific steamship enterprises and in the development of the American West in preference to investment in China coast shipping. P.S. Forbes, senior partner in China and the largest shareholder, became increasingly involved in two trans-Pacific steamship companies from 1872, and invested heavily in these with funds withdrawn from China. These were the China Trans-Pacific Steamship Company; and the New York, London, and China Steamship Company. The former planned to operate between California and Hong Kong, and the latter between California, Australia and China. Both were organised in London, and both were costly failures, and at the end of 1874 Forbes went bankrupt because of misadventure in connection with the latter company.[17] Other Russell shareholders in America also began to lose interest in China at this time, and became attracted to their own West, probably influenced by the prospect of higher returns. There also seems to have been a decline in loçal managerial ability and enterprise among Russell and Company's China managers, while both Butterfield and Swire and Jardine, Matheson and Company were successful in attracting senior staff of outstanding ability.

The sale of the Shanghai Steam Navigation Company to the

China Merchants in 1877 heralded the decline of Russell and Company, and of American shipping in China. At almost the same time the Pacific Steam Navigation Company, a San Francisco company operating a service between California, Japan and China, was sold to the Japanese Nippon Yushen Kaisha. The table below of clearances from one treaty port to another at all the treaty ports, for home trade only, and excluding Hong Kong, illustrates American decline between 1873 and 1878, compared with the increase of British and Chinese shipping.[18]

	American Tonnage	British Tonnage	Chinese Tonnage	Other Tonnage	Total Tonnage
1873	1,643,700	1,174,598	99,692	273,002	3,191,992
1878	116,982	2,497,814	2,195,325	369,691	5,179,812

The table above shows that between 1873 and 1878 American shipping decreased from 51.4 per cent of the total in 1873 to 2.2 per cent in 1878, while British and Chinese shipping increased from 36.7 to 48.2 and from 3.1 to 42.4 per cent respectively in the same period.

For a brief period during the Franco-Chinese War of 1883-5 Russells took over and operated the fleet of the China Merchants, in order to avoid the risk of confiscation by the French, and this resulted in an artificial revival of American flag shipping on the coast.[19] The fortunes of Russell and company continued to decline, however, and in 1891 the company was wound up, the final blow resulting largely from over speculation in sugar and loans.[20]

Dent and Company's comparatively short history embraced the final decades of the Old China Trade at Canton and a little over the first two of the treaty port era. During this colourful period, however, they were Jardines' greatest rivals, especially in the opium

trade. From the early 1820s until the trade was legalised by the Treaty of Tientsin of 1858, both companies had a receiving ship at every receiving station on the coast, and by the early 1850s had evolved a system of partial co-operation to maintain a duopoly against outsiders. Lubbock's Register of the Opium Fleet, which may not be completely accurate, credits Dent and Company with fourteen opium clippers, as against the seventeen of Jardine, Matheson and Company and their associates, and Russell and Company's eight. The other principal opium traders were the British Indian Parsee Companies, which between them owned fifteen opium clippers. [21]

The activities of Dent and Company have not been so well documented as those of their great rivals, Jardine, Matheson and Company; although there are many references to them in the literature and papers of the period. [22] As has been described above, Thomas Dent, the first of the family to trade in China, joined W.S.Davidson in 1822, and succeeded to the business known as Davidson and Company in 1824. Thomas Dent was Sardinian Consul at Canton in the 1820s, when James Matheson was Danish Consul. Although the two companies operated on very similar lines - using flags of convenience, partners acting as pseudo foreign consuls, employing fast and well designed vessels, and so on - they were often on opposite sides politically. Jardines, for instance, were consistently in favour of a strong China policy, to the extent of advocating the use of force to open, or extend the China market. Dents, on the other hand, like the East India Company, favoured a more conciliatory policy. James Matheson was also one of the strongest advocates of the acquisition of Hong Kong, while Thomas Dent opposed this. Both companies

published newsheets at Macao in the 1830s, Jardines the Canton Press, and Dents the Canton Gazette. Commercial rivalry was carried into sport, and duels between horses carrying the rival hong colours were a regular feature of the early China coast race courses. John Dent was said to have paid £10,000 for a horse to win the Hong Kong Derby against Jardines.

Although Dents' corporate history is not so well known as that of Jardines, the exploits of several of the company's most famous vessels have been recorded in some detail, in particular those of the opium clipper Eamont. Not only did Eamont open up new markets for opium, and in so doing survey some hitherto unknown sections of the coast and harbours, particularly in Formosa; but she also played an important part in the tortuous negotiations which led to the first commercial treaty with Japan, and to the opening of the first treaty ports in that country. In 1858 she made several trips between Shanghai and Nagasaki carrying the British and Japanese negotiators. During her lifetime Eamont survived several pirate attacks and typhoons, before being wrecked off the Japanese coast in 1860. Lindsay Anderson was her third mate for several years, and two books of his describe life on an opium clipper at that time. [23]

The Eamont was specially built for Dents by J. and R. White of Cowes in 1853. Like other Cowes built opium clippers she cost more per ton than many of the finest yachts. She was fitted with racks of muskets and boarding pikes, stands of small arms, four broadside guns each side, and an eighteen pounder on the forecastle head and amidships. With so much top weight such vessels required nearly 200 tons of iron kentledge as permanent ballast. A Jardine

or Dent opium clipper such as Eamont, of about 200 tons register, carried a master and three mates, and eighteen to twenty A.B.'s, most of whom were Europeans. Many of the European sailors were deserters from the Royal Navy, supplied to the clippers by Shanghai crimps. In addition there were the boatswain, sea-cunnies, gunner and mate, carpenter, cooks, compradore, two shroffs, and the officers' Chinese servants. [24]

These crack opium clippers rivalled the smartest naval ships in appearance and seamanship, and were the pride of their owners and crews. Wages on such ships were about double those on first class merchantmen two or three times their size, and it was normal practice for their captains to receive a special commission on the sale of opium at non-treaty ports. Lindsay Anderson ended his career as captain of a P. and O. liner.

Dent and Company failed in the Overend-Gurney financial crisis of 1865-6, when the tea market collapsed and tea freights fell below £3 per ton. [25] A similar fate befell the cotton market a short time later after the end of the American Civil War. The company had not been capably managed in the previous few years, and had over-extended its large resources. Other companies in Hong Kong and Shanghai failed at the same time; but Jardine, Matheson and Company, Russell and Company, and the newly formed Hong Kong and Shanghai Banking Corporation weathered the storm. During the final months of Dent's existence Jardines came to their assistance by endorsing their bills and making advances in return for Dents mortgaging their steamships to Jardines. This was insufficient to ward off collapse, and Dent and Company was eventually declared bankrupt

on July 9, 1867. The fleet was sold to the Shanghai Steam Navigation Company, who paid £183,300 for the two Yangtze steamers and the waterfront property in Shanghai. [26]

Alfred Dent, son of the original Thomas, tried to save the family name, and in the year after the failure opened up in business in the old hong at Shanghai as Alfred Dent and Company. This company continued until after the Pacific War; but never attained the importance of the old Dent and Company. The Dents, however, continued to be prominent in Far Eastern affairs, and a member of the family was associated with Baron von Overbeck, the Austrian Consul-General at Hong Kong, in the negotiations which led to the establishment of the British North Borneo Company in 1881. Another member of the family was associated with the China Association at the end of the nineteenth century. By a coincidence, John Swire opened an office in Shanghai just a few months before Dents' failure, and eventually more than filled the place of Dent and Company. [27]

To the great majority of the British public, Jardine, Matheson and Company, and the Chine trade are synonymous. While no comprehensive study has yet been made of either Jardine, Matheson and Company, or of the Indo-China Steam Navigation Company, they figure prominently in many books and articles on the China trade.[28]

William Jardine first visited Canton as surgeon's mate on an East Indiaman in 1812. As an officer he was allotted a certain amount of 'privilege tonnage', and by careful investment was able to enter into partnership with Thomas Weeding of London and Framjee Cowasjee of Bombay in building and running the Sarah in the eastern trade. [29] Cowasjee was a Parsee, and this venture was the beginning

of a long and successful partnership between Jardines and the Parsees. James Matheson worked for a short time in a London bank before joining his uncle's firm in Calcutta, and when he left in 1820 after a disagreement, set up as an independent merchant in Canton. At first he acted as agent for various Indian firms engaged in the country trade. Previous to this he had met William Jardine in Bombay and formed a friendship with him, and at the same time he visited the Danish trading settlement of Tranquebar. On this visit he obtained the Danish Consulship in China, William Jardine came to Canton at the end of 1822, and joined the firm of Magniac and Company, by which time James Matheson was a partner in the Spanish firm of Yrissari and Company.

The death of Xavier Yrissari, the illness and return to England of Charles Magniac, coupled with the patent inability of the younger Magniacs to continue the business, led to James Matheson with his nephew Alexander continuing Yrissari's business as Matheson and Company, while William Jardine found himself in sole charge of Magniac and Company. By this time Magniacs was the largest private firm in Canton, and Jardine badly needed a partner, and it seemed almost inevitable that he should suggest to James Matheson that the two firms amalgamate. In 1828, therefore, Matheson and Company was wound up after having existed for only a year, and James Matheson became a principal in Magniac and Company. [30] This was the beginning of the famous partnership. Soon afterwards Henry Wright, who had been purser with William Jardine in the East Indiaman Windham, and Andrew Johnstone and Alexander Matheson, nephews of William Jardine and James Matheson, joined the firm as junior partners. Finally,

after the last of the Magniacs left China, the firm changed its name for the last time, and became Jardine, Matheson and Company.[31]

James Matheson was twelve years younger than William Jardine, and when the two joined forces it was said by a contemporary that Matheson's imaginative flair was a natural complement to the experience and determination of William Jardine.

Jardine, Matheson and Company have always been associated with the opium trade and the opium clippers, and much of the firm's early success was undoubtedly due to their profitable dealings in opium. Their opium clippers, able latterly to make fast passages between India and China against the monsoons, had the reputation of being the fastest and smartest ships in the Far East. Their Red Rover, built in 1829 on the lines of a New England privateer, was the most famous of a successful series.[32] In her first attempt to beat the monsoon in 1830, Red Rover completed the passage from the mouth of the Hoogly to Macao in the then remarkable time of forty . four days, including six days at Singapore. She completed the round voyage in eighty six days, thus easily fulfilling the promise made by Captain Clifton to the Governor General of India, that Red Rover would be able to complete three round voyages between India and China in one year.

Captain Clifton, a former naval officer, owned half the shares in Red Rover, the other half being shared between several Calcutta merchants. Until 1833, when Jardine, Matheson and Company bought the shares held in Calcutta, Dent and Company were Red Rover's agents in China. Then in 1836, when Captain Clifton retired, Jardines bought his half share, and became sole owners and managing

agents for the remainder of Red Rover's career. About 1850 steamships began to replace clippers in the opium trade; but Jardines continued to operate Red Rover successfully between Calcutta and China until she was lost, probably in heavy weather in the Bay of Bengal, some time after leaving the Hoogly on 10 July, 1853. [33]

Red Rover was one of the most notable ships with which Jardines were associated. They had previously brought the paddle steamer Forbes to Macao in 1830, the first steamship to be seen in Chinese waters, and in 1836 brought the little steamer Jardine to run on the Canton River. [34] If this venture had been successful, it would have been the first steamship service in China. Two years previously, on 26 March 1834, they despatched the Sarah, of 488 tons, from Canton to London, with the first 'free cargo', after the end of the East India Company's monopoly. As they were doubtful of the exact legality of the situation, they did not risk sending tea on the Sarah, and her cargo consisted of silks, nankeens, cassia bark, rhubarb, etc. A month later, however, they despatched four ships to Britain with tea, the Camden, Princess Charlotte, Georgiana, and Pyramus, to Glasgow, Liverpool, Hull, and Falmouth respectively. History was again made on this occasion, as this was the first time tea had been sent to any of the provincial 'outports'. [35]

For several decades after this Jardines were prominent tea merchants, employing a Mr. J.W. 'Pickwick' Smith, formerly of the East India Company, as their tea taster at Canton. Jardines' Tea Mixture was popular in Britain until public taste changed from China to Indian tea some time later. Before this, Jardine clippers made some notable passages from China, among them those of the Stornoway and

the Cairngorm. In 1858, for instance, the latter completed the passage from Whampoa to London in ninety three days, beating Oriental's record of 1850 by three days. [36]

Jardine, Matheson and Company continued their tradition of employing notable vessels after they changed from sail to steam in the mid 1850s. In 1855 they commenced a regular cargo/passenger service between Calcutta and China, putting on a regular basis the previous sailing ship service which had been operating for nearly half a century, and which until very recently continued to be operated by the Indo-China Steam Navigation Company. [37]

Although it was not until 1858 that the first ports in Japan were officially opened to foreign trade, following a commercial treaty with Britain, Jardines had been trading illegally with Japan for several years before this. One of the first three treaty ports was Yokohama (then called Kanagawa), and in 1859 Jardines sent their Troas to open trade there officially. W.J. Keswick travelled as supercargo and opened Jardines first office in Japan. This was in a bungalow on Lot No.1 on the Bund, in Japanese 'Ichi Ban', (Number One), which is still Jardines name in Japan.[38]

The Tokugawa Shogunate was still in effective control of Japan at this time, and foreign travel was forbidden. Many progressive members of the samurai class, however, realised that if their country was to survive the inevitable Western onslaught, they must adopt Western techniques to survive as an independent nation. To accomplish this it would be necessary for educated Japanese to go abroad to Europe or America. In 1863, therefore, Prince Ito Hirobuni and three young friends approached William Keswick forchelp to

leave Japan for Britain. They were smuggled out of Japan on a Jardine ship, and in Shanghai transferred to a homeward bound clipper. On arrival in Britain, their education and welfare was arranged by Hugh Matheson, another nephew of James. All four later played an important part in the subsequent development of Japan, the most famous being Prince Ito. Ito served for four terms as Japan's prime minister, and was Japan's greatest statesman of the nineteenth century.[39]

Long before the opium trade began to decline, Jardines realised that the long term future of the China trade lay elsewhere, and they developed other trades. By the early 1870s, they had completely withdrawn from the opium trade, probably influenced by the intensified competition from Indian firms, Sassoons in particular, which by this time had gained control of the main sources of supply in India. From this time, there were few commercial developments in Hong Kong and China with which Jardines were not in some way concerned, some through their associated British and Chinese Corporation.[40] One of the earliest was the Shanghai-Woosung Railway, built to provide fast and reliable communication between the anchorage at Woosung, at the mouth of the Whangpoo River, twelve miles from Shanghai.[41] Ransome and Napier of Ipswich, at that time interested in railway development in China, shipped out a small locomotive, four trucks, and the necessary ancillary equipment for a narrow gauge line. The Shanghai-Woosung railway started operations on 1 July 1876, and on 20 October 1877, the Chinese Government took possession of the railway as had been agreed. It had then been running successfully for nearly a year; but they immediately discontinued its running,

and had the rolling stock and moveable part of the permanent way sent to Formosa, where it lay unused for many years. This retrograde step was taken in deference to Chinese prejudice, and the man chiefly responsible was Shen Pao-chen, Governor General of Kiangsu, a son-in-law of Commissioner Lin, Jardines' old antagonist at Canton in the 1830s and early 40s. [42]

It was a financial organisation associated with Jardines which later loaned the Chinese Government funds to modernize the Imperial Navy. Unfortunately, as with so many other foreign loans, this money was misappropriated, and a great part of the loan went to build the famous marble barge which adorns the lake at Peking's Summer Palace. [43]

The Treaty of Shimonoseki of 1896 permitted foreigners to establish and operate industrial enterprises in the treaty ports. Jardine, Matheson and Company were among the first to take advantage of this, and from that time have been identified with nearly every kind of industrial development in China. Some of their ventures later became public companies under Jardine management, and many went under the 'Ewo' label. The best known of these were probably the Ewo cotton mills and the Ewo Brewery, both in Shanghai. Until about the 1880s, most of Jardines' enterprises had been connected with shipping, as is illustrated by the following list of 1885 -

<u>Enterprises in which Jardine, Matheson and Company had a large share.</u> [44]

Hunt's Wharf Property	Taels	213,846
Jardines Piers and Godowns	"	331,030
Canton Insurance Office	"	36,000
Hong Kong Fire Insurance Company	"	44,100

Hong Kong, Canton, and Macao Steamship Company	Taels	81,568
Shanghai and Hongkew Wharves	"	30,962
Indo-China Steam Navigation Company	"	817,560
Hong Kong and Shanghai Banking Corporation	"	463,968
Chinese Sugar Refining Company	"	109,858
Luzon Sugar Refining Company	"	119,850
TOTAL	"	2,288,384

At the prevailing rate of 2/8 and 5/16d. per tael this was £309,240.

All the above, with the exception of the Hong Kong and Shanghai Banking Corporation, were managed by Jardine, Matheson and Company. Jardines, however, were always strongly represented on the Bank's Board of Directors.

The Kaiping Mining Company, which eventually became the largest mining enterprise in China, was founded by Li Hung Chang in 1873, simultaneously with the China Merchants Steam Navigation Company. Several years later, when the mismanagement and corruption at that time almost inevitable in Chinese enterprises, brought the company to near ruin, it was suggested by Li and others, that Jardines take over the management. This fell through; but in 1900 the company was taken over by a British company, and in 1912 was absorbed into the Sino-British Kailan Mining Administration. [45]

From very early in their history, Jardine, Matheson and company acquired a reputation for conducting business in the lordly and expansive manner of the East India Company in its heyday. Their taipans lived in princely style, and the company became known as 'The Princely Hong'. Jardines' messes in Hong Kong and Shanghai,

where they maintained almost an 'open house', were run in lavish fashion. In the latter years of the nineteenth century the Shanghai mess was reputed to cost £40,000 per year, and the French chef to receive a salary of £100 per month. Like the Presidents of the East India Company, Jardine taipans were expected to make a fortune during their last few years on the coast, when they were at the head of affairs in the Far East, and then retire to make way for a younger man.

For over half a century the descendants and collateral descendants of the first Jardine and Matheson continued to manage the affairs of the company, in China and in London; but this has now devolved on the Keswicks.[46] The first of this family was William, who joined the company in 1855, and in traditional fashion married into the Matheson family. It was he who opened the company's first office in Japan, and eventually became taipan, finishing his career presiding over Matheson and Company in London. It was William Keswick who in 1881 amalgamated the varied Jardine shipping interests into the Indo-China Steam Navigation Company. J.J. Keswick, William's youngest brother and a partner in the company, married the elder daughter of Sir Harry Parkes. British Minister at Peking, in the British Legation at Peking in 1884.[47]

As was the case with all successful Western firms in the days of the Old China trade at Canton, Jardine, Matheson and Company owed much of their success to co-operation with Parsee firms in India, and later to their employment of capable compradores. The first instance of the former was in 1818, when William Jardine went into partnership with Framjee Cowasjee of Bombay in the ownership of the

Sarah. Another Bombay merchant with whom the company was closely associated was Sir Jamsetjee Jeejeebhoy. When James Matheson called at Calcutta on his way home on retirement in 1843, he was presented with an illuminated testimonial, said to be worth over £1,500, at a dinner given in his honour by the Indian and Parsee merchants there.

Two of the most notable compradores who worked for Jardines were Tong King-sing and Robert Ho Tung, both of whom were Cantonese. Tong joined Jardines in 1861, after having been an interpreter for the Hong Kong Police and for the Chinese Maritime Customs in Shanghai. When Jardines began expanding their steamship interests, Tong assisted by inducing his Chinese friends to subscribe to the new projects, as well as investing himself. The Jardine taipans spoke highly of his capabilities, although on at least one occasion he was found guilty of gross misuse of company funds in his charge. His reputation in Shanghai shipping circles led Li Hung-chang to enlist him as manager of his new company, the China Merchants Steam Navigation Company. Although Tong gave up his compradore's position with Jardines when he joined the China Merchants, he continued as a director in their China Coast Steamship Company and as a subscriber to some of their other enterprises. Tong was typical of the rising class of compradore-merchants who played an important role in commercial and industrial development in China from the mid nineteenth century.[48]

Robert (later Sir Robert) Ho Tung joined Jardines as a boy in Hong Kong about the time Tong left the company, and was associated with them until the end of his long life, dying in Hong Kong in 1956

at the age of ninety four, after having been compradore in Hong Kong from 1883 to 1900. By 1914 he was reputed to be the wealthiest Chinese merchant in Hong Kong, a multimillionaire, and a director of eighteen of Hong Kong's most important companies. [49]

William Jardine left China in 1839, but continued to influence events there during his short four years of retirement. He was member of Parliament for Ashburton in Kent from 1841 until his death, and also the leading member of a powerful group of China merchants who pressed the British Government to adopt a strong China policy, even if this led to war. Magniac, Smith and Company then handled all Jardine, Matheson and Company's business in London, and through their John Abel Smith, Jardine was introduced to Lord Palmerston. On 27 September 1839 Jardine had a long interview with Palmerston, when war between Britain and China appeared inevitable. He took Alexander Grant with him, who was one of the Company's senior captains, and by means of maps and charts outlined to Palmerston how he thought an Anglo-Chinese war should be conducted. He also offered the use of Jardine captains as pilots for the naval ships. Lord Palmerston was greatly impressed by Jardine's grasp of the intricacies of the situation in China. Jardine also had several interviews with Sir Henry Pottinger before he left for China to take over from Captain Elliot there. [50] On almost every point raised by the aggressive British China merchants, Jardine and his London associates waged a vigorous and successful propaganda campaign. After the Treaty of Nanking was signed, and Lord Palmerston heard of the successful conclusion of the First China War, he wrote to John Abel Smith: "To the assistance and information which you and Mr. Jardine so handsomely

afforded us, it was mainly owing that we were able to give to our affairs naval, military, and diplomatic, in China, those detailed instructions which have led to these satisfactory results." [51]

When William Jardine died in 1843, he was succeeded as Member of Parliament for Ashburton by James Matheson, who had retired from China the previous year. James was succeeded by his nephew Alexander as head of Jardine, Matheson and Company in China. One of James Matheson's first tasks at home was to re-organise Magniac, Smith and Company as Matheson and Company, under which title it is still known today. Then in 1847 he was a member of the influential Select Committee, appointed by Parliament to enquire into: 'The Present State of our Commercial Relations with China.' Other members of this committee were Dr. Bowring, Francis Baring (of Baring Brothers) and John Abel Smith. This committee was appointed following several years of disappointing trade after the Treaty of Nanking had opened the first five treaty ports.

Before this, however, Matheson had fulfilled a lifelong ambition and purchased, like Dr. Jardine before him, large estates in the highlands, on the island of Lewis. Dr. Jardine had bought an estate at Lanrick, near Doune in Perthshire. Then in 1847 he resigned his seat for Ashburton, and successfully contested Ross and Cromarty for the Liberals. His brother, Lieutenant Colonel Matheson, succeeded him at Ashburton. Between 1844 and 1848 Matheson spent the immense sum of nearly £750,000 on his estates. This included £190,000 on Lewis Castle, built on the site of the old Seaforth Mackenzie hunting lodge at Stornoway, which is now Lewis Castle Technical College. Here he carried out the first large scale

re-afforestation on the island. He also spent many thousands on famine relief during 1845-46, for which he was created a baronet by Queen Victoria in 1850. Considering the relative value of money in those days, Matheson's plans for Lewis were even more ambitious than those of Lord Leverhulme three quarters of a century later.

Matheson was active in improving sea communications in the west highlands. The first ship with which he was connected was the Mary Jane, a paddle steamer called after his wife.[52] Matheson subsidised her service between Stornoway and Glasgow for several years, and then she was sold to David Hutchinson and Company, the forerunners of Macbraynes. In 1875 she was remodelled and re-christened Glencoe, under which name she operated several west highland services until 1931, by which time she was the oldest steamer plying in British waters. Because of ill health Sir James Matheson spent his last years in the south of France, and died at Menton on 31st December, 1878. Having no family, after his wife's death his estates passed to his nephew Alexander, who had previously succeeded to his seat in Parliament. He was buried in the churchyard at Lairg in Sutherland, where his mother had been the minister's daughter.[53]

A paradox of the situation at Canton in the pre-treaty days was the fact that the Dents, Jardines, and Mathesons, the most prominent of the opium traders, were also the most prominent in charitable and philantrophic work. Lancelot Dent, son of Thomas, the first of the Dents, was president for the early years of the Morrison Education Society, which was established in 1836 to commemorate the death of the Reverend Robert Morrison, D.D. The object of the society was "to improve and promote education in China by schools and

other means." William Jardine was Treasurer of the Society.[54] James Matheson was generous in his support of many charitable organisations in Canton and Macao; but probably his most notable contribution to the welfare of the foreign community was his founding the first English language newspaper in China in 1828, the Canton Register. This was first printed on a small hand-press lent by Magniac and Company, and was the origin of the English press of Hong Kong and south China. The Canton Register's principal objective was the promotion of free trade, and it was the bitter rival of the Canton Press, which was published under the aegis of the East India Company. Another important publication at this time was the Chinese Repository, a missionary production which ran from 1831 to 1851, and provided a valuable and dispassionate chronicle of events, untainted by commercial motives.[55]

John Swire was born in Halifax in 1793, and came to Liverpool probably in 1812. After working for several years with Richard Swire, his third cousin, he started his own business in 1816. He imported rum and sugar from Jamaica, cotton from the southern United States, and oil from Nova Scotia. His sons, John Samuel and William Hudson Swire were born in 1825 and 1830 respectively, and soon after this the business became known as John Swire and Sons.[56] When John Swire died in 1847 the company was still in a comparatively small way of business. For the next twenty years the two sons continued and extended their range of products to include cheese, wine, beer, flour, and iron and steel goods; but the import of raw cotton continued to be their most important interest. They also had shares in several ships. It was, however, a difficult period, and

in order to increase their trade William made a short trip to America in 1854, which was followed by a much longer trip to Australia by John, which lasted from 1855 to 1859. During this Australian period John Swire tried his luck on the gold fields and at sheep farming; but of more lasting importance were the contacts he made which were to prove fruitful in later years. Meanwhile William was finding things difficult in Liverpool, and eventually in 1859 John returned from Austfalia to assist him. Little seems to be known about the next few years. Soon after his return from Australia, however, John Swire married for the first time, his bride being Helen Fairrie, of a Greenock sugar refining family, whose father had moved to Liverpool in 1847.[57] Although Helen Fairrie only lived for two and a half years after her marriage the Greenock connection proved important in later years when John Swire and Sons expanded their shipping interests, and embarked on sugar refining.

The twenty years after their father's death had been difficult, but had also seen a slow and steady growth of John Swire and Sons' activities. In addition to the disruption of raw cotton supplies from America, the brothers' association with Alfred and Philip Holt, who were then founding the Ocean Steamship Company, may have turned their attention to the Far East. The Ocean Steamship Company, soon to become famous as the Blue Funnel Line, pioneered fast and regular services to the Far East.[58] Dissatisfaction with his first representatives in Shanghai, led to John Swire making his first visit there in November 1866, and then opening his own branch office under the title of Butterfield and Swire on 1st January, 1867.[59] R.S. Butterfield was a Yorkshire mill-owner who had been associated

with John Swire in exporting textiles to China, and although his active partnership in Butterfield and Swire only lasted until 1868 his name figured in the company's title until after the Second World War.

The Blue Funnel agency was acquired soon after the Shanghai office was opened. Alfred Holt was also dissatisfied with his agents in Shanghai, and after the first Blue Funnel ship, the _Achilles_, arrived in Shanghai in December 1866, some difficulty was experienced in securing a homeward cargo. At that time there was still a prejudice against shipping tea in steamships, as it was believed this spoilt the delicate flavour of the best teas. It so happened that John Swire had received a consignment of 600 bales of grey shirtings by the _Achilles_. He heard of a cargo of raw cotton which had been held up in Shanghai because of the bankruptcy of the ship's owners, and arranged for this to be shipped home in _Achilles_. This coup probably induced Alfred Holt to give his Shanghai agency to Butterfield and Swire. The next Butterfield and Swire office was opened in Yokohama later in 1867, and here also given the Blue Funnel agency; the third in Hong Kong in 1870. In Hong Kong history repeated itself, the original Blue Funnel agents proving unsatisfactory, and Butterfield and Swire taking over the Blue Funnel agency.[60]

The _Achilles_ also brought out James Henry Scott, third son of C.C. Scott, head of Scotts of Greenock, where the _Achilles_ had been built and engined. J.H. Scott had worked for several years in a Glasgow bank, and was given a free passage to Shanghai and an introduction to John Swire. He became book-keeper and shipping

clerk and played an important part in the success of Butterfield and Swire and John Swire and Sons. In 1898 he succeeded John Swire as senior partner of John Swire and Sons, having been in turn Eastern Manager, and then a partner in the firm. [61]

John Swire was attracted to the steamship trade on the Yangtze soon after his arrival in China. By this time Russell and Company's Shanghai Steam Navigation Company was firmly established on the Lower Yangtze, where it had a near monopoly of the steamship trade between Shanghai and Hankow. His first intention was to run a steamship line on the Lower Yangtze as a feeder line for the Blue Funnel, and when Alfred Holt was unenthusiastic, went ahead on his own and formed the China Navigation Company in 1872. [62] The principal shareholders in the new company were John Swire and his brother William Hudson Swire, and among others were the Holts and Rathbones of Liverpool, and John Scott of the Greenock shipbuilders. [63] Butterfield and Swire were appointed managers of the company in Hong Kong, China, and Japan. The first China Navigation Company ship to appear on the Yangtze was the _Tunsin_, which left Shanghai for Hankow and intermediate ports on 10th April, 1873, followed three days later by the _Glengyle_. [64] These were the two ships of the Union Steamship Company which John Swire bought in order to inaugurate his Yangtze service as soon as possible.

The Russell partners were worried at the prospect of competition to their Shanghai Steam Navigation Company, as it was widely believed that the actual owner of the new company was Alfred Holt, who had large capital resources behind him, and not John Swire. Edward Cunningham went to Liverpool to find out Alfred Holt's plans,

and was relieved to find that he was merely a "nominal shareholder", and that John Swire was the principal shareholder in the new company. He was considered a much less formidable opponent, so much so that P.S. Forbes wrote to Cunningham that: 'if he really is the mainspring of the new company, I am sorry for their chances.' [65]

For some reason Alfred Holt's part in the new venture was greatly exaggerated in both China and London. The Times described the situation thus: 'There seems likely to be a contest between great steamer companies on the Yangtze. For five years the Shanghai Steam Navigation Company has held the greater share of traffic on the river, having for rivals only two steamers owned by a smaller company called the "Union Steam Navigation Company." The immense traffic on the river has attracted the attention of Mr. Holt, the manager of the great "Ocean" line of steamers which run regularly between China and England, and he has formed a new company, called the "China Navigation Company," to run between Shanghai and Hankow. The first step of the new company was to buy up the steamers of the "Union", which passed into their possession on 1st April, and two new ships from England are expected in the course of a few weeks to join them. The Shanghai Steam Navigation Company, however, has a fine fleet of steamers, a good organisation, splendid premises, and $1,000,000 of reserves, and seems inclined to fight for its monopoly. It has commenced by lowering freight one half.' [66]

Since John Swire and Sons were agents in London for the Holt ships, and Butterfield and Swire agents in Hong Kong, China, and Japan, this mistake is understandable. John Swire may have thought it politic to do nothing to discredit this idea. In fact, as

subsequent events were to prove, John Swire was not only the moving force behind the China Navigation Company, but was also largely responsible for the success of the Blue Funnel Line in the Far East.

The first two years on the Yangtze were difficult; but the situation improved from the end of 1874, when the Glengyle was transferred to the Shanghai-Hong Kong service, and John Swire was able to reach an accommodation with the Shanghai Steam Navigation Company and also with the newly formed China Merchants Steam Navigation Company. This encouraged him to invade an old established coast trade, traditionally the preserve of junks, but which had recently attracted the attention of North German sailing ships. This was the export of soya beans and bean products from Newchwang in Manchuria to south China. A new company called the Coast Boats Ownery was formed to exploit this new trade, and Butterfield and Swire appointed managers. This was an immediate success, and by 1882 the company owned twelve ships, and was amalgamated with the China Navigation Company.[67]

Soon after this John Swire had his first serious setback. This was his venture into the Australian trade, for which he built four new ships. After an initial profitable period, the Australian Government's immigration and trade policies proved disastrous for the company, and eventually two of the ships were sold, and the other two withdrawn to the coast. Fortunately, the coast trade was flourishing at this time, as was the Far Eastern service of the Blue Funnel, with which John Swire and Sons and Butterfield and Swire were increasingly involved in London, Hong Kong, China and Japan. From three ships in 1867 the Blue Funnel fleet increased to twenty

seven in 1890, while in the same period the number of Butterfield and Swire branch offices in China and Japan increased from one to fifteen.[68]

Although the arrival of John Swire in China in 1866 and his invasion of the Yangtze steamship trade in 1872 did not challenge any recognised Jardine interests, Jardine-Swire rivalry soon became endemic, reminiscent of the Jardine-Dent rivalry of previous years. In this case, however, rivalry did not extend to sport, undue sporting prowess among the European staff not being regarded with any favour by the Swire taipans. In Jardines, it sometimes appeared that sporting prowess was a passport to promotion - a novel idea in the nineteenth century.

In the lifetime of William Keswick and John Swire, the Jardine-Swire rivalry was sometimes bitter and originated in 1879, when Jardines returned to the Yangtze with their newly formed Yangtze Steamship Company. They had withdrawn in 1867 as a result of a triangular agreement with Dents and Russells, which was to last for ten years, and John Swire considered their return in 1879 a breach of this agreement.[69] As Dents was no longer in existence and Russell's Shanghai Steam Navigation Company fleet had been sold to the China Merchants in 1877, it is difficult to accept this point of view. Rivalry also developed on the Canton River between the China Navigation Company and the Hong Kong, Canton, and Macao Steamship Company, in which Jardines had a substantial interest, and of which William Keswick was a director. The amalgamation in 1883 of the China Navigation Company with the Coast Boats Ownery was in response to Jardine's amalgamation of their shipping interests into the Indo-China Steam

Navigation Company the previous year.

Other examples of the Jardine-Swire rivalry are provided by Taikoo Sugar Refinery, and Taikoo Dockyard and Engineering Company, established in Hong Kong in 1882 and 1907 respectively. The former challenged Jardines' China Sugar and Luzon Sugar Refineries, and the latter the Hong Kong and Whampoa Dockyard. When seeking additional finance for raw sugar purchases John Swire rejected the obvious solution of approaching the Hong Kong and Shanghai Banking Corporation, and in 1891 and 1892 obtained the required credits from the Commercial Bank of Scotland.[70] John Swire considered that to get assistance from the Hong Kong and Shanghai Banking Corporation would be to play into Jardines' hands, as they had a large interest in the bank, and permanent representation on the board of directors.

Taikoo Sugar Refinery was an eventual success, and in 1890, 1892, 1893, and 1894, its best years, made profits of £142,767, £124,656, £131,209, and £155,460 on a nominal capital of £200,000.[71] It was the most modern sugar refinery in the Far East, and its construction and operations enlarged the Swire links with Greenock. The machinery was built and installed by Blake and Barclay of Greenock, and many of the European staff came from Greenock.[72]

Taikoo Dockyard and Engineering Company was completed in 1907 on land adjacent to the Sugar Refinery. It was designed by Scotts of Greenock, and many Greenockians were among the European staff.[73] In 1972 Taikoo Dockyard amalgamated with the Hong Kong and Whampoa Dockyard to form Hong Kong United Dockyard, whose main establishment is on Tsing Yi Island. In the same year Taikoo Sugar Refinery ceased production. John Swire and Sons have since carried

out large property developments on the sites of the dockyard and sugar refinery.

John Samuel Swire died on 1st December 1898, and was succeeded by James Henry Scott, and when the latter died in 1912 he was succeeded by John Swire, the eldest son of John Samuel Swire. In 1914 John Swire and Sons of London became a limited company, the partners then being John Swire, senior partner; G.W. Swire, John Samuel Swire's second son by his second wife; and J.J. Scott, son of James Henry Scott. In the Far East Butterfield and Swire continued to operate under their original title.

John Swire's success with the China Navigation Company was accompanied by equal success with Blue Funnel. In 1873 the China Navigation Company had five ships of 10,653 gross registered tons employed on the Lower Yangtze, and when John Swire died twenty five years later had forty eight ships of 86,632 gross registered tons.[74] The fleet now operated on the Lower and Middle Yangtze, between Japan in the north and all the open ports to Pakhoi in the south, and between China and most of the important ports in south-east Asia. Blue Funnel's expansion was equally impressive, from the original three ships of 7,038 gross registered tons in 1867 to forty two of 113,978 gross registered tons in 1898.[75]

John Swire and Sons made little profit out of their Blue Funnel agency, their fees and commissions barely covering expenses. "One half of Swire's London office was devoted to Holt's work .... Although charges had recently been raised to £1,740, they were still quite insufficient to cover the expenses incurred." [76] John Swire regarded the promotion of Holt's interests as one of his

major responsibilities, and interpreted his Blue Funnel agency almost altruistically. There were quarrels, frustrations, and setbacks in the Swire-Holt relationship, but in the long term there is no doubt but that the Holts appreciated his efforts on their behalf.

Much of John Swire's success in the field of Far Eastern shipping, was due to his success in coming to terms with the China Navigation Company's rivals on the China coast, and with the Blue Funnel's rivals in the overseas trades to China and Japan. The Conference System for which he was largely responsible, however, was unpopular with most small shippers and non-Conference companies, and the Press on the China coast was generally hostile. Although he attempted to compromise with his opponents, especially in the system of deferred rebates, this was not enough to prevent a rival non-Conference company being formed to compete in the overseas trade to China and Japan. This was the China Shippers Mutual Steam Navigation Company formed in early 1882 in London, with a capital of £1,000,000. In this the shippers were also shareholders in the shipping company, and would receive dividends based on their shareholding and shipments. In a letter to The Times John Swire defended the Conference System and pointed out the weakness of the mutual principle - successful in insurance - in shipping. He concluded by saying: 'After all, the directors of the China Shippers Mutual Steam Navigation Company only seem to be offering shippers a "change of fetters".'[78] Ironically, after several years of opposition, the China Shippers Mutual Steam Navigation Company was forced to join the Conference. After his death John Swire was described as the 'Father of the Conference System."[79]

The China Navigation Company continued to expand and prosper after John Swire's death, except for a few years between 1907 and 1910, when - like the Indo-China Steam Navigation Company - it suffered from a severe depression in China, and during these years only one ship was built. Revival began in 1910, and in 1914 a substantial building programme was under way, both on the Clyde and in Hong Kong. [80]

When World War I began in August 1914, the fleets of the China Navigation and Indo-China Steam Navigation Companies amounted to sixty seven and forty ships of 128,712 and 95,127 gross registered tons respectively; the combined fleet being 107 ships of 223,849 gross registered tons - 68.9 per cent of British shipping employed in Chinese waters.[81] In addition, both Butterfield and Swire and Jardine, Matheson and Company were important in overseas shipping, principally through their agencies for Blue Funnel and Glen Lines respectively. [82] All Glen Line ships were on the Europe-Far East service; but Blue Funnel also operated between Singapore and West Australia, and between the Far East and the west coast of North America.

In 1914 most Swire enterprises were closely related to shipping, even Taikoo Sugar Refinery providing cargoes of refined sugar for north bound China Navigation Company ships and cargoes of raw sugar from Java to Hong Kong for two separately owned ships, as described earlier. In contrast, by 1914 Jardine, Matheson and Company had many interests outside shipping. Of the twenty two companies in which they had a substantial interest, only five were directly concerned with shipping, and several others indirectly. [83]

Another difference was that China Navigation Company ships were registered in London, and Indo-China Steam Navigation ships in Hong Kong. This illustrated the fact that the China Navigation Company was controlled by John Swire and Sons from London, although day to day control was exercised by Butterfield and Swire in Hong Kong and Shanghai. The Indo-China Steam Navigation Company was under the direct control of Jardine, Matheson and Company in Hong Kong, and Matheson and Company of London had little say in its management.

Although this study ends in 1914, it may be appropriate to relate briefly developments in the succeeding sixty eight years. Both companies expanded and diversified their activities after World War I, and again to an even greater extent after World War II. The latter, however, not only decimated both fleets; but also led to the ending of the treaty port system, under which foreign ships had been allowed to trade on China's coast and rivers.[84] The Communist victory in 1949, which resulted in the loss of all investments and property in China, followed the destruction of much valuable property in Hong Kong during the Japanese attack and occupation. Within a few years, however, both the China Navigation and the Indo-China Steam Navigation Companies made a remarkable recovery. Their fleets were rebuilt, and transformed from coasters and river steamers seldom over 3,000 gross registered tons, into medium sized cargo/passenger liners engaged in overseas trades. The China Navigation Company's <u>Changsha III</u> and <u>Taiyuan III</u>, built in 1949, were of 7,413 and 7,414 gross registered tons; and the Indo-China Steam Navigation Company's <u>Eastern Glory</u> and <u>Eastern Saga</u> built in 1949 and

1950 respectively, and of 6,500 and 6,631 gross registered tons.[85] Based on Hong Kong, the new fleets pioneered new services to Australasia, Japan, South-east Asia, and the South Pacific. Hong Kong and Whampoa and Taikoo Dockyards were also rebuilt, and facilities expanded to build and repair larger ships than before.

The China Navigation Company fleet now has fourteen ships of 176,428 gross registered tons, and the Indo-China Steam Navigation Company's eleven ships of 249,402 gross registered tons.[86] The development of air travel, container ships and bulk carriers having resulted in a decrease in the number of ships in each fleet, but an increase in overall tonnage. In addition both John Swire and Sons and Jardine, Matheson and Company are active in oil exploration and development through subsidiaries. The China Navigation Company fleet includes two cruise ships, the larger - the Coral Princess - operates wholly in the Far East; while the smaller - Lindblad Explorer - operates world wide. Lindblad Explorer, which is owned jointly with Lindblad Travel of the United States, has visited Chungking in recent years, thus showing the Taikoo flag on the Upper Yangtze after an absence of over forty years.[87]

In addition, Jardine, Matheson and Company and John Swire and Sons have expanded their non-shipping interests, not only in Hong Kong, but in almost every country in the Far East, and in Australia and the United States. These - which include many wholly and many partly owned subsidiaries - are too numerous to mention in this study, and are all controlled from Hong Kong.[88] In Hong Kong itself, industrial and property development have been major concerns for both companies, and Hong Kong's post war prosperity has been

closely linked with their success.

The liberalisation of China's attitude towards the West in recent years has resulted in both companies becoming involved in developments in mainland China in association with the Chinese Government. While there is little prospect of China Navigation or Indo-China Steam Navigation Company vessels again trading on the China coast or on China's rivers, Jardine, Matheson and Company and John Swire and Sons are well placed to take advantage of any further liberalisation of Chinese policy, and any improvement in Sino-Western relations.

REFERENCES FOR CHAPTER 8

1. M. Greenberg, British Trade and the Opening of China, 1800-1842, Cambridge, 1951, p.222-3, traces the origin of Jardine, Matheson and Company:- 1782 Cox and Reid; 1787 Cox and Beale; 1801 Reid, Beale and Company; 1803 Beale and Magniac; 1811 Beale and Company; 1817 Shank and Magniac; 1819 Charles Magniac and Company; 1824 Magniac and Company; and 1832 Jardine, Matheson and Company.

2. S. Marriner and F.E. Hyde, The Senior John Samuel Swire, 1825-1898, Liverpool, 1967, p.11.

3. H.B. Morse, Chronicles of the East India Company Trading to China, 5 vols., Oxford, 1926-29, II p.95.

4. Howqua was the senior and most famous of the Hong merchants at Canton, and his personal fortune was estimated in 1824 to be £5 million. He was noted for his friendliness to Europeans, and there are many references to him in the works of M. Collis, W.C. Hunter, M. Greenberg, and H.B. Morse. There were several Howquas at Canton, and the 'Great Howqua' was the second to bear the name.

5. Marriner and Hyde, p.199. At the annual general meeting of the China Navigation Company in 1911 some dissatisfied shareholders claimed that the managers' policy was benefiting John Swire and Sons rather than the China Navigation Company. There had been several unprofitable years before then (see Table No.29) and these shareholders proposed that the amount for depreciation should be decreased so as to leave a larger balance for distribution as dividends.

6. F.R. Dulles, The Old China Trade, London, 1974, p.35. Above reprinted from Boston edition of 1930.

7. American Naptune, Vol. XXII, 1962, p.131.

8. E. Morrison, Memoirs of the Life of Robert Morrison, D.D., 2 vols., London, II, p.87 and 458.

9. C.C. Stelle, 'American Trade in Opium to China, 1821-39' P.H.R., Vol. 10, 1941, p.73.

10. K.G. Liu, Anglo-American Steamship Rivalry in China, 1862-1874, Cambridge, Mass., 1962, p.3.

11. Chapter 3.

12. Hsin-pao Chang, Commissioner Lin and the Opium War, Cambridge, Mass., (1964) p.206, and The Times, 9 September and 11 November, 1940

13. Hain-pao Chang, p.207.

14. R.B. Forbes, Personal Reminiscences, Boston, 1892, p.149-50.

15. J.K. Fairbank, Trade and Diplomacy on the China Coast, Cambridge, Mass., 1953, 2 vols., I p.214.

16. BPP 1867-8 LXIX (3976) p.15.

17. Liu, p.127-8

18. Imperial Maritime Customs, Returns of Trade at the Treaty Ports of China, Shanghai, compiled from shipping tables 1873 and 1878.

19. BPP 1886 LXVI (c.4762) p.35

20. E. le Fevour, Western Enterprise in Late Ch'ing China, Cambridge, Mass., 1968, p.122

21. B. Lubbock, The Opium Clippers, Glasgow, (1946), p.382-4.

22. This resumé of Dent and Company has been compiled from the works of Greenberg, Fairbank, Collis, Chang, and Le Favour listed above.

23. L. Anderson, A Cruise on an Opium Clipper, London (1891) and Among Typhoons and Pirate Craft, London (1892)

24. Lubbock, p.338-40.

25. Liu, p.56-61, and The Times of 25 and 30 April and 25 and 26 May, 1866. Overend-Gurney and Company, in which Dents had large investments failed because of the previous failure of the Agra and Masterman's Bank, one of India's largest banks, which was voluntarily wound up on 22 June, 1866.

26. Liu, p.61

27. Marriner and Hyde, p.38

28. These include - J.K. Fairbank, Trade and Diplomacy on the China Coast, Cambridge, Mass., 1953; E. le Fevour, Western Enterprise in Late Ch'ing China, Cambridge, Mass., 1968; M. Greenberg, British Trade and the Opening of China, Cambridge, 1951; Yin-Ping Hou, The Compradore in Nineteenth Century China, Cambridge, Mass., 1970; and K.C. Liu, Anglo-American Steamship Rivalry in China, 1862-1874, Cambridge, Mass., 1962. Also the following privately printed - Jardine, Matheson and Company, An Outline History of a China House for a Hundred Years, 1832-1932, Hong Kong, 1934; Jardine, Matheson and

Company, An Historical Sketch, Hong Kong, 1963; and Captain A.R. Williamson, Eastern Traders; Some Men and Ships of Jardine, Matheson and Company, Ipswich, 1973.

29. Jardine, Matheson and Company, An Historical Sketch, p.21

30. Ibid, p.22.

31. do. " 23.

32. The Red Rover was built at the Howra Dock Company in Calcutta and launched on 12 December, 1829. She was 97 feet and 3 inches long with a maximum beam of 24 feet and depth of hold of 12 feet, with a displacement of 254 tons.

33. Williamson, p.181-192.

34. Chapterl, pp. 12 & 15

35. Greenberg, p.187.

36. Jardines, An Historical Sketch, p.43.

37. Chapter 1, pp. 40-1.

38. Jardines, An Historical Sketch, p.53.

39. Ibid, p.53-4, and Fairbank, East Asia: The Modern Transformation, Tokyo, 1965, p.219 and 227-8.

40. Formed by W. Keswick in 1898 in association with several London financial houses.

41. BPP 1877 LXXV (1957) p.19.

42. BPP 1878-9 LXXII (c.2231), p.18-19.

43. Fairbank, East Asia, p.382.

44. Le Fevour, p.175

45. Ibid, 79-80.

46. Greenberg, p.38.

47. J.K. Fairbank etc., The I.G. in Peking, Letters of Sir Robert Hart, 1868-1907, Cambridge, Mass., 1971, 2 vols., I, p.505.

48. Particulars of Tong King-sing from Fairbank, East Asia, 347, 354-5, 356 and 361; Liu, 81, 135, 141, etc., and Yin-Ping Hao, The Compradore in Nineteenth Century China, Cambridge, Mass., 1970, p.30, 31, 34 and 35, etc.

49. Yin-Ping Hao, p.31, 100 and 101, etc.

50. Quoted in Hain-Pao Chang, p.193-4.

51. Quoted in Fairbank, Trade and Diplomacy, p.83 and Greenberg, p.213-4.

52. L.R. 1876-7. The Mary Jane was built and engined by Tod and McGregor: 165.4' by 20.2' and 9.4' deep. She was of 226 gross registered tons with 120 horse power.

53. A. Mackenzie, A History and Genealogy of the Mathesons, Inverness, 1886.

54. Ch. R. V p. 373.

55. Jardines, An Historical Sketch, p.52

56. Marriner and Hyde, p.10-11.

57. Ibid, p.16.

58. In this study Alfred Holt and Company, Blue Funnel Line, and the Ocean Steamship Company Limited are synonomous.

59. N.C.D.N. 4/12/1866.

60. F.E. Hyde, Blue Funnel (1970) p.34-5.

61. Marriner and Hyde, p.23.

62. Chapter 3, pp. 171-2.

63. Marriner and Hyde, p.23.

64. N.C.H. 4/4/1873.

65. Quoted by Liu, p.120

66. The Times, 3/6/1873.

67. L.R. 1882. Here 8 vessels are listed under the ownership of J.S. Swire; but there were also another 4 building.

68. L.R. 1896-7. Alfred Holt and Company also owned another 13 vessels which traded between the Dutch East Indies and Europe under the Dutch flag. This company was called Nederlandsche Stoomvaart Maatschippij Oceaan.

69. Liu, p.60-1.

70. Marriner and Hyde, p.106-7.

71. Marriner and Hyde, p.110.

72. BPP 1882 XLIV (No.19) p.284

73. BPP 1909 LVII (No.617) p.10-11.

74. China Navigation Fleet List.

75. L.R. 1900-01

76. Marriner and Hyde, p.118.

77. C.M. 4 and 15/12/1879, 5 and 6/1/1880, and Hong Kong Daily Press 15/1/1880.

78. The Times 30/12/1882.

79. Liverpool Journal of Commerce 6/12/1898.

80. China Navigation Fleet List.

81. Table No. 36.

82. L.R. 1914-15.

83. Table No. 39.

84. See Appendix 3.

85. L.R. 1951.

86. L.R. 1981.

87. Swire Group Publications, Hong Kong, The Swire Group, 1981, p.13.

88. A full list of the activities of John Swire and Sons is in the above; while for Jardine, Matheson and Company is in South China Morning Post, 21 June 1982, Jardine, Matheson and Company, The 150th Anniversary.

CONCLUSION

The treaty port era in China lasted from the Treaty of Nanking of 1842 between Britain and China, the first of the 'Unequal Treaties', and the Treaties of Chungking and Washington of 11th January 1943, between Britain and China and China and the United States respectively. These latter treaties officially abolished extraterritoriality and the conditions under which foreign ships traded on China's coast and rivers. These treaty port privileges had been seriously eroded by Japan from the beginning of the Sino-Japanese War in 1937, and when the latter treaties were signed were, to all intents and purposes, already non-existent. During the early part of this period British shipping and British trade were both predominant on the China coast; but from the 1880s, while British shipping maintained its predominance, although to a decreasing extent, British trade with China declined relative to that of other foreign countries.

British participation in the China coast trade originated as a natural extension of British participation in the country trade between India and China. Success in this depended on Anglo-Indian and Anglo-Parsee co-operation, and extension further east on equally successful Anglo-Chinese co-operation. In the light of present obsession with nationalism, the Opium Wars seem to have left little resentment in the Chinese commercial class, who co-operated with the British after 1842. Nationalism was then unknown in China, and xenophobia confined to the scholar-gentry, who periodically incited the peasants in anti-foreign activities. The compradores and their associates would undoubtedly be branded as 'Quislings' and 'running

dogs of imperialism' in China today. In treaty port China they were able to purchase membership of the mandarin class from the decadent Manchus.

Apart from illegal ventures in the opium trade to ports north of Canton, the China coast trade originated with infrequent and irregular services on the Canton River between Canton, Hong Kong, and Macao in the 1840s. This was extended north to Shanghai and the intermediate ports of Amoy, Foochow, and Ningpo between 1842 and 1860.

The combined effect of the Treaty of Tientsin and the Convention of Peking of 1858 and 1860 respectively, which brought the Second China War to an end, was a great extension of the treaty port system. The 600 miles of the Lower Yangtze were opened to foreign trade and shipping, and the number of treaty ports increased from five to fourteen, including three on the Lower Yangtze. At the same time the opium and emigrant trades were legalised, and the Western Powers granted diplomatic representation at Peking. Subsequent agreements secured additional privileges for the Treaty Powers; but were of comparatively minor importance to those granted after the First and Second China Wars. In 1914, when this study ends, the number of ports open to foreign trade was forty seven; but many opened after 1860 were unimportant. By 1913, the last full year before the disruption caused by the First World War, British shipping employed on the China coast had increased from the few ships of insignificant tonnage of the 1840s, to 178 of 234,834 gross registered tons.

An important development just before the beginning of the

Second China War was the establishment of the Chinese Maritime Customs. The first customs house under foreign administration was opened at Shanghai in 1854, in response to the chaotic conditions caused there by the Taiping Rebellion, and the second at Canton in 1859. After the end of the Second China War the new system was extended to all fourteen treaty ports, and by 1864 each had a new style customs house. It is from this time that accurate and reliable statistics on China's foreign trade are available. Although the Chinese Maritime Customs was largely a British creation, its objective was to facilitate foreign trade in general, and not merely British trade. By ensuring uniform treatment of all foreign merchants and ships, which the treaties and the Chinese Government had signally failed to accomplish, British trade and shipping did benefit.

This study shows that British success in shipping on the China coast was not due to any single factor, nor to a few outstanding factors. It was the result of many diverse factors, whose relative importance varied over the century. Anglo-Indian co-operation, so important in the early decades, was of little importance towards the end of the period, having been superceded by Anglo-Chinese co-operation. The bitterness and resentment caused by the Opium Wars was confined mainly to officials and scholar-gentry, and peasant outbursts of xenophobia usually stimulated by these, and arising out of missionary activities. When gunboat diplomacy was exercised this was also usually in protection of missionaries, and rarely of traders. Both the Boxer Rebellion and the Revolution of 1911 were essentially anti-Manchu, although the Court at Peking diverted the former against foreigners, and again especially against missionaries.

The Anglo-Indian co-operation of the early decades had several aspects. It included co-operation in the running and financing of the country firms which pioneered the China coast trade, the employment of Indian built ships and Indian seamen in the country trade, and the expansion of the traditional staples of the old established India-China trade. This was made possible by the East India Company's secure position at Canton, and the Royal Navy's control of the Indian Ocean and South China Sea.

Soon after the opening of the first treaty ports, and increasingly after the opening of the Yangtze, the Indian factor in the China coast trade declined in importance, and was replaced by Anglo-Chinese co-operation. This was exemplified by the compradore system, the successful use of house and ship compradores by the British shipping firms, and of Chinese seamen in the coast and river trades. At the same time the trade between India and China declined in importance, and the increasing use of steamships resulted in British, replacing Indian ships in the coast trade. Another factor contributing to Indian decline was the decline in the importance of the opium trade relative to other trades, and the increasing use of home grown opium.

With the exception of John Swire and Sons' China Navigation Company, which was formed when the treaty port system was well established, and which was financed entirely in Britain, most British companies engaged in the China coast trade employed a considerable proportion of Chinese capital. This, as shown in this study, was especially the case with Jardine, Matheson and Company with their North China Steamship Company, Yangtze Steamship Company, and Indo-

China Steam Navigation Company. Such Chinese capital came from their compradores and their compradores' associates. Jardines also pioneered co-operation with Indian and Parsee capital in the country trade.

One factor contributing to British success in the China coast trade which was constant all through the treaty port era, was the assistance afforded by the British China Consuls. The immediate appointment of a British Consul to each of the first treaty ports as soon as it was opened was probably the single most important factor in establishing British predominance. Unlike such other foreign consuls as were appointed, the British Consuls were proficient in Chinese, and had a broad knowledge of Chinese history and culture. Some, like Sir John Davis, who succeeded Sir Henry Pottinger as Governor of Hong Kong and Superintendent of British Trade, were noted Sinologues. These early consuls inherited the respect which their predecessors in the Select Committee of the East India Company enjoyed at Canton. They also, unlike other foreign consuls, enjoyed effective naval support.

Superiority in naval architure and marine engineering seems to have played little part in British predominance, certainly not in the first half of the treaty port era. In the early years when America was Britain's chief rival, there are many references in British Consular Reports to the superiority of American ships and shipping practices. Later there are similar references to the superiority of German and Scandinavian coasters over British coasters. In contrast, are many references to the enterprise of the major British shipping firms, and of their 'long established connections, experience

and business like management' enabling them to withstand foreign competition.

By the time a serious challenge came from German and Japanese shipping, the two major British companies were well entrenched in the most important sections of the coast and river trades. They had their own godowns and wharves at the most important ports, and - through their general managers - obtained bunkers, stores, and insurance at attractive rates. With dockyards at Hong Kong and Shanghai, and lesser repair facilities at other ports, their ships were well maintained; and their large fleets gave them the flexibility of operation necessary to take advantage of sudden and regional trade booms. These large fleets also enabled them to employ specialised ships in the various sections of the coast and river trades.

The study has illustrated that British success on the China coast was largely represented by the China Navigation and the Indo-China Steam Navigation Companies. These companies had the necessary capital resources to provide the many ancillary services required for successful steamship operation on the China coast. This came either directly, or indirectly, from their general managers - John Swire and Sons and Jardine, Matheson and Company.

There was also competition from Chinese shipping, as represented by the China Merchants Steam Navigation Company. When formed in 1872 with strong government backing, this company seemed likely to become a serious threat to foreign shipping on the coast, and this belief was strengthened five years later when it bought the ships and shore property of the Shanghai Steam Navigation Company. Although it enjoyed government support and employed foreign

superintendents and foreign officers, and its British built ships were equal to those of the British companies, no serious threat materialised. This failure is illustrated in Table No. 27, which shows the expansion of the China Merchants compared with that of the two major British companies. Between 1884 and 1914, while the combined tonnage of the two British companies increased by 268 per cent, the tonnage of the Chinese company increased by only 68.1 per cent; and from being the largest of the three companies in 1884, was now the smallest. It was also, as the study shows, in a very weak financial position vis a vis its foreign competitors.

China's response to the foreign invasion of the coast trade is in sharp contrast with that of Japan. The latter was subjected to a modified form of the Chinese treaty port system by the treaties imposed on her by the Western Powers within a few years of the Perry Expedition of 1853-4. Yet she managed to retain control of her coast shipping, and even compete successfully in her overseas trade and in the China coast trade. The first Japanese ships arrived at Shanghai in the 1860s, and Japan obtained consular and commercial privileges very like those of the Western Powers in 1872, in which year she appointed a Consul-General and a Consul at Shanghai. In the same year she built her first railway, a line between Yokohama and Tokyo. When she regained her tariff autonomy from the West in 1899, she was already am accomplice of the West in the exploitation of China.

British navigational skill and seamanship, as distinct from engineering and naval architectural superiority, was an important factor in British success. Much of this derived from experience

gained in the country trade, and from Royal Navy surveys in the early treaty years. Experienced Jardine masters, for instance, were able to advise the Royal Navy in its operations on the coast and on the Lower Yangtze during the First China War.

The most manifest evidence of British domination of the China coast, however, was the many well run British steamships maintaining regular services over the whole length of the coast, and on the middle and Lower Yangtze. Well before the end of the nineteenth century these British ships were operating with almost clockwork precision. It was here that Anglo-Chinese co-operation was most clearly visible, in the harmonious relationship between British officers and Chinese compradores and seamen.

While there are many literary and historical references to the opium and tea clippers, and to the opium and emigrant trades, there are few to British ships on the China coast during the treaty port era. The Yangtze never inspired a Mark Twain to write a Yangtze equivalent to "Life on the Mississippi"; and Conrad's "Eastern World" never extended east or north of Borneo. Strangely, the Yangtze never attracted the attention of the British public or press like the Nile, Amazon, Congo or Niger, and the China coast has fared badly in a literary sense. Conrad's "Typhoon" is the only literary classic of the China coast.

The Chinese treaty port system is unlikely to be repeated elsewhere. Even when established in mid nineteenth century China it was an anachronism, as by then cabotage - the reservation to a country of the maritime trade in its own territorial waters - was becoming the rule over most of the world. Since the end of the Second

World War one of the first objectives of newly independent countries has been to establish national shipping lines, usually at the expense of the shipping of the former colonial power. This has happened in India, Burma, and in several of the former British colonies in West Africa. Any conclusions drawn from a study of British shipping in treaty port China, therefore, can have no great commercial significance. Their value must be political and diplomatic, and illustrate the correct relations to be adopted between developed and undeveloped countries, so that the relationship can be of benefit to both.

APPENDIX I

List of Open Ports in China in 1913, arranged in approximate order of importance, with date of opening and other particulars

	Port	Date	British Representative.	Cause of Opening	Customs Revenue in Tls.	Total Trade in Tls.	Estimated Population
1	Shanghai	1843	C.G.	Britain, Treaty of Nanking	14,475,434	207,222,249	654,000
2	Tientsin	1860	"	" " " Tientsin	4,391,318	133,458,274	800,000
3	Hankow	1860	"	" " " "	3,608,621	154,029,939	590,000
4	Canton	1843	"	" " " Nanking	3,346,737	112,285,888	900,000
5	Swatow	1860	C.	" " " Tientsin	2,031,655	51,351,756	70,000
6	Tsingtao	1898	C.	Annexed by Germany	1,915,889	59,168,880	34,000
7	Dairen	1907	C.	Ceded to Russia 1898, and transferred to Japan 1905	1,762,906	72,346,891	24,500
8	Foochow	1843	C.	Britain, Treaty of Nanking	940,067	23,206,413	624,000
9	Newchwang	1860	C.	" " " Tientsin	899,465	50,054,454	53,700
10	Amoy	1843	C.	" " " Nanking	704,760	20,068,932	114,000
11	Wuchow	1897	C.	Anglo-Chinese Agreement	681,105	13,008,049	40,000
12	Chefoo	1876	C	Britain, Chefoo Convention	668,189	31,641,224	54,500
13	Chinkiang	1860	C.	" Treaty of Tientsin	595,199	24,547,946	184,000
14	Kiukiang	1860	C.	" " " "	586,627	32,351,405	36,000
15	Kongmoon	1904		Anglo-Chinese Agreement	558,707	8,656,789	62,000

APPENDIX I (Contd)

	Port	Date	British Representative	Cause of Opening	Customs Revenue in Tls.	Total Trade in Tls.	Estimated Population
16	Hangchow	1896	C.	Japan, Treaty of Shimonoseki	518,760	17,261,517	594,000
17	Ningpo	1843	C.	Britain, Treaty of Nanking	483,455	25,814,001	455,000
18	Wuhu	1876	C.	" Chefoo Convention	451,972	20,223,604	89,000
19	Suifenho	1908		Imperial Decree	419,657	21,177,263	1,300
20	Chungking	1895	C.	Japan, Treaty of Shimonoseki	411,196	30,109,192	631,000
21	Sanshui	1897	C.	Britain, Burma Frontier Convention	407,515	7,640,614	6,000
22	Antung	1903		United States, Commercial Treaty	380,323	14,805,956	40,500
23	Changsha	1903	C.	Japanese Treaty	371,154	23,719,762	250,000
24	Mengtzu	1886	C.	France, Additional Article to French Treaty of Tientsin	365,852	19,678,916	10,900
25	Kowloon	1897		Anglo-Chinese Agreement	350,341	48,355,931	included with H.K.
26	Chinwantao	1902		Imperial Decree	290,874	10,821,592	5,000
27	Lappa	1897		Anglo-Chinese Agreement	283,622	18,018,508	with H.K.
28	Manchouli	1907		Russo-Chinese Agreement	280,526	14,703,940	4,000
29	Kiungchow	1876	C.	Britain, Treaty of Tientsin	256,345	6,619,135	44,200
30	Harbin	1909	C.	Russo-Chinese Agreement	229,253	8,417,587	81,400

APPENDIX I (Contd)

	Port	Date	British Represent-ative	Cause of Opening	Customs Revenue in Tls.	Total Trade in Tls.	Estimated Population
31	Nanking	1860	C.	France, Treaty of Tientsin but opening delayed until 1899.	227,386	7,600,752	269,000
32	Santuao	1899		Imperial Decree	151,358	2,736,191	8,000
33	Yochow	1899		Anglo-Chinese Agreement	136,301	6,919,066	20,000
34	Soochow	1896	C.	Japan, Treaty of Shimonoseki	128,228	16,309,291	500,000
35	Nanning	1907	1.	Anglo-Chinese Agreement	115,934		87,600
36	Pakhoi	1876	2.	Britain, Chefoo Convention	103,817	2,770,288	20,000
37	Ichang	1876	C.	" " "	99,363	5,719,556	55,000
38	Aigun	1910		Imperial Decree	68,976	1,232,027	3,600
39	Tengyueh	1902	C.	Britain, Supplementary Agree-ment to London Conference, 1884	64,484	3,132,075	10,000
40	Wenchow	1877		Britain, Chefoo Convention	47,644	3,690,902	
41	Shasi	1876	3.	" " "	40,493	4,392,385	100,000
42	Hunchun	1910		Japan, Manchurian Convention	38,519	887,261	4,200
43	Lungchung-tsun	1910		" " "	35,560	885,514	600
44	Sansing	1910		Imperial Decree	31,443	3,170,158	40,200

APPENDIX I (Contd)

	Port	Date	British Representative	Cause of Opening	Customs Revenue in Tls.	Total Trade in Tls.	Estimated Population
45	Szemao	1898		Britain, Gerard Frontier Convention, 1895	6,455	224,250	15,000
46	Lungchow	1898		Franco-Chinese Agreement	4,681	109,307	13,000
47	Tatungkow	1910		Sino-Japanese Agreement	1,723	86,360	3,200
				TOTAL Tls.	43,969,852	1,353,410,749	
				Equivalent in sterling	£6,641,279	£204,421,415	

Total Population of China in 1913 estimated at 441,983,000

Source: BPP 1914-16 (No.5424)p.62

CODE: Ports underlined were inland treaty ports.

C.G. Consul-General.

C. Consul or Consular representative.

1. Nanning came under the jurisdiction of the Wuchow Consul, and its trade statistics were combined with those of Wuchow.

2. Pakhoi and Kiungchow came under one Consul.

3. Shasi had a British Consul 1897-8.

NOTE: In addition to above, there were British Consuls-General at the following four provincial capitals:- Mukden (Manchuria), Chengtu (Szechuen), Tsinan (Shantung), and Yunnan-fu (Yunnan). Britain also maintained a Consulate at Kashgar in Sinkiang which was raised to a Consulate-General in 1911; but this came within the jurisdiction of the Indian Government, and is described more fully in Appendix 2.

APPENDIX 2

The British China Consular Service

The British China Consular Service was established immediately after the Treaty of Nanking of 1842, at first concerned solely with China. It expanded later into the Far Eastern Service, to include Consuls in Japan and Siam. In the interregnum between the abolition of the East India Company's monopoly of the China trade and the opening of the first treaty ports, British interests at Canton were looked after by officials known as Superintendents of British Trade, the senior of whom was entitled Chief Superintendent of British Trade. Lord Napier was the first of these. [1] When the first treaty ports were opened, however, a British Consul and staff were appointed to each port, and from that time the Chief Superintendent of British Trade combined this post with that of Governor of Hong Kong. The treaty port consuls were under the authority of this official until 1860, when - after the appointment of a British Minister to Peking, as provided in the Treaty of Tientsin - they came under his authority, and sent their reports to him. At the same time the post of Chief Superintendent of British Trade was abolished.

The British China Consular Service developed into a 'close' service, specially recruited, and with a separate salary scale and code of instructions from the General Service. It was quickly accepted that it was on a higher level, in both intellect and performance, than the General Service. In giving evidence before a House of Commons Select Committee on the Diplomatic and Consular Services in 1870, Sir Rutherford Alcock, then British Minister to China, described the special duties and responsibilities of the

British China Consuls, and the necessity for specially qualified men.[2]

By 1846 the British China Consular Service had four consuls, three vice-consuls, and nineteen assistants, agents, and interpreters; under the Chief Superintendent of British Trade and a secretary at Hong Kong.[3] The United States had nothing remotely comparable. In the early treaty port years a missionary often acted as chargé d'affaires and secretary to the consul at Canton, the only professional consul for the early years; while the senior partner of Russell and Company acted as merchant consul at Shanghai, and similarly at the other ports. Professor Fairbank commented on this system thus: "In the new ports the Americans used a cheap, makeshift system of merchant consuls, that gave little support to the British effort at the enforcement of treaty law."[4] France also had only one professional consul in the early years, at Canton, and Fairbank described his duties as: "mainly devoting himself to the cause of Catholic missionaries and their toleration by the Imperial authorities."[5] At Hong Kong, and the other treaty ports. British merchants often looked after French commercial interests, which were comparatively unimportant compared with British. Other foreign countries - including Chile, Denmark, the Netherlands, Portugal, Prussia, and Spain - were also represented by British merchants, a practice inherited from the days of the 'Old China Trade' at Canton.

Almost inevitably, in the social climate of early Victorian Britain, some younger sons and similar recipients of patronage, were appointed to the China Consular Service, but were soon weeded out. A greater danger from the China merchants point of view, was of the Consuls becoming 'Orientalized', and forming a sense of duty not

strictly in accordance with mercantile views and interests. Some critics also maintained that the consuls' judicial and other work often led to a neglect of their commercial work.

There were several men of outstanding ability among the early British Consuls - Balfour, Alcock, Wade, Lay, and Parkes, in particular. The first three had been army officers, Balfour and Wade having served in the First China War, while Alcock had been an army surgeon in Spain. Lay and Forbes, on the other hand, joined the service when very young; but had spent most of their boyhood in China, and their knowledge of the country and language compensated for their youth and inexperience elsewhere. Alcock, Wade, and Parkes each became British Ambassador at Peking, Alcock and Parkes also being Ambassador to Japan, and all three were knighted; while Lay became the first Inspector General of the Chinese Maritime Customs. [6]

With the opening of additional treaty ports after the Second China War, the expansion of the coast trade and the China trade in general, and the establishment of a Legation at Peking, the British diplomatic and consular service in China increased considerably after 1860. In 1914 the former had a staff of twenty five, and the latter of over fifty. The Legation at Peking consisted of the Ambassador, Chief Secretary, and another twenty three British personnel which included a chaplain, doctor, commercial attaché, and seven student interpreters. The Consular Service included eight consul-generals, sixteen consuls, and eleven vice-consuls, consular agents, and assistants. [7]

The British Consular Service consisted of three separate

services, the General, the Far Eastern (which included the China Consular Service), and the Levant Service. The General Service was considered the poor relation of the Diplomatic Service, but this did not apply to the Far Eastern or Levant Services, which enjoyed higher salaries and better conditions. The first British Consuls appointed to Canton and Shanghai in 1843 received salaries of £1,800 and £1,500 per year respectively; while those at Amoy, Foochow, and Ningpo received £1,200. The first Vice-consuls received £750 per year. These were very good salaries at that time. [8] It was nearly a century later that the reforms of Eden and Bevin brought the General Service equal status with the Far Eastern and Levant Services. The British China Consuls from the earliest years, however, enjoyed a status almost equal to that of British diplomats, and between 1860 and 1914 five of them ended their careers as Ambassadors at Peking. In chronological order these were Sir Rutherford Alcock, Sir Thomas Wade, Sir Harry Parkes, Sir Ernest Satow, and Sir John Jordan.

Swveral of the early British Consuls were largely responsible for establishing the Chinese Maritime Customs in 1854. Alcock and Wade in particular played important roles in this, and Lay became the first Inspector General in 1859. Robert Hart commenced his career as Vice-Consul at Canton in 1854, joined the Customs service in 1859, and succeeded Lay as Inspector General in 1863.

The promotion and protection of British trade was the principal duty of the British China Consuls, but the early consuls had little guidance as to the precise limits of their functions within this broad area. Not until the 1880s, in response to increasing public concern at the relative decline of Britain's overseas trade,

was a serious attempt made to define the proper degree of diplomatic and consular assistance which should be available for the promotion of British trade. The British Consuls in China had so many and such varied duties to perform, that undue attention to one could only be at the expense of others. Professor Fairbank listed some of these concerned with shipping thus: "The British Consul had special supervisory and disciplinary roles to perform. Under the General Regulations of Tradá (appended to the treaties), he was expected to settle the fees payable to pilots. He received the ship's papers and notified the Customs of her arrival, returning the papers on her departure. He also supervised the inspection of imported goods, and heard appeals about the duties assessed. He co-operated with the Chinese authorities in settling the standard of coinage, and kept a set of weights and measures in the Consulate. He granted certificates permitting the transhipment of goods from one vessel to another, controlled British seamen in port, and heard grievances against both British and Chinese subjects, and could punish the former. He also settled port limits, and assisted in the prevention of smuggling." [9]

Continuing along these lines, the British Consul at Chefoo wrote as follows in 1896: "While in other countries a consul's attention is devoted to commercial questions .... in China the ordinary duties of his office leave him but little time to devote to commercial matters in the abstract. At the more important places, political matters, judicial cases, claims on behalf of his countrymen against Chinese subjects or officials, cases of assault or other form of outrage, questions concerned with shipping, and many other affairs which could only occur in an oriental country, occupy a consul's

time to the exclusion of other matters, which are nevertheless deserving of attention." [10]

One consul complained that "with the exception of the administration of the Sacrament of baptism and exercising the business of executioner, it would be difficult to say what duties I can not be called on to perform." [11] In view of this it is difficult to see how a British Consul could find time to study the history, natural history, and culture of China.

One activity in which nineteenth century British China Consuls excelled was exploration. Here the need to find out the commercial and economic potential of little known regions of the interior, of finding the most practical trade routes to promising regions, and of learning the attitude of the local people to foreign trade and traders, could easily be reconciled with any natural desire for exploration. Like Burton and Casement elsewhere, several British China Consuls made notable journeys into little known parts of China, among these the journeys of Alexander Hosie, E.C. Baber, and Robert Swinhoe. [12] Such journeys made valuable contributions to the West's knowledge of parts of China which had not been visited by Europeans since the time of Marco Polo.

In the long run, however, the influence of the British Consuls as orientalists and sinologues, may have been more important. By the time the treaty port system was introduced the early favourable and flattering opinion of China and the Chinese, propagated by the sixteenth and seventeenth century Jesuits had been reversed. No longer was China and her government held up as a model to Europe; closer experience and the two humiliating defeats inflicted by

Britain, had swung Western opinion to the opposite extreme, an opinion often violently expressed by the western commercial community as a whole. The early British consuls, through their knowledge and sympathetic understanding of the country and people, were able to provide a needed corrective to this.

Several nineteenth century British China Consuls achieved international acclaim as sinologues. Sir Thomas Wade, who retired to England in 1883, was already famous for his formulation of the Wade systemxof the Romanisation of Chinese characters. In 1888 he became Professor of Chinese at Cambridge University, and the first Professorcof Chinese in Britain. He was succeeded in 1891 by H.A. Giles, who had retired after twenty five years in the China Consular Service, and who was the author of several books on China. [13] Two of Giles' sons followed their father in the China Consular Service; while a third became Keeper of Oriental Books and Manuscripts at the British Museum. It was undoubtedly the activities of such men which aroused misgivings among the British mercantile community in China, that they paid insufficient attention to commercial matters.

Although it was British Consuls who were mainly responsible for the establishment of the Chinese Maritime Customs, in the first twenty odd years of the Customs' existence there were many serious clashes between British Consuls and British Commissioners of Customs. In 1860 at Shanghai for instance, where T.T. Meadows was then British Consul, there were two flagrant cases. The British lorcha Ellen Masters imported 1,508 bags of salt from Wenchow into Shanghai, although Wenchow was not then a treaty port and salt was an article in which foreigners were not allowed to trade. Meadows refused to

allow the cargo to be confiscated, although the master admitted the facts of the case. Then the British lorcha Wave brought a consignment of gunpowder into Shanghai, also an article of contraband. This was promptly seized by the British Tidewaiter who examined the vessel's cargo, after which Meadows immediately fined the Tidewaiter for daring to seize contraband on a British vessel without a warrant from him as Consul. [14] These actions on the part of Meadows assumed that China, in granting extraterritorial rights to foreigners, had at the same time given up her jurisdiction over foreign vessels in Chinese harbours, even if carrying contraband. Sir Frederick Bruce, British Minister at Peking, and supported by the best legal opinion in Britain, needless to say did not support the Consul's view. [15] Writing of Meadows to Lord Elgin, his brother, Bruce said: "I never had to deal with so impracticable and mischievous a subordinate." [16]

Two cases of opium smuggling at Foochow in November 1877 and February 1878 further illustrate British Consular prejudice against Customs jurisdiction where British interests were concerned. Opium smuggling from Hong Kong into Foochow was at that time a lucrative and thriving business, carried on mainly by the Chinese crews of foreign steamships. The cases here involved the British steamships Namoa and Taiwan of the Douglas Steamship Company of Hong Kong, employed on a regular service between Hong Kong, Swatow, Amoy and Foochow, and in both cases the opium was smuggled in by Chinese members of the crews, about fourteen and a half hundredweight on the Namoa and about three hundredweight on the Taiwan. The opium trade was legitimate at this time, but in the case of the Namoa the opium had not been declared on the Manifest, and in the case of the Taiwan

it had been in excess of the quantity declared on the manifest. [17] In both cases the captain was fined for presenting a false manifest, and the British Consul had protested against the fines. The Customs were supported by the Chinese Government, and the Consul by the British Minister at Peking, and eventually the matter was submitted to the Foreign Office, who - on the advice of the Law Officers of the Crown - came down in favour of the Customs. This was more in keeping with British reputation for justice and fair play. [18]

The most serious clash between British Consular authorities and the Customs, however, was undoubtedly the case of the Cadiz hulk at Chinkiang, which lasted for some six years. In 1872 the Shanghai Steam Navigation Company was allowed to move its cargo hulk from the north to the south bank of the Yangtze, and moor it below the British concession in front of its property. The Customs hulk - on which the examiners and tidewaiters lived - followed suit, and in 1873 the China Navigation Company was also allowed to connect a moored hulk with the British bund, which hulk - the Cadiz - was placed in position in February 1874. When agreeing to this the British Commissioner of Customs and the land renters of the British concession stipulated that the connection between the hulk and the shore should be of such a nature as to allow the free passage of junks and small boats. [19] Unfortunately, the China Navigation Company did not comply with this, and the Customs and land renters both objected. This, however, turned out to be unimportant in view of further developments, but was significant as illustrating the shipping company's indifference to the rights of others.

During the summer of 1874 a strong eddy developed in the

river opposite the eastern end of the British concession and on the land on which the Customs House was situated, and this scoured out a deep hole in the river bed and caused serious subsidence on the bund and roadway. From this time the questions at issue were - was the Cadiz responsible for this development, what was the best method of protecting the fore shore, and who was to pay for the necessary protective work.[20] The technical experts called in by the land renters and the Customs Marine Department disagreed; and the land renters and shipping company - supported by the British Consul - disagreed over who was to pay for the work. The British Legation at Peking supported the British Consul, and eventually the matter was referred to the British Government. While the arguments went on the ravages of the river continued, until the forty foot bund road in the British concession was narrowed at one point to only fourteen feet, and near-by houses were endangered. Meantime, at their own cost, the Chinese authorities placed many thousands of cubic feet of rubble and stone in the river to protect the British concession and Customs bund, while arguments over who was to pay continued.

In 1876 the Customs requested that, while negotiations were in progress, the China Navigation Company remove the Cadiz temporarily to prevent further, and perhaps, fatal damage. No reply coming from the British Minister at Peking, even after an extension of fifteen days, the Commissioner of Customs issued a notification: "that whenever steamers of the China Navigation Company anchor apart from the Cadiz hulk, all goods are to be carried to and from the Customs jetty and the steamers direct, and not as heretofore after transhipment to or from the Cadiz."[21] In his report for 1876, the

British Consul at Chinkiang wrote: "for many months in 1876 the steamers of the British company(China Navigation Company) running between Shanghai and the river ports were debarred from the privilege of mooring alongside the Company's hulk for the dispatch and shipment of cargo, owing to a dispute between Messrs. Butterfield and Swire (the agents of the Company) and the Customs authorities. In order to avoid delay to the steamers the agents declined to ship goods either to or from Chinkiang, and thus threw the carrying trade of the port into the hands of the American and Chinese companies (Shanghai Steam and China Merchants Steam Navigation Companies)."[22] John Swire, in a letter to the Earl of Derby, Foreign Secretary, claimed that this caused his company a loss of over £11,000.[23]

The long running case was eventually closed by a letter from the Earl of Derby to the Chinese Plenipotentiary on 6th February, 1879, summing up the British Government's findings. No opinion was expressed as to whether the Cadiz did, or did not, contribute to the damage done by the river current, and it regarded as reasonable the proposal that the hulk should have been temporarily removed for experimental purposes. It regretted that the Customs had complicated the matter by withdrawing the hulk's privileges, which had caused the company serious losses; but did not intend to support the company's claim for an indemnity of £10,000. The letter concluded by intimating that instructions would be sent to the Chargé d'Affaires at Peking to offer no further opposition to the experimental removal of the hulk.[24] The hulk was moved, and China's sovereignty over her waterways implicitly admitted, as was the Customs' right to berth and move vessels, including hulks, in a

Chinese open port. As in the Namoa and Taiwan cases, the British Government took a broader and juster view than British officials on the spot.

These, and other similar cases where British Consuls, sometimes supported by the Legation in Peking, challenged the authority of the Chinese Maritime Customs over British ships and British nationals, led to the Foreign Office issuing a new Order in Council for the control of British nationals in China at the end of 1882. The principal features of this were that British nationals employed in the Chinese Customs should be recognised as duly constituted officials as soon as the Chinese Government should notify their appointments; that Consular jurisdiction over British Customs employees should never be exercised until after notice given to the superior Chinese authorities; and that Consular jurisdiction over such Chinese employees in matters arising from official acts done in the discharge of duty, should not be put in action until asked for by the superior Chinese authorities. [25]

While the Cadiz hulk case greatly enhanced the reputation of the Customs in the eyes of the Chinese, it unfortunately also did much to harm the goodwill of the British Consular officials. The gain to China, however, more than made up for this, which marked the nadir of Consular-Customs relations. After this the relationship improved, and contributing towards this may have been a narrowing of the gap between the salaries of British Consuls and Customs Commissioners. Customs officials were paid in taels, and from this time the tael-sterling ratio steadily declined with the fall in the value of silver, enabling the Consuls to enjoy a life style

approaching their compatriots in the Customs Service. In his report from Chinkiang for 1880, the British Consul hints at this when he wrote: "It is necessary to point out in the strongest terms the obstructions caused to British trade by the foreign customs. Much more Chinese, many of them, than the Chinese themselves, and arrogating to themselves complete exemption from all legal control, European or Chinese, they are assuming a position which, unless checked in time, will end in driving out foreigners altogether .... The morality of foreigners being in receipt of pay far exceeding that of the highest Chinese officials, is to say the least doubtful, and is bitterly resented by the Chinese educated classes themselves." [26]

British Ministers in Peking always maintained the necessity of British Consuls being able to maintain a life style commensurate with their position and responsibilities, especially when they were pleading for better salaries and conditions of service. In writing to the Earl of Clarendon, then Foreign Secretary, on October 29, 1869, Sir Rutherford Alcock said of the Consuls that: "they must entertain and otherwise maintain a special equality with those over whom they should exercise a certain personal influence, as well as a legal authority, or the latter will avail them very little to maintain peace and order in the communities committed to their charge.." [27]

The British China Consuls and the British Commissioners in the Chinese Maritime Customs came from the same social class, and cooperation between them was essential to make the complicated and cumbersome treaty port system work. In compiling their annual reports - an important part of their work - the Consuls depended on the Customs Commissioners for most statistics relating to shipping

and trade, much of which was taken almost verbatim from Customs Reports, as is openly acknowledged. In this department of their work, much of the criticism directed against British Consular Reports from British merchants in other parts of the world is inapplicable to British China Consuls. Their reports contained a wealth of information on the consular district - sometimes a large and populous province - with which they were concerned. Not only were matters concerned with shipping and trade dealt with, and here their co-operation with the Commissioners of Customs was specially valuable, but they also described political and social conditions, the state of agriculture and industry, and much more.

The commercial attaché at the British Legation in Peking sent these to the Foreign Office, and from them drew up a report covering the whole country, the Annual Report on the Foreign Trade of China. It is impossible to estimate the value of these reports to any particular British industry. Mr. (later Lord) Curzon, then Under Secretary of State at the Foreign Office in 1895, told the House of Commons that much valuable information in these reports was lost by the failure of all but a minority of merchants to read them. He suggested to Sir Alfred Rollit, the spokesman for the critical Chambers of Commerce, that he would be considerably benefiting the cause he represented by improving the reading capacity of his clients. [28]

The British China Consuls, however, still continued to be blamed for contributing to Britain's failure to maintain her early dominant position in China's foreign trade; nor were they praised for the success of British shipping in maintaining its dominant

place in China coast and river shipping, in the face of increased competition from other foreign countries. In 1905 the Tientsin Consul wrote: "Of late years it has been customary to make British Consular officers the scapegoats for the failure of British trade to keep pace with foreign conpetition. But a cursory inspection of the archives in any Consulate in China will show that the fault lies to a great extent with the inability or unwillingness of the British merchant at home to adapt himself to new ways, and with his general ignorance of the conditions of trade and life in so distant a country as China." [29]

There were many similarities between the British China Consular Service and the Indian Civil Service. The members of both came from the same social class, with a background of public school and university education. Both considered themselves as belonging to an élite service, combining loyalty to Britain with loyalty to their adopted country, and both inclined to be contemptuous of their commercial compatriots. This, however, did not prevent them from having a sincere belief in the beneficial effect of British trade on their adopted countries. While the commercial class often questioned the value of their consuls in promoting British trade, they never doubted that their presence and conduct enhanced British prestige in China. Nor did they hesitate to ask them for assistance and advice in the many crises which occurred in treaty port China. For their part, the Consuls' "faith in Britain's innate superiority and the white man's burden, the code of personal rectitude and belief in meting out justice, even if mixed with contempt, to the natives, all shaped the attitude of the new officials in the treaty ports." [30]

In the early treaty port years the British Consuls had need of such faith to sustain them in the difficult and trying conditions under which they worked. The impressive consulates of later years were conspicuous by their absence in the 1840s, 50s, and 60s, when living conditions were not only difficult, dangerous, and trying; but also very unhealthy. Early consular reports are full of complaints about these difficult conditions, and the hardships which the early British Consuls endured.

The first task of the first British Consul was to establish his consulate, and the first sites were chosen with a view, not to convenience or comfort, but in order to maintain British prestige by hoisting the British flag within the walls of the administrative cities. Ill health among the first wave of British Consuls was endemic, when housing conditions were extremely bad. Taking Amoy as an example, in 1844 one clerk was ill with fever, another with fever and ague, the Vice-Consul was near death for several weeks, and a Chinese servant died from "malignant Kulangsoo fever." At the same time the Consul himself had an eye inflammation and was blind for several weeks. Parkes arrived as interpreter in June, and five months later was given six weeks leave of absence because of a return of a fever. The Vice-Consul at Amoy died at his post in 1852, as did the Vice-Consul at Foochow in 1854. Between 1847 and 1858, of twenty five young men appointed as student interpreters to the China Consular Service, only thirteen were still in the service in 1872, four having resigned due to ill health, and three having died at their posts. The isolation of consular life in the early years was a demoralising feature, especially at those ports where the only

trade carried on was the opium trade, and this was conducted outside the port limits. The British Consuls, however, often made use of the opium clippers to maintain communications with Hong Kong and Shanghai, although they would have preferred to ignore their presence. [31]

After the Second China War conditions steadily improved, and British Consulates became the comfortable residences in colourful gardens which travel writers have made so well known. The British Consulate-General at Shanghai, for instance, occupied the most prestigious and strategic site on the Bund, on the opposite side from the British Park, at whose entrance the notorious notice "Dogs and Chinese not admitted" was once displayed. [32] In its spacious grounds the Consulate-General occupied a splendid residence, with junior members of his staff occupying slightly less impressive quarters. The whole complex was a fitting symbol of Britain's political and commercial dominance in Shanghai.

Since the Communist victory and the transfer of consular work to Peking, and also with the decline of British commerce and shipping, the Consulate-General has been commandeered for other uses, recently for a large branch of the Friendship Stores, and other shops.

There was one British Consul in China not a member of the China Consular Service. This was the Consul at Kashgar. Kashgar, capital of Sinkiang or Chinese Turkestan, was fully 2,000 miles from the nearest point on the China coast, and the British representative there was an officer of the Indian Government. Such commercial work as he had was concerned with Indian and Tibetan trade with Sinkiang over the mountain passes of the Pamirs. The Kashgar Consul

represented British and Indian interests in a region very sensitive to the political ambitions of India, China, and Russia. He occupied a vital listening post in the 'Great Game'. From 1890 until 1918 Britain's representative at Kashgar was George (later Sir George) Macartney; at first as an unofficial agent, and then Consul and finally Consul-General.

George Macartney was the son of Sir Halliday Macartney, by his Chinese wife. His father, a member of the same branch of the Macartneys as Lord Macartney, came to China as an army surgeon in 1857, resigning in 1869 to become military secretary to General Burgevine in the campaign against the Taipings. He later worked with Gordon, and after the defeat of the Taipings took service under Li Hung-chang, whom he helped establish the Kiangnan and Nanking Arsenals. At the siege of Soochow in the Taiping campaign, he took the womenfolk of a Taiping general under his protection, and later married one of them according to Chinese rites. In 1876 he went to London and served as Secretary to successive Chinese Ministers until his retirement. His Chinese wife died in 1878, and in 1884 he married a French lady. [33]

George Macartney was born in Nanking in 1867, and completed his education at Caen University. He thus added fluency in French to his fluency in English and Chinese, and was later to become proficient in German, Russian, Persian, Hindustani, and Turki. George Macartney failed to achieve his first ambition of a post in the China Consular Service, perhaps his Chinese mother and French background being too unorthodox, and he had to sail to India in the lowly post of Chinese interpreter in the Indian Government service in 1887.

In 1888 he was sent to Sikkim with the Indian military mission, where he earned a favourable report, leading to his being chosen to accompany Captain Francis Younghusband on his mission to Sinkiang. In 1890 the Indian Government sent him to Kashgar as an unofficial agent, and not until 1908 - after meritorious service - was he appointed Consul. In 1911 he was promoted Consul-General and reeived other honours from the British and Indian Governments for his work in assisting Sir Aurel Stein and other archaelogists and explorers to acquire ancient Central Asian manuscrupts.[34] Kashgar, however, was completely divorced from the China coast; but Sir George Macartney's activities illustrate the vastness abd diversity of China.

The British China Consuls were the linch pins of the treaty port system, and in most treaty ports the accepted leaders of the Western communities. Professor Fairbank's flattering opinion of them was not entirely unmerited; but was not always shared by the Chinese. In 1918, the newly formed Department of Overseas Trade took over many of the commercial functions of the British China Consuls, and in 1938 the British China Consular Service was merged with the General Service. With the end of World War I, therefore, the heyday of the British China Consular Service was over.

REFERENCES FOR APPENDIX 2

1. Chief Superintendents of British Trade 1833-1842.
   Lord Napier, 31 December, 1833, to 11 October, 1834.
   Sir G. Robinson and Sir T.F. David, 12 October, 1834 to 14 December, 1836.
   Captain C. Elliot, R.N., 15 December, 1836, to 21 April, 1841.
   Sir H. Pottinger, 12 August, 1841, to 8 May, 1844.

   Lord Palmerston dismissed Captain Elliot in a letter 21 April, 1841, which did not reach Canton until 12 December, 1841, when he was relieved by Sir Henry Pottinger. The latter was officially gazetted Governor of Hong Kong on 26 June, 1843.

2. BPP 1871 (238) p.76-82.

3. BPP 1847 V p.449

4. J.K. Fairbank, The Cambridge History of China, Vol. II, Part I, 1978. p.224.

5. Ibid, p. 224.

6. British Ambassadors and Ministers to China 1861 to 1914.

   Former members of the China Consular Service underlined.

Sir F.W. Bruce	1861 to 1865	Younger brother of Lord Elgin.
Sir R. Alcock	1865 " 1871	Minister to Japan 1858-1865.
Sir T.F. Wade	1871 " 1883	
Sir H. Parkes	1883 " 1885	Minister to Japan 1865-1883.
Sir J. Walsham	1885 " 1892	
Sir N.R. O'Conor	1892 " 1896	
Sir C.M. Macdonald	1896 " 1900	Minister to Japan 1900-1906
Sir E.M. Satow	1900 " 1906	" " " 1895-1900
Sir J.N. Jordan	1906 " 1914	

7. BPP 1914-16 LXXI (No.5424) p. 4-5.

8. BPP 1857-58 VIII p. 593-4.

9. Fairbank, p. 231.

10. BPP 1897 XC (No.1909) p. 62-3.

11. D.C.M. Platt, The Cinderella Service, British Consuls since 1825, (1971) p. 19.

12. Hosie spent most of his long career in west China, ending as Consul-General at Chengtu, capital of Szechuen, after having been Consul at Chungking for several years. He wrote Travels in West China (1890), and On the Trail of the Opium Poppy (1914). Baber was the first British Consular official to be appointed to west China in 1877. He made two extensive journeys there in the following years, which were described in the Proceedings of the Royal Geographical Society. Swinhoe made an exploratory voyage up the Yangtze to Chungking in 1869, described in the Journal of the Royal Geographical Society, Vol. XL (1870) p. 268-285.

13. H.A. Giles, Chaos in China (1924), China and the Chinese (1920), and The Travels of Fa-Hsien (1923).

14. S.F. Wright, Hart and the Chinese Customs, Belfast, 1950, p. 213-4.

15. Ibid, p. 214.

16. Bruce to Elgin, 31 August, 1860, F.O. 228/281.

17. Wright, p. 446-8.

18. Ibid, p. 453.

19. " p. 434-5.

20. " p. 436.

21. " p. 437.

22. BPP 1878 LXXV (c.1907) p. 66.

23. S. Marriner and F.E. Hyde, The Senior John Samuel Swire, 1825-1898, (1966) p. 68.

24, Wright, p. 444.

25. Ibid, p.455-6.

26. BPP 1881 XCI (c.3054) p. 30-1.

27. BPP 1870 LXVI (c.69) p. 219.

28. Hansard, 4th Series, No.36, 1895, p. 1265-1274.

29. BPP 1906 CXXII (No.3661) p. 14.

30. Fairbank, Trade and Diplomacy, p. 172.

31. This brief description of consular conditions in the early years is summarised from Fairbank, Trade and Diplomacy, p. 168-204.

32. This notice was removed in the early 1920s, when admission was thrown open to all on payment of a small fee.

33. This resumé of the career of Sir Halliday Macartney from the Dictionary of National Biography, Vol. II, Second Supplement, 1912, p. 499-501.

34. This resumé of the career of Sir George Macartney from C.P. Skrine and P. Nightingale, Macartney at Kashgar, 1890-1918 (1973).

APPENDIX 3

PRINCIPAL TREATIES AND AGREEMENTS OF THE TREATY PORT ERA

Date	Title	Remarks
1842	Treaty of Nanking	Britain and China. First of the 'Unequal Treaties', concludes First China War. Opens the first treaty ports to foreign trade and shipping, cedes Hong Kong to Britain, and inaugurates the treaty port system.
1843	Treaty of Homunshi	Britain and China. Contains the commercial and fiscal clauses of the above treaty.
1844	Treaty of Wanghia	The United States and China. Puts American trade and nationals on the same basis as British, and amplifies Treaty of Nanking.
1844	Treaty of Whampoa	France and China. Very similar to above; but with additional provisions for residence in the interior of China for foreign missionaries.
1858	Treaties of Tientsin	Series of treaties between Britain, France, the United States, Russia, and China, during the Second China War. An additional nine ports opened to foreign trade and shipping, also the Lower Yangtze. Opium trade and emigrant trade legalised, and Western Powers granted diplomatic representation at Peking.
1860	Convention of Peking	Ratification of above treaties after the Anglo-French occupation of Peking.
1876	Chefoo Agreement (or Convention)	Britain and China, after the murder of A.R. Margary, a British Consular Officer, on Burma-China border in 1875. The Middle Yangtze opened to foreign trade and shipping, Wuhu and Ichang become treaty ports and several other ports made ports of call.

APPENDIX 3 (contd)

1885	Ratification of Chefoo Agreement	Most terms had been fulfilled in 1876 and 1877.
1895	Treaty of Shimonoseki	Japan and China. Concludes Sino-Japanese War of 1894-5. Japan obtains Formosa and large indemnity. Upper Yangtze opened to foreign shipping and Chungking becomes a treaty port. Foreigners are allowed to open factories in the treaty ports.
1898	Non-Alienation of the Yangtze Region.	Through an exchange of letters between the British Ambassador and the Tsungli Yamen, China agrees not to alienate the Yangtze region to any other Power. This was assumed to give Britain exclusive privileges in the entire Yangtze Valley, comprising half the China market.
1901	Boxer Protocol	Concluded between China and eleven Powers after the Boxer Rebellion. Senior Chinese officials punished and a large indemnity imposed on China; the Peking Legation Quarter enlarged and permanently garrisoned by foreign troops, also the railway between Peking and Tientsin. Regarded as the nadir of China's relations with the West.
1902	The Mackay Treaty	Commercial Treaty between Britain and China. An attempt, largely unsuccessful, to improve conditions of trade, abolish likin, and lead to eventual abolition of the treaty port system.
1902	Anglo-Japanese Alliance.	The first military pact on equal terms between a Western and a non-Western nation.
1914	Outbreak of World War I.	Japan, with token support from Britain, captures Tsingtao, and takes over German sphere of influence in Shantung.

APPENDIX 3 (contd)

1933	China regains tariff autonomy.	After Britain and the United States had recognised the Nationalist Government, established by Chiang Kai-shek at Nanking in 1928, and several preliminary measures, China regained full tariff autonomy in 1933.
1943	New 'Equal Treaties'.	Between China and Great Britain and China and the United States, signed simultaneously at Chungking and Washington on 11th January 1943. In the exchange of notes dealing with navigation it was agreed: "Overseas merchant shipping will receive national treatment and the most-favoured-nation clause. The special rights given to British naval vessels in Chinese waters by former treaties are relinquished. Visiting warships of either nation will be received with the courtesy of international usage. Each party relinquishes any special rights of coasting trading and inland navigation in the territories of either." This meant the official end of the treaty port system.

APPENDIX 4

SUMMARY OF PRINCIPAL FEATURES OF THE TREATY PORT SYSTEM

CABOTAGE. The restriction of coasting and inland water trade of a country to the nationals of that country.

CONCESSION. A piece of land leased by the Chinese Government, or in some cases by local Chinese authorities, to a foreign government, and then sublet by it to foreign merchants.

COUNTRY SHIPS. Ships engaged in the local trades of the Far East, mainly between India and China, and not owned or chartered by the chartered companies.

COUNTRY TRADE. Until the advent of steam in the mid nineteenth century, the trade between India, China, and the East Indies, was known as 'the Country Trade'. The origin of the term is obscure, but it is still used to describe Indian local coastal craft. 'Country' was a generic term used in the eighteenth and early nineteenth centuries to describe many things - ships, trade, dishes, etc.

EXTRATERRITORIALITY (or EXTRALITY). This arose from the incompatability between Chinese and western systems of law and justice. The first Europeans in China had been subject to Chinese law, although even before the Treaty of Nanking the British had asserted, and sometimes maintained, to some degree of extrality. It was first accepted by the Chinese in the Treaty of Nerchinsk of 1689, between China and Russia; but the British and other western nationals had no legal right to extrality until after the Treaty of Nanking of 1842. In essence, extrality meant that western nationals in China were subject to their own laws administered through their own consuls.

LANDING STAGE. A port where foreign ships and foreigners had very limited privileges, a grade below a port of call. The most important landing stage was Woosung, fourteen miles below Shanghai where pilots embarked and disembarked and mails were handled.

LIKIN. An inland transit tax on goods, first mentioned in its modern form in 1852, when it was levied to provide funds to assist in the suppression of the Taiping Rebellion. After 1863 it was extended throughout China. Barriers for the collection of likin were numerous, and the correct tariff - originally one tenth of one per cent - was frequently ignored. According to treaty provisions foreigners paid import and export duty of seven and one half per cent, the additional two and one half per cent to cover all likin and transit taxes; but this was often not adhered to. Foreigners attempted to get likin abolished by paying additional tax to the Maritime Customs; but the difficulty was that Customs and transit taxes were state taxes, while likin was a provincial tax. Agreements abolishing likin were always abortive.

APPENDIX 4 (contd)

MIXED COURT. A court where cases involving Chinese and foreigners could be tried, and where Chinese magistrates and foreign consular officials sat side by side. The most important were at Shanghai, Canton, Hankow, and Tientsin. As an attempt to reconcile Chinese and western law they were not notably successful.

MOST-FAVOURED-NATION CLAUSE. First appeared in the Supplementary Treaty to the Treaty of Nanking, signed at Canton on 8th October 1843. Article VIII stated "should the Emperor from any cause whatever, be pleased to grant additional privileges and immunities, to the subjects or citizens of such countries, the same privileges will be extended and enjoyed by British subjects." This clause was automatically included in all later treaties between China and other Powers. From the Chinese point of view this was almost the most insidious aspect of the treaty port system.

PORTS OF CALL. Ports at which passengers and cargo could be loaded and discharged from foreign ships, but where foreigners had no residential rights, and so there were no foreign settlements or concessions at such ports. At some ports of call only passengers could be embarked or disembarked; at others only cargo handled, and at others again both passengers and cargo could be handled. All ports of call were on the Yangtze or West Rivers.

SETTLEMENT. An area within which western merchants leased land directly from the Chinese owners, and this was usually done by perpetual lease. It was generally understood that police control of settlements should be in the hands of the foreign power concerned, a right usually delegated to a municipal council.

TREATY PORTS. Ports where by treaty rights foreign merchants established consulates, where foreign merchants lived and traded, and where duties on imports and exports were levied according to a tariff fixed by treaty. Some ports which were later voluntarily opened to foreign trade by the Chinese Government, were placed on the same footing. Some treaty ports had national concessions, in which municipal and police administration was in the hands of the consul of the lessee power, others had settlements or reserved areas for foreign residence, with a municipal administration; but where the title deeds were issued by the Chinese. There were also some ports where the Chinese Government itself had established international settlements.

APPENDIX No. 5

Provisions of the Treaty of Nanking and following Agreements

Treaty between Her Majesty and the Emperor of China, signed in the English and Chinese languages at Nanking, August 29, 1842, with other documents relating thereafter.

Ratifications exchanged at Hong Kong, June 26, 1843.

After preliminary preamble there came the following thirteen Articles.

Article I There shall henceforward be Peace and Friendship between Her Majesty The Queen of the United Kingdom of Great Britain and Ireland and His Majesty the Emperor of China, and between their respective subjects, who shall enjoy full security and protection of their persons and property within the dominion of the other.

Article II His Majesty the Emperor of China agrees, that British subjects with their families and establishments, shall be allowed to reside for the purposes of carrying on their mercantile pursuits, without molestation or restriction at the cities and towns of Canton, Amoy, Foochowfoo, Ningpo, and Shanghai, and Her Majesty the Queen of Great Britain etc., will appoint Superintendents or Consular Officers at each of the above to be the medium of communication between the Chinese Authorities and such merchants, and to see that the just duties and other dues of the Chinese Government, as hereafter provided are discharged by Her Majesty's subjects.

Article III It being obviously necessary and desirable that British subjects have some port whereat they may careen and refit their ships when required, and keep stores for that purpose, His Majesty the Emperor of China cedes to Her Majesty the Queen of Great Britain

APPENDIX No. 5 (contd)

etc., the island of Hong Kong, to be possessed in perpetuity by Her Majesty the Queen, her Heirs and Successors.

Article IV The Emperor of China agrees to pay the sum of six million dollars as the value of the opium which was delivered up at Canton in the month of March 1839, as a ransom for the lives of Her Britannic Majesty's Superintendents and Subjects, who had been imprisoned and threatened with death by the Chinese High Officers.

Article V The Government of China having compelled the British merchants trading at Canton to deal exclusively with certain Chinese merchants called Hong Merchants (or Co-Hong) who had been licensed by the Chinese Government for that purpose, the Emperor of China agrees to abolish that practice in future at all ports where British merchants may reside and permit them to carry on their mercantile transactions with whatever persons they please, and His Imperial Majesty further agrees to pay the British Government the sum of three million dollars on account of debts due to British subjects by some of the said Hong Merchants who have become insolvent and owe very large sums to subjects of Her Britannic Majesty.

Article VI The Government of Her Britannic Majesty having been obliged to send out an expedition to obtain and demand redress for the violent and unjust proceedings of the Chinese High Authorities .. the Emperor of China agrees to pay the sum of twelve million dollars on account of the expense incurred.

Article VII It is agreed that of the total amount of twenty one million dollars described in the preceding articles shall be paid as follows:-

1 Six million dollars immediately.

APPENDIX No. 5 (contd)

2 Six million dollars in 1843, on or before 31 December.

3 Five " " " 1844.

4 Four " " " 1845, on or before 31 December.

It is also stipulated that interest at the rate of 5 per cent be paid by the Government of China on any part of the foregoing not discharged.

Article VIII The Emperor of China agrees unconditionally to release all subjects of Her Britannic Majesty (whether natives of Europe or India) who may be in confinement at this moment in any part of the Chinese Empire.

Article IX The Emperor of China agrees to publish and promulgate under his Imperial Sign Manual and Seal, a full and entire amnesty to all subjects of China on account of their having resided under, or had dealings and intercourse with, or having entered the service of Her Britannic Majesty, or of Her Britannic Majesty's officers ...

Article X His Majesty the Emperor of China agrees to establish at all the ports which are to be thrown open for the residence of British merchants, a fair and regular tariff of export and import customs and other dues, which tariff shall be publicly notified and promulgated for general information.

Article XI It is agreed that Her Britannic Majesty's Chief High Official in China shall correspond with the Chinese High Officers both at the Capital, and in the Provinces, under the term "communication" ....

Article XII On the assent of the Emperor of China in the Treaty being received, and the discharge of the first instalment of money,

APPENDIX No. 5 (contd)

Her Britannic Majesty's forces will retire from Nanking and the Grand Canal, and will no longer restrict or stop the trade of China. The military post at Chusan will then be withdrawn, but the islands of Koolangsoo and of Chusan will continue to be held until the money payments and arrangements to open the ports are completed.

Article XIII The ratifications of the Treaty by Her Majesty the Queen of Great Britain and His Majesty the Emperor of China shall be exchanged as soon as the great distance which separates England from China will admit.

The ratification of the Treaty of Nanking at Hong Kong, June 26, 1843, was followed by a Declaration Respecting Transit Duties.
Particulars from BPP 1844 LI (521) p. 327-381.

APPENDIX No. 6

Provisions of the Treaty of Hoomun-Chai (or Hoomunshi) a village near Canton; this Treaty is sometimes called the Treaty of the Bogue. It was a supplementary treaty to the Treaty of Nanking, and was signed between Her Majesty the Queen of Great Britain and the Emperor of China on October 8, 1843. The Imperial Commissioner Keying represented China, and Sir Henry Pottinger, Great Britain, signed in the English and Chinese languages.

Article I The regulations for levying duties on imported and exported merchandise, which have passed the official seal, shall henceforth be held to be a law in the five ports of Canton, Fuchau, Amoy, Ningpo and Shanghai.

Article II The newly approved commercial regulations which have been officially promulgated, shall henceforth be in force at the aforementioned ports.

Article III The fines levied on merchant vessels, which have entered port and neglected to report themselves at the customs-house, together with the merchandise which has been confiscated to government, according to the 3rd Article of the recent commercial treaty, both money and goods, shall all revert to the Imperial Treasury of China for the public service.

Article IV As soon as the five ports of Canton, Fuchau, Amoy, Ningpo and Shanghai shall have been opened, the only places allowed for British merchants to trade shall be at the aforementioned five ports, and they shall not be permitted to go to other ports, while the Chinese people shall not be permitted to connect themselves with them, and to trade clandestinely at other ports. Furthermore the

APPENDIX No. 6 (contd)

public envoy of the English nation has issued a proclamation clearly forbidding the resort to other places, and should the merchants of the English nation either break this control or disobey this regulation, affecting not to have heard of the proclamation of the public envoy, while they proceed to other ports, and wander about buying and selling, it shall be lawful for the Chinese officers to confiscate both ships and cargo altogether, and the British officers are not to make any objection. Should Chinese subjects proceed to other places and secretly connect themselves with the English merchants for the purpose of trade, they must be dealt with according to the laws of the country already existing.

Article V Since the conclusion of the Treaty of Nanking, the government will certainly not be responsible for the debts of the merchants and according to the 4th Article of the recent commercial treaty, the transactions between the English and Chinese merchants are not to be conducted any more according to the old system of security hongs, when petitions were made for the payment of debt, as is on record; but henceforth, whether Chinese are indebted to English, or English to Chinese, if the accounts be correct, the persons present, and the property in existence, then the parties must appear before the consuls, and in a public place make an agreement, when in accordance with the contract entered into, the different parties may pursue each other; but there is to be no general security of the whole body of individual merchants.

Article VI At Canton and other of the five ports, the English merchants, whether constant residents or occasional visitors, must not

APPENDIX No. 6 (contd)

disorderly go into the villages, and gratify their desires in wandering about; also they must not go far into the interior to trade; but the Chinese officers ought, in connection with the English consuls, and in accordance with the feelings of the people and the nature of the country, to consult and fix a boundary, which must not be passed over in order to maintain good feeling and peaceful relations between the two countries. Whenevwr sailors and people from the vessels arrive, they must wait until the consuls and native officers have first established the regulations, where they may be allowed to go ashore. But if Englishmen disobey these regulations, and disorderly enter the interior territory to ramble about, no matter what class or description of persons they may be, it will then be allowable for the people of the country to seize them, and deliver them over to the consuls of the English nation for punishment as circumstances may require. But the people must not beat and wound them, lest they infringe upon the existing harmony.

Article VII In the Treaty of Nanking it has already been stated that the English may take their families and proceed to the five ports of Canton, Fuchau, Amoy, Ningpo and Shanghai, to dwell without being insulted or restricted; but the Chinese officers must in union with the English consuls and in conformity with the feelings of the people, consult as to what places or what houses or sites of houses they may make use of; which it shall be permitted to Englishmen to hire, the rent being according to the scale of prices current at the various ports for such practices, in conformity with which bargains may be struck and the contracts entered into; the Chinese

APPENDIX No. 6 (contd)

on the one hand not practising extortion, and the English on the other not violently insisting on the hiring of particular spots. The consuls of the English nation shall annually make a report of the number of houses which the English have either built or hired, to the native officers, who shall in turn report it to the proper tribunal. But the number of houses will naturally depend on the number of merchants, and the number of merchants on the state of trade, so that it will be difficult to fix the amount beforehand.

Article VIII Formerly the merchants of every foreign nation were permitted to trade at the single port of Canton only; but last year it was agreed at Nanking, that if the emperor shall ratify the treaty, the merchants of the various nations of Europe should be allowed to proceed to the four ports of Fuchau, Amoy, Ningpo and Shanghai, for the purposes of trade, to which the English were not to make any objection. But since every other nation has been put upon the same footing with the English, should the emperor in future manifest any new favour towards the various nations, then it should be allowable for the English to share in the same advantages; neither the English or foreign nation, however, must make this a pretext for disorderly soliciting further gain in order to show their firm adherence to the treaty.

Article IX Should any lawless Chinese, after infringing the laws, escape to Hong Kong, or conceal themselves on board any of the English men-of-war, or merchant vessels, as soon as the English officers shall have disarmed them, they must be delivered over to the Chinese officers for punishment. Should the Chinese officers, however,

APPENDIX No. 6 (contd)

make previous enquiry, or discover suspicious circumstances, which the English officers have not found out, then the Chinese officers shall seek an interview with the English officers, in order to examine and seize the offenders; when the criminals have already confessed, or evidence has been elicited, from which it would appear that the individuals in question are runaway felons, then the English officers shall deliver them up without making any difficulty.
Should English sailors or soldiers, whether natives of England or its colonies, black or white, from whatever cause, escape to China and conceal themselves there, the Chinese officers shall also seize and confine them, and deliver them over to the nearest English officer for judgement, without the slightest attempt at concealment, to the disturbance of the existing amicable arrangements.

Article X At each of the five ports open for trade, there shall be an English man-of-war at anchor, in order to restrain the sailors on board of the English merchant vessels, which power the consuls may also avail themselves of to keep in order the merchants of Great Britain and her colonies. The sailors on board such men-of-war shall be subject to the orders of the commanding officer on board of such vessel, and shall not be permitted to enter the inner territory; the laws regarding wandering about having equal reference to the seamen on board the men-of-war that they have to the sailors from merchant vessels. When the man-of-war is about to leave, another man-of-war shall take her place, and the consul, or chargé d'affaires, of the port shall first inform the Chinese officers in order to prevent suspicion. Whenever such men-of-war arrive in China to relieve the

APPENDIX No. 6 (contd)

others, the Chinese war junks shall not intercept them, and since the English men-of-war do not carry cargo or conduct trade, they may be exempted from the usual measurement fees, already mentioned in the XIVth Article of the commercial regulations which are on record.

Article XI The Treaty of Nanking has already stipulated that when the amount of money agreed upon shall have been paid, the troops garrisoned at Chusan and Kulangsu shall retire, and yield up these places to the government of China; with reference thereto it is now agreed, that on the retirement of the troops all those houses inhabited by the British officers, together with the temporary buildings and barracks, whether built or repaired by the English, shall not be broken down, but delivered over to the Chinese officers, to be given to the original owners of the land or tenements, while the English shall not require any payment, in order to avoid delays in the evacuation of the places, and disputes of any kind, by which means the amicable relations now subsisting may be preserved.

Article XII The amount of duties and port charges having been arranged, in future all officers of British merchant ships concerning themselves with Chinese trade for the purpose of smuggling or evading the duties, or getting involved with the customs officers in order to share the spoils, shall be done away with; the envoy of the British nation has already circularised a proclamation prohibiting the English merchants from smuggling in the least degree, and commanding the consuls under his authority to exert themselves in restraining the English merchants who resort in the various ports for trade, while they make every enquiry to eradicate the aforesaid evils,

APPENDIX No. 6 (contd)

should such consuls on examination discover any cases of smuggling, they shall immediately report them to the Chinese officers, in order that the smuggled goods may be confiscated, whatever their description or value may be; while the merchant vessels engaged in such transactions shall either be prohibited from trading, or when their accounts are closed, be strictly required to depart, without the least favour or servicing; the Chinese officer also shall take such native traders as have been engaged in smuggling, or such customs-house officers as have been sharing the spoils, and after severe investigation punish them according to the law.

Article XIII All persons, whether natives of China or otherwise, who may wish to convey goods from any one of the five ports of Canton, Fuchau, Amoy, Ningpo and Shanghai, to Hong Kong for sale or consumption, shall be at full and perfect liberty to do so on paying the duties on such goods, and obtaining a pass or port clearance from the Chinese customs-house at one of the said ports. Should natives of China wish to repair to Hong Kong to purchase goods, they shall have free and full permission to do so, and should they require a Chinese vessel to carry away these purchases, they must obtain a pass or port clearance for her at the customs house of the port whence the vessel may sail to Hong Kong. It is further settled that in all cases these passes are to be returned to the officers of the Chinese government as soon as the trip for which they may be granted shall be completed.

Article XIV An English officer will be appointed at Hong Kong, one part of whose duty will be to examine the registers and passes of all

APPENDIX No. 6 (contd)

vessels that may repair to that port to buy or sell goods, and should such officer at any time find that any Chinese vessel has not a pass or register from one of the five ports, she is to be considered as an unauthorised or smuggling vessel and not allowed to trade, whilst a report of the circumstances is to be made to the Chinese authorities. By this arrangement it is hoped that piracy and illegal traffic will be officially prevented.

Article XV As the arrangements at Hong Kong are certainly not like those at the five ports, and as there are no Chinese officers stationed there, should Chinese traders get in debt to the merchants of other nations, the English officer must settle the affair; but if Chinese debtors escape from Hong Kong and return to their native districts where they have property and inheritances, the English consuls shall draw up an account of the matter and report it to the Chinese officers who shall prosecute the parties. But Chinese merchants trading abroad must also have some factory or person who stands security for them. Should English merchants without enquiring accurately be deceived by them, the officers cannot enquire further. With respect to English at the five ports getting into debt to Chinese traders, and escaping to Hong Kong - on the Chinese officers making a clear statement accompanied by all the proofs to the British officer, the latter shall act according to the Vth clause of the present supplementary treaty, in order to put the parties on an equal footing.

Article XVI In a former section it is clearly stated, that whenever Chinese carry goods to Hong Kong for sale, or carry goods from

APPENDIX No. 6 (contd)

Hong Kong to the five ports, they must obtain permits from the various customs-houses; now it is agreed that upon that the officers of customs at the five ports shall monthly make a statement of the number of permits granted, and of the names of the vessels and merchants running them, together with a description of the goods therein specified, whether conveyed from Hong Kong to the various ports or from the various ports to Hong Kong; which report shall be sent in to the Superintendent of Customs at Canton, who shall again inform the presiding officer at Hong Kong to examine and verify. The English officer shall also make a monthly report of the merchant vessels resorting thither with their cargoes, to the Superintendent of Customs at Canton, who shall immediately communicate it to the various customs-houses for examination and verification. Thus mutually examining and comparing, we may possibly be able to prevent the use of false permits, vain practices, and smuggling transactions, while matters will be kept in the right channel.

Article XVII Small English vessels, such as schooners and cutters, yawls or fast boats of every kind, have hitherto been subject to no duties; it is now agreed upon, that all such vessels going from Hong Kong to Canton, or from Canton to Macao, with the exception of the letters and packages, and passengers' baggage, which according to the old regulations were exempted from duties, if laden with merchantable goods, whether for import or export, or whether with full or half lading, even to a hundred weight of cargo, such vessels, according to their tonnage shall pay duties, as agreed upon. But these small vessels are not to be put upon the same scale with large

APPENDIX No. 6 (contd)

foreign ships, moreover they clear out and in several times in the course of a month; also they differ from the large foreign ships which anchor at Whampoa only; so that if they should be called upon to pay duties like the large foreign ships, it would necessarily be inconvenient and improper. Henceforth, therefore, these vessels shall be cleared in the following manner; the smallest of them shall be rated at 75 tons, and the largest at 150 tons, and every time they enter port they shall pay one mace for every ton; those which do not amount to 75 tons shall be reckoned at that rate; and those above 150 tons shall be considered as large foreign ships, and according to the new regulations shall pay 5 mace for every ton. With respect to Fuchau and the other ports, as there are no small vessels of this kind coming or going, it is not necessary to make any regulations.

Signed Henry Pottinger

" Keying - in Tartar

Particulars from Chinese Repository, Volume XIII, 1843, p. 143-149

APPENDIX No. 7

Provisions of Treaty of Tientsin of 1858, and of Convention of 1860, affecting Commerce and Shipping

Treaty of Tientsin signed at Tientsin 26 June 1868, in English and Chinese, contained fifty-six Articles.

Article I The Treaty of Peace and Amity between the two nations signed at Nanking 25 August 1842 is hereby renewed and confirmed.

Article II For the better preservation of harmony in future, H.M. The Queen of England and H.M. the Emperor of China agree to appoint Ambassadors, Ministers, to the Court of Peking, and if he so desires the Emperor of China to the Court of St. James.

Article III The Emperor of China agrees that the Ambassador, Minister or Agent appointed by H.M. The Queen, may reside with his family and establishment permanently at the capital.

Article IV It is further agreed that no obstacle or difficulty shall be placed on the free movement of H.M.'s representative.

Article V H.M. The Emperor of China agrees to nominate one of the Secretaries of State, or a President of one of the Boards, as the high officer with whom the Ambassador, Minister, or other agent of H.M. The Queen shall transact business etc., on a footing of perfect equality.

Article VI This reciprocal to Arts. III and IV for Chinese representation in Britain.

Article IX British subjects, with passports, issued by their consuls, and counter-signed by local authorities, to travel in all parts of the interior.

Article X British merchant ships shall have authority to trade

APPENDIX No. 7 (contd)

upon the Great River (Yangtze) .... as soon as peace is restored, and British vessels admitted to trade at such ports as Hankow, not exceeding three in number.

Article XI In addition to the ports now open (and the three soon to be opened on the Yangtze), the following cities and ports of Niu-chwang, Tang-Choa, Tai-Wau (Formosa), Chau-Chow (Swatow), and Kiung-Chow (Hainan) to be opened to foreign trade with privileges as at the original five ports.

Article XIV British subjects may hire whatever boats they require for the transport of goods and passengers, and payment to be settled between the parties concerned etc.

Article XVIII The Chinese authorities shall at all times offer the fullest protection to the persons and property of all British subjects .... and in all cases of incendiaries or robbery take the necessary steps for recovery and punishment of the guilty parties.

Article XIX If any British merchant vessel, while within Chinese waters, be plundered by robbers or pirates, it shall be the duty of the Chinese authorities to use every endeavour to capture and punish the said robbers or pirates etc.

Article XX If any British merchant vessel be at any time wrecked or stranded upon the coast of China, or be compelled to take refuge in any port .... the Chinese authorities shall immediately adopt measures for the relief ....

Article XXI If criminals, subjects of China, shall take refuge in Hong Kong, or on board any British ship there, they shall, upon due

APPENDIX No. 7 (contd)

process .... be delivered up. In like manner, if Chinese officials take refuge in the houses or on board vessels of British subjects at the open ports, they shall be delivered up as above.

Article XXV Import duties are payable on the landing of goods, and export duties on shipment of same.

Article XXVI Whereas the Tariff passed by the Treaty of Nanking (1842), fixed at 5% ad valorem, has been found to rise or fall in value of various articles, to impose a duty considerably in excess of that rate originally assumed to be a fair rate, it is agreed that the Tariff be revised at Shanghai as soon as the Treaty has been ratified.

Article XXVII Provision for a further revision of the Tariff and Commercial Articles of the Treaty at the end of ten years, and if applicable to remain in force for a further ten years more, and so on.

Article XXVIII Provision for transit duties to be notified, and these to be at rate of 2½% ad valorem, and to be fixed for each article at the Conference at Shanghai.

Article XXIX British merchant vessels of more than 150 tons burden to pay tonnage dues at the rate of 4 mace per ton, and if under 150 tons at the rate of 1 mace per ton.

Article XXX The master of any British vessel may within 48 hours after arrival, but not later, decide to depart without breaking bulk, in which case he will not be subject to tonnage dues, and no other fines or charges to be levied.

Article XXXI No tonnage dues shall be payable upon boats employed

APPENDIX No. 7 (contd)

by British subjects in conveyance of passengers, baggage, letters, articles of provisions .... between any of the open ports.

Article XXXV Any British merchant vessel arriving at one of the open ports shall be at liberty to engage the services of a pilot to take her into port ,,,,,,,,,, in like manner for departure.

Article XXXVI Superintendent of Customs to depute one or more Customs officer to guard British merchant vessels in open ports, and food and expenses shall be supplied by the Customs-house.

Article XXXVII Within 24 hours after arrival, ship's papers, bills of lading, etc., shall be lodged in the hands of the Consul, who will, within a further period of 24 hours, report particulars of ship to the Superintendent of Customs.

Article XXXVIII After receiving the report from the Consul, the Superintendent of Customs shall issue a permit to open hatches .....

Article XLI When all duties and dues shall have been paid, Superintendent of Customs shall give a port-clearance and the Consul shall then return the ship's papers so that she may depart.

Article XLV Provision for British merchants to re-export goods (upon which duty has been paid) with permission of Superintendent of Customs, to any other open port without payment of any additional duty.

Article XLVI Foreign grain brought in to any port in China in a British vessel, if any part has been landed, may be re-exported without hindrance.

Article XLVII British merchant vessels are not entitled to resort to any other than the ports delivered open by the Treaty .... or

APPENDIX No. 7 (contd)

carry on clandestine trade. Any vessel so doing subject to confiscation.

Article LI It is agreed that henceforth the character "I" and the Chinese equivalent for 'barbarian' shall not be applied to the Government or subjects of Her Britannic Majesty in any official document issued by the Chinese authorities.

Article LII British ships of war, coming for no hostile purpose, or being engaged in the pursuit of pirates, shall be at liberty to visit all the ports of China, and shall receive every facility for purchase of provisions, water, and if necessary for making of repairs.

Article LIII In consideration of the injury sustained by native and foreign commerce from the prevalence of piracy in the seas of China, the High Contracting Parties agree to consort measures for its suppression.

Article LIV The British Government and its subjects are confirmed in all privileges, immunities, established by previous treaties, and will be granted free and equal participation in all privileges, immunities, and advantages that may have been, or may be hereafter, granted by His Majesty, Emperor of China, to the Government or subjects of any other nation.

Article LVI Ratifications to be exchanged at Peking within a year from the day of signing.

Particulars from BPP 1861 (2755) p. 285-288.

APPENDIX No. 8

Scottish Shipbuilding and the China Trade

Scotland first showed her interest in the China trade when she formed the Company of Scotland, the Darien Company, to challenge the East India Company's monopoly in the last years of the seventeenth century. After the tragic failure of this enterprise more than a century elapsed before there was a more successful challenge, this time from Scottish shipbuilding. In the days of the 'Old China Trade' almost all East Indiamen were built on the Thames, and many country ships and opium clippers in India and Burma, as well as in England. The East India Company's 'Shipping Interest' was a close knit oligarchy, and very jealous of its privileges. As a result, until the abolition of the Company's monopoly of the India trade in 1813, and of the China trade twenty years later, few ships for the Britain-Far Eastern trade were built outside the Thames.

From 1709 the East India Company hired, or chartered, its ships, which because of their high cost, were owned by syndicates, and not by individuals. The members of these syndicates were either directors of the Company, or friends of directors, and there was a close relationship between the syndicates and a group of Thames shipbuilders. This effectively prevented shipbuilders outside the Thames from building East Indiamen, even had they been able to build cheaper. This shipbuilding monopoly was strengthened by the practice of 'hereditary bottoms', which allowed these ship-owning syndicates to replace their ships after a stipulated number of voyages.[1] At the time of the Darien Company, however, there were no shipyards in Scotland capable of building ships as large as East Indiamen, and

APPENDIX No. 8 (contd)

most of the Darien Company's ships were obtained from Holland.

The earliest ship to be built in Scotland for the India trade seems to have been the Castle Forbes of 439 tons, built by Alexander Hall at Aberdeen in 1816, and about which no other information has survived.[2] The first to be built on the Clyde for the India trade was almost certainly the Bellfield of 478 tons, built by Scotts of Greenock in 1820, the first of a series built at this yard for the London-Calcutta trade.[3] The first ship to be built in Scotland for the China trade was also built at Aberdeen, also by Alexander Hall. This was the small paddle steamer Jardine, built in 1835 for Jardine Matheson and Company.[4]

It was a Clyde built steamship, however, the Corsair, which operated the first regular steamship service in China, and Jardines were largely responsible for this service, although they did not actually own Corsair. The Corsair was a wooden paddle steamer of 186 net tons, 136 feet long and eleven feet beam, and was built at John Wood's yard at Port Glasgow, where the Comet had been built in 1812. She made two trips per week between Hong Kong and Canton between 1846 and 1849, after which she disappeared from the scene, probably being broken up because of her age.[5]

Largely through the genius of Alexander Hall, Aberdeen was the foremost centre of clipper building in Britain until the mid 1850s. There were then three shipyards in Aberdeen, those of Alexander Hall and Sons, Walter Hood and Company, and John Duthie and Company, each turning out fine clippers. With the introduction of the composite ship - in which stem, sternpost, keel and outer planking

APPENDIX No. 8 (contd)

continued to be of wood; but frames, beams, floors, and keelson were of iron - the Clyde began to take the lead in shipbuilding. This resulted from the river's proximity to coal and iron ore. Aberdeen continued to build fine clippers for the China trade, culminating in the Thermopylae, a composite clipper built by Walter Hood in 1868; but the Clyde was by then in the ascendant. Captain Andrew Shewan, the leading authority on clippers, considered the Clyde built Ariel the ideal tea clipper. After her in descending order of merit he placed Titania, Thermopylae, Cutty Sark, Spindrift, and Leander, all except Thermopylse having been built on the Clyde. [6]

In the tea race of 1866, usually referred to as 'The Great Tea Race', there were four Greenock clippers among the sixteen competitors, and three docked at London within twenty four hours of each other. Ariel, Taeping, and Serica left Foochow on the same tide, and Ariel and Taeping docked on the same tide ninety nine days later, with Serica twenty four hours behind. Taeping was declared winner, as her lighter draft enabled her to dock twenty minutes ahead of Ariel. Captain McKinnon of Taeping, however, shared his first prize of £100 with Captain Keay of Ariel, and the ten shillings per ton premium on the tea was shared between the two crews. Ariel, Taeping, and Serica were all built at Robert Steele's Greenock yard, which was taken over by Scotts in 1883.[7]

It is a remarkable fact that while these clippers were being built and making record breaking China passages, notable advances in steamships were being made in the same, or in adjacent Clyde shipyards. In 1865, for instance, while Ariel was on the stocks at

APPENDIX No. 8 (contd)

Robert Steele's yard, Scotts next door were building the first three Blue Funnel steamships for Alfred Holt. These were to revolutionise steamship services between Europe and the Far East. In 1857 Scotts had built the Thetis, a steamship which employed so many new technical advances that she was able to steam 8,500 miles without bunkering, and four years before the launch of Thetis had built the clipper Lord of the Isles which won the Tea Race in 1858. [8]

The first steamship to be built on the Clyde for the China trade, however, was the Peninsular and Oriental Steam Navigation Company's Canton. This was an iron paddle steamer of 349 gross registered tons, built and engined by Tod and MacGregor of Glasgow in 1848 for the Hong Kong-Canton service.[9] The P. and O. began their long association with Caird's Shipbuilding and Engineering Company of Greenock in 1845, when they built their Tiber there for the Indian service. Between then and 1914 Cairds built and engined fifty four P. and O. liners. [10]

Jardine, Matheson and Company whose first Scottish built ships had come from Halls of Aberdeen, and included the small steamer Jardine, and the clippers Stornoway and Cairngorm of 1851 and 1852 respectively, built their first ship on the Clyde in 1854. This was the paddle steamer Lancefield, of 1,142 gross registered tons, built and engined by D. Napier of Glasgow, and followed in 1855 and 1859 by the Chevy Chase and Fiery Cross from the same yard. The latter was the first steamship to use superheated steam, and all three were schooner rigged, and armed with one eighteen pounder and two six pounder guns.[11] These ships were put on the Calcutta-China

APPENDIX No. 8 (contd)

service, soon extended to Japan, which had been previously operated on an irregular basis by the opium clippers. This service, one of the oldest in the Far East, continued until very recent years.

Jardines' next ships to be built on the Clyde were the iron paddle steamers Rona and Glengyle, built at Dennys of Dumbarton in 1862 and 1864 respectively.[12] Unlike Alfred Holt and John Swire, who built most of their ships at Scotts of Greenock, Jardines patronised several yards on the Clyde. After Napiers and Dennys, they built several ships in Port Glasgow in the 1870s and 80s; but then became more closely associated with John Elder and Company (later the Fairfield Company) and the London and Glasgow Shipbuilding and Engineering Company. They had built their first ship at the former yard in 1869, the Sin Nanzing, for the China Coast Steam Navigation Company. From 1881, when the Indo-China Steam Navigation Company was formed, Jardines became more closely associated with the London and Glasgow Shipbuilding and Engineering Company. One of the largest subscribers to the Indo-China was James McGregor, who was a director of the London and Glasgow, and also of the Glen Line which had been formed three years previously. As a result the first new ships for the Indo-China were built at the London and Glasgow yard, as were almost all Glen Line ships. By 1881 the Glen Line had fifteen ships in the Far Eastern service, competing with Blue Funnel. Fourteen were built at the London and Glasgow, and the other at John Elder's. Jardine, Matheson and Company were agents in the Far East for the Glen Line, as Butterfield and Swire were for the Blue Funnel.

Although not directly connected with this study, a brief

APPENDIX No. 8 (contd)

reference might be made to one notable Clyde ship built for the China trade. The Stirling Castle was built in 1882 at John Elder's yard for Thomas Skinner's London-Far East Service, also in competition with the Blue Funnel and Glen Line. Stirling Castle was the fastest ship in the world, doing well over eighteen knots on her trials on the Clyde. On her record breaking passage from Hankow to London in 1883 she completed the distance in 27 days and 4 hours, an average speed of just under seventeen knots. On this passage she experienced heavy weather and head winds from Colombo to Suez, and her funnels were sometimes red hot. Firemen were hauled up from the stokehold in slings, revived under buckets of sea water and then hustled below to continue feeding the hungry furnaces. On this voyage the Stirling Castle consumed between 150 and 180 tons of coal per day, and carried 111 firemen, of whom seventy three were Chinese.[13] Although Stirling Castle could obtain much higher tea freights for such fast passages than her nearest rival, Glenogle, £8 per ton against £4.10/-, she could not run profitably, and she was sold to an Italian firm at the end of 1883.[14]

The Holt-Swire association with the Clyde, however, particularly with Greenock, was much closer than any described above. The first steamship with which Alfred Holt was concerned was the Dumbarton Youth, built by Dennys at Dumbarton in 1853. This was a small cargo/passenger steamer of 239 tons engaged in the Mediterranean trade, which Alfred Holt and his partner bought second hand and operated for several years. This was the first ship to have the distinctive Holt blue funnel.[15] Then in 1859 Alfred Holt turned his

APPENDIX No. 8 (contd)

attention to the West Indian trade, and began the long association with Scotts of Greenock when he built the Plantagenet there in 1857, followed by the Achelon, Crusader and Talisman. Competition in this trade, however, proved very severe and in 1864 these ships were sold to the West Indian and Pacific Steamship Company, and Alfred Holt turned his attention to the Far East. With his brother Philip and other friends and business associates he formed the Ocean Steamship Company in 1865, better known as the Blue Funnel Line, to operate in the China trade. The first three steamships for the new company were built at Scotts in 1865-66, the Agamemnon, Ajax, and Achilles.[16] These ships embodied many new techniques which Alfred Holt had experimented with in his previous ships, and proved outstandingly successful, technically and commercially. Between 1866 and 1914 Scotts built a further thirty eight steamships for the Blue Funnel, and the association continued until 1978 when Scotts (then part of the Scott-Lithgow group) was absorbed into British Shipbuilders.[17]

The Swire association with the Scotts eventually became even closer than that of the Holts. John Swire built his first steamships for the China Navigation Company at the Glasgow shipyard of A. and J. Inglis, the paddle steamers Peking, Shanghai, Ichang I, and Hankow in 1873-4. They were not great technical successes, having a very high coal consumption, and proved to be the last paddle steamers to be built for the company. In 1876 the first China Navigation Company ship was built at Scotts, Chefoo I, beginning the company's long association with the Scotts.[18] Between 1876 and 1914 the company built fifty nine ships at Greenock. In the same period

APPENDIX No. 8 (contd)

a further two were built at the London and Glasgow Shipbuilding and Engineering Company; one at Napier, Shanks and Bell, Glasgow, and two (engined by Scotts) at Dunlop Bremner and Company of Port-Glasgow.[19]

In the early 1900s, when John Swire and Sons were considering building a dockyard and engineering works in Hong Kong, Scotts were entrusted with the planning and construction. In 1907 this was completed, and the first China Navigation Company ship was built there. Taikoo Dockyard and Engineering Company consisted of a large graving dock, slipways, building berths, and engine works, and Scotts continued as technical advisers to the company.[20] Between 1908 and 1914 five China Navigation Company ships were built at Taikoo Dockyard, and during the first World War several much larger Blue Funnel ships were also built there.

Since J.H. Scott joined Butterfield and Swire in Shanghai in 1867, many members of the Scott family have occupied senior positions in John Swire and Sons, in London, Hong Kong, and Australia. This, of course, contributed to the close association between the Swires and Greenock.

The Holt-Swire policy of building new tonnage at times of economic recession, when costs were low, enhanced the value of their association with Scotts and Greenock. There were several years when all, or most, of Scott's output was for the Blue Funnel and China Navigation Company. This policy of Alfred Holt, John Swire, and their successors, required possession of adequate reserves and the ability to foresee future tonnage requirements. The following

APPENDIX No. 8 (contd)

statistics illustrate the importance of Blue Funnel and China Navigation contracts at particular times between 1890 and 1914 -

1890 Three Blue Funnel of 11,604 and two China Navigation Company ships of 3,400 gross registered tons respectively, approximately 80 per cent of total output.

1895 Two Blue Funnel of 8,538 and nine China Navigation Company ships of 17,322 gross registered tons (total of 26,060 gross registered tons) Scott's total output.

1898 One Blue Funnel of 7,398 and six China Navigation Company of 11,909 gross registered tons (total of 19,307 gross registered tons) Scott's total output.

1914 Two Blue Funnel of 15,170 and three China Navigation Company ships of 7,136 gross registered tons (total output of 37,576 gross registered tons) Scott's total output.[21]

Scotts also made the engines and boilers for the above ships, and the steering gears were made by Hastie and Company of Greenock.

The relationship between the Peninsular and Oriental Steam Navigation Company and Cairds' Shipbuilding and Engineering Company of Greenock was not so close or enduring as the Holt-Swire-Scott relationship; but was equally profitable for Cairds and Greenock while it lasted. As more of P. and O's trade was with India, however, than with China, it may not be so relevant to this study. After Sir Thomas Sutherland became Managing Director of P. and O. in 1880, and Member of Parliament for Greenock in 1884, Cairds obtained an increasing share of P. and O's contracts, and for six years between 1884 and 1914 all Cairds' output was for P. and O. as illustrated as follows -

APPENDIX No. 8 (contd)

1884	Total	output	of	three	ships	of	13,700	gross	registered	tons
1885	"	"	"	two	"	"	8,916	"	"	"
1897	"	"	"	two	"	"	17,824	"	"	"
1903	"	"	"	two	"	"	19,000	"	"	"
1905	"	"	"	three	"	"	25,801	"	"	"
1914	"	"	"	two	"	"	20,270	"	"	" [22]

As was the case with Scotts, Cairds also made the engines and boilers for these ships, and Hastie and Company the steering gears. These statistics illustrate that in 1914 the total output of Scotts and Cairds was for Blue Funnel, China Navigation Company, and P. and O. Unfortunately for Greenock, in 1916 Harland and Wolff of Belfast acquired the controlling interest in Cairds, and closed down the Greenock works in 1922, to concentrate shipbuilding at their Belfast and Glasgow shipyards.[23] The last P. and O. liner was built at Greenock in 1922, the Balranald.

Not only were several Clyde shipbuilding companies very closely associated with China coast and Far Eastern shipping companies through interlocking directorships and personal relationships; but in some instances they formed shipping companies to operate in these trades. One instance of this is the Scottish Oriental Steamship Company which was formed in Glasgow in 1882. In that year Thomas Windsor, a Bangkok merchant and Francis Briggs, an Edinburgh merchant, were building the Siam and two sister ships at John Elder's Govan yard for the south China-Bangkok trade. Sir William Pearse, Managing Director of Elders (later the Fairfield Company) was also contemplating forming a shipping company to enter this trade, and

APPENDIX No. 8 (contd)

the outcome was that the Scottish Oriental Shipping Company was formed in that year. The new company took over the ships under construction, and Thomas Windsor and Francis Briggs were joined by Sir William Pearse and several of his friends and associates connected with John Elder and Company. The company operated between south China (principally Hoihow) and Bangkok and Singapore and was very successful, having a fleet of fourteen ships by 1899, in which year it was sold to the German Norddeutscher Lloyd. [24]

The superior facilities which the shipbuilding and marine engineering industries enjoyed on the Clyde, led to companies from other parts of Britain moving their works to the Clyde. At first this was confined to companies from other parts of Scotland, Robert Steele moving from Ayr to Greenock and Stephens from Dundee to Glasgow. Then in 1899 John Brown, the steelmakers of Sheffield, decided to become shipbuilders, and bought J. and G. Thomson's shipbuilding and engineering works at Clydebank, retaining J. Thomson as Managing Director. As John Brown and Company, this became the most famous shipyard on the Clyde, and probably in Britain. The last important move of this nature was in 1907, when Yarrows transferred their works on the Thames to Glasgow. [25]

The China trade, and Far Eastern trade in general, undoubtedly provided a valuable stimulous for Scottish, and particularly for Clyde, shipbuilding. Until 1914 the prosperity of Greenock depended very largely on the building and engining of ships for the Blue Funnel, China Navigation Company, and the P. and O. In a very similar manner Dumbarton was dependent on the close association

APPENDIX No. 8 (contd)

between Dennys, Henderson and Company of Glasgow and their British and Burmese Steam Navigation Company, and the Irrawaddy Flotilla Company. It is not a coincidence that the Clyde's leadership in shipbuilding closely paralleled in time Britain's predominance in the China trade.

REFERENCES FOR APPENDIX 8

1. C.N. Parkinson, Trade in the Eastern Seas, 1793-1813. (1937) p.164-192,

2. D. Bremner, The Industries of Scotland (1969) p.11

3. The Scotts, Two Hundred and Fifty Years of Shipbuilding (1961) p.11

4. Page 79.

5. " 100.

6. A. Shewan, The Great Days of Sail (1921) p.223

7. G.A.

8. The Scotts, p.41 and 58. Thetis had water tube boilers generating steam at the then high pressure of 110 pounds per square inch.

9. G.A.

10. "

11. G.H. 21/9/1859.

12. D.J. Lyon, The Denny List, (1975) Parts 1-4, 1 p.72 and 87.

13. H. Carew, 'Tea Steamers: The Story of the Stirling Castle' The Trident, July 1947, p. 278-81.

14. Hong Kong Daily Press, 7/6/1883.

15. F.E. Hyde, Blue Funnel (1974) p.16

16. The Scotts, p.43 and 45.

17. G.A.

18. China Navigation Company Fleet List.

19. " " " " "

20. The Scotts, p. XVII.

21. G.A.

22. "

23. "

REFERENCES FOR APPENDIX 8 (contd)

24. Scottish Record Office, BT2/1137

25. G.H. Feb. 17, 1906 and July 30, 1907.

PRINCIPAL SOURCES

BRITISH PARLIAMENTARY PAPERS have been the most important single source, especially from the late 1840s. In the Commercial Reports of these are the British Consular Reports from the treaty ports of China, and those from the Japanese treaty ports and the most important ports in South-east Asia. The Colonial Reports in these papers include those from Hong Kong and Singapore which are of particular interest in this study. These papers also contain the reports of Parliamentary Commissions of Enquiry, appointed at intervals to look into various aspects of the China trade - the opium, tea and silk trades, for instance, and coolie emigration. The Consular Reports from the treaty ports are particularly valuable as they invariably include shipping and trade statistics obtained from the Customs Commissioners at these ports, many of whom were British, and colleagues and friends of the British Consuls.

CHINESE REPOSITORY. Published at Canton monthly from 1832 to 1851 by American and British Protestant missionaries. A valuable source of information on the latter years of the Old China Trade, and on the early years of the treaty port era at Hong Kong, Canton, and Macao especially; and of great historical interest.

JARDINE ARCHIVES in the library of the University of Cambridge. These include Account Books, Ledgers, and Letter Books - India, Europe, Private, and Coastal, of Jardine, Matheson and Company's predecessors from 1799 to 1832, and of Jardine, Matheson and Company from 1832 to the end of the nineteenth century. They are of particular interest for the last years of the Old China Trade at Canton, and for the early and illegal coast voyages to ports north of Canton,

as Jardine, Matheson and Company are the only pre-treaty firm surviving. Unfortunately they are not of such great importance for the Indo-China Steam Navigation Company, a public company, formed by Jardine, Matheson and Company in 1881.

GLASGOW ARCHIVES in Glasgow Records Office. These contain valuable information on Clyde shipbuilding from the eighteenth century, and - with minor exceptions - particulars of all the ships built at the many yards on the river. Much of this has been collected recently and filed under Job Creation Schemes.

LLOYD'S REGISTER OF SHIPPING became increasingly comprehensive and accurate from the mid nineteenth century. It has sometimes been the only easily available source of information on ships of some now defunct shipping companies.

NORTH CHINA HERALD and NORTH CHINA DAILY NEWS. The former, the weekly edition of the latter, was the principal Shanghai and north China newspaper. Its Shipping Intelligence provided the most extensive coverage of shipping, especially for the Yangtze and north China. Unfortunately, several runs of these papers for the period under study are missing from the files of the British Library's Newspaper Section at Colindale, and enquiries at the offices of John Swire and Sons, the China Association, and elsewhere failed to locate any. A fortuitous circumstance revealed that the University of Western Australia at Perth had a good collection, and the Librarian provided photo copies of the Shipping Intelligence sections for 1883, 1900, and 1914.

SOUTH CHINA MORNING POST The Hong Kong and south China equivalent of the above. I was able to study pre-1914 copies of this paper in

Hong Kong in the city's archives.

SWIRE ARCHIVES In the library of the School of Oriental and African Studies at the University of London. These comprise some 2,000 boxes of letters, account books, ledgers, etc., of John Swire and Sons. They start in 1869 with correspondence between John Swire and Sons, Limited, and Alfred Holt, Limited, and end in 1972 with correspondence referring to the formation of Hong Kong United Dockyards, an amalgamation of Taikoo and Hong Kong and Whampoa Dockyards. There is the correspondence between John Swire and Sons, London, and the Far Eastern branches of Butterfield and Swire, and also between the Butterfield agents at the outports and the main offices in Hong Kong and Shanghai, and it is these latter which contain most information regarding the China Navigation Company. The archives also have information about other Swire interests in the Far East, Taikoo Dockyard, Taikoo Sugar Refinery, the Tientsin Lighter Company, etc. Of particular interest, but unfortunately concerning the period after that with which this study is concerned, is correspondence on tea-boys on China Navigation Company ships, and on piracy, which cover the years 1933-36 and 1920-39 respectively.

THE CHINA COASTER'S TIDE BOOK AND NAUTICAL POCKET MANUAL for 1910 published in Shanghai by the North China Daily News and Herald, with the approval of the Chinese Maritime Customs. The 335 pages of this are a mine of information on China coast shipping just before World War I. It came into my possession through a friend whose father was master of the China Navigation Company's Poyang in 1912.

BIBLIOGRAPHY

Part I - Published Books

ALLEN, G.C. and DONNITHORPE, A.C. — Western enterprise in far east economic development, China and Japan. London, C. Allen and Unwin — 1973

ANDERSON, L. — A cruise in an opium clipper. London, Allen and Unwin. — 1891

" " — Among typhoons and pirate craft. London, Chapman and Hall. — 1892

ANSTEY, V. — The trade of the Indian ocean. London, Longman and Company. — 1929

ARLINGTON, L.C. — Through the dragon's eyes. London, Constable and Company. — 1931

ARNOLD, J. — The commercial handbook of China, 2 vols. Washington, Government Printing Office. — 1919-20

AUBER, P. — China, an outline history. London, Parbury, Allen and Company. — 1834

BADDELEY, J.F. — Russia, Mongolia, and China, 2 vols. London, Macmillan and Company. — 1919

BANNISTER, T.W. — A history of the external trade of China, 1834-1911. Shanghai, Kelly and Walsh. — 1932

BISHOP, I.L.B. — The Yangtze valley and beyond. London, John Murray. — 1899

BLAKE, G. — B.I. centenary. London, Collins and Company — 1956

" " — British ships and shipbuilders. London, Collins and Company. — 1946

" " — The Ben line. London, T. Nelson and Company. — 1956

BLAKISTON, T.W. — Five months on the Yangtze. London, John Murray — 1862

BOXER, C.R. — Fidalgoes in the far east. London, Hakluyt Society. — 1968

" " — South China in the sixteenth century. London, Hakluyt Society. — 1953

" " — Jan campagnie in Japan. 1650-1680. The Hague, Martin Nyhoff. — 1950

BOXER, C.R. — The Dutch seaborne empire. London, Hakluyt Society. 1953

" " — The great ship from Amacon. Lisbon, Centre de Estudos Historicos Ultramarina. 1963

" " — The Portuguese seaborne empire. London, Hutchinson and Company. 1969

BOWLE, J. — The imperial achievement. The rise and transformation of the British empire. London, Secker & Warburg. 1974

BREMNER, D. — The industries of Scotland. Newton Abbot, David and Charles. 1969

CABLE, B. — A hundred years history of the P. and O., 1837-1937. London, Ivor Neildon and Waldie. 1937

CAMPBELL, P.C. — Chinese emigration to countries within the British empire. London, P.C. King and Company. 1923

CHAMBERS, J.D. — The workshop of the world: British economic history from 1820 to 1880. London, Oxford University Press. 1961

CHANG, HAN-PAO — Commissioner Lin and the opium war. Cambridge, Mass., Harvard University Press. 1964

CHANG, T.T. — Sino-Portuguese trade 1514-1644. Leyden, E.J. Brill. 1934

CHARLESWORTH, M.P. — Trade routes and commerce of the Roman empire. Cambridge, University Press. 1924

CHAUDHURI, K.N. — The trading world of Asia. Oxford, Clarendon Press. 1978

CHEN, J. and TARLING, M. — The social history of China and south-east Asia. Cambridge, University Press. 1970

CLARK, A.H. — The clipper ship era. London, G.P. Putnam. 1911

COATES, A. — Prelude to Hong Kong. London, Routledge and Kegan Paul. 1966

COATES, W.H. — The old country trade of the East Indies. London, Imray, Laurie, and Wilson. 1911

COSTIN, W.C. — Great Britain and China, 1830-1860. Oxford, Clarendon Press. 1937

COLLIS, M. Foreign mud. London, Faber and Faber. 1946

" " Siamese white. " " " " 1936

" " The Hong Kong and Shanghai banking corporation. London, Faber and Faber. 1965

COULING, S. Encyclopaedia sinica. Shanghai, Kelly and Walsh. 1917

COTTON, E. East Indiamen: The east India company's maritime service. London, The Batchworth Press. 1949

COURSE, A.G. Pirates of the eastern seas. London, F. Muller and Co. Ltd. 1966

COWAN, C.D. The economic development of China and Japan. London, G. Allen and Unwin. 1964

CROWLEY, J.B. Modern east Asia. New York, Hurst, Brace and World Inc. 1976

CUNNINGHAM, W.C. The growth of English trade and commerce. Cambridge, University Press. 1896

DALRYMPLE, A. Oriental repository, 2 vols., London, Chapman and Hall. 1793

DAMPIER, W. A new voyage round the world. London, Argonaut Press. 1968

DAVIS, R. The rise of the English shipping industry in the seventeenth and eighteenth centuries. London, Macmillan & Co. 1962

DODGE, E.S. Islands and empires: western impact on the Pacific and east Asia. Minneapolis, University Press. 1946

DONNELLY, I.A. Chinese junks and other native craft. Shanghai, Kelly and Walsh. 1924

DOWNING, G.T. The stranger in China, 2 vols. Dublin, University Press. 1938

DRAGE, C. Servants of the dragon throne. London, P. Dawnay and Company. 1966

" " Taikoo. London, Constable and Company. 1970

DULLES, F.R. The old China trade. London, Macdonald and Janes. 1974

DYCE, C.R. The model settlement. Shanghai, Kelly and Walsh. 1906

EAMES, J.B. — The English in China, 1600-1843. London, Sir Isaac Putnam and Sons. 1909

EITEL, E.J. — Europe in China. Taipeh, Taiwan, Chen-wen Publishing Company. 1968

ELDRIDGE, F.B. — The background of eastern sea power. Melbourne, The Georgian House. 1945

ENDACOTT, G.B. — An eastern entrepôt. London, H.M. Stationery Office. 1964

" " — A history of Hong Kong. London, University Press. 1958

FAY, P.W. — The opium war 1840-42, barbarians in the celestial empire in the early part of the nineteenth century, and the way by which they found their way there. London, Chapel Hill. 1971

FAIRBANK, J.K. with REISCHAUER, E.O. and CRAIG, A.M. — East Asia: The modern transformation. Tokyo, Charles E. Tuttle 1965

FAIRBANK, J.K. editor. — The Cambridge history of China, late Ch'ing, 1800-1911, vol. 10, Cambridge, University Press. 1978

FAIRBANK, J.K. — The United States and China. Cambridge, Mass., Harvard University Press. 1979

" " — Trade and diplomacy on the China coast: the opening of the treaty ports, 1842-54. Cambridge, Mass., Harvard University Press. 1953

" " with MATHESON, E.M. — The I.G. in Peking, letters of Sir Robert Hart, 1868-1907. Cambridge, Mass., Harvard University Press. 1971

FEUERWERKER, A., MURPHYY, R., and WRIGHT, M.C. — Approaches to modern Chinese history. Beverley and Los Angeles, University of California Press. 1967

FEVOUR, E. Le — Western enterprise in late ch'ing China. Cambridge, Mass., Harvard University Press. 1968

FELDBAEK, C. — India trade under the Danish flag. Denmark, Studentlitterateur, Odense. 1969

FIELDHOUSE, D.K. — Economics and empire, 1830-1914. New York, Ithaca Press, World Economic History. 1973

FITZGERALD, C.P.	The southern expansion of the Chinese people. London, Barrie and Jenkins.	1972
FORREST, D.	Tea for the British: The social and economic history of a famous trade. London, Chatto and Windus.	1973
FORTUNE, R.	A journey to the tea countries of China and India. London, John Murray.	1852
FOSTER, W.	England's quest of eastern trade. London, A. and C. Black.	1933
FOX, G.	British admirals and Chinese pirates. London, Kegan, Paul and Company.	1940
FOUST, C.M.	Muscovite and mandarin: Russian trade with China, 1727-1805. Chapel Hill, North Carolina, University of North Carolina.	1969
FURBER, H.	Henry Dundas, first Viscount Melville, 1742-1805. London, Oxford University Press.	1931
" "	John company at work. Cambridge, Mass., Harvard University Press.	1948
" "	Rival empires of trade, 1600-1800. London, Oxford University Press.	1976
GIBB, H.A.R. translated and edited by	Ibn battuta's travels in Asia and Africa. London, G. Routledge and Sons.	1929
GLAMAN, K.	Dutch-Asiatic trade 1620-1740. The Hague, Martins Nejhoff.	1958
GOMPERTZ, G.H.	China in turmoil. London, Dent & Sons.	1967
GOSSE, P. edited by	A general history of the pirates, 2 vols., Captain Charles Johnson. London, Philip Sainsbury.	1925
GRAHAM, G.S.	The China station: war and diplomacy, 1830-1860. Oxford, Clarendon Press.	1978
GREEN, O.M.	The foreigner in China. London, Hutchinson and Company.	1943
GREENBERG, M.	British trade and the opening of China, 1830-1842. Cambridge, University Press.	1951
GREGORY, J.S.	Great Britain and the taipings. London, Routledge and Kegan Paul.	1969
GRIFFIN, E.	Clippers and consuls. Mass., Ann Arbor Publishing Company	1938

GULL, E.M. — British economic interests in the far east. London, Oxford University Press. 1943

GUTZLAFF, C.F.A. — A journal of three voyages along the China coast, 1831, 1832, and 1833. London, F. Westely and A.H. Davis. 1834

HALL, B.F. — The Chinese maritime customs, an international service, 1854-1950. London, National Maritime Museum. 1977

HALL, D.G.E. — The history of south-east Asia. London, Macmillan and Company. 1960

HAO, YIN-PING — The compradore in nineteenth century China. Cambridge, Mass., Harvard University Press. 1970

HAY, J.D. — The suppression of piracy in the China sea, 1849. London, E. Stanford. 1889

HEAPS, L. — The log of the Centurion. London, Book Club Associates. 1974

HEIDRECK, D.R. — The tools of empire. London, Oxford University Press. 1981

HEWLETT, M. — Forty years in China. London, Macmillan and Company. 1903

HOBSBAWN, E.J. — Industry and empire, an economic history of Britain from 1750 to the present day. London, Harmsworth. 1969

HOLT, E. — The opium wars. London, Putnam and Company. 1964

HOSIE, A. — Manchuria, its people, resources, and recent history. London, Methuen and Company. 1901

" " — On the trail of the opium poppy. London, G. Philip and Company. 1914

" " — Three years in western China. London, G. Philip and Company. 1890

HOU, CHOU-MING — Foreign investment and economic development in China, 1840-1937. Cambridge, Mass., Harvard University Press. 1965

HOURANT, G.T. — Arab seafaring. Princeton, Maine, University Press. 1951

HUDSON, G.F. — Europe and China. London, E. Arnold and Company. 1931

HUGHES, E.R. The invasion of China by the western world. London, A. and C. Black. 1937

HUNTER, W.C. Bits of old China. Shanghai, Kelly and Walsh. 1911

" " The fan-quae at Canton before treaty days. Shanghai, Kelly and Walsh. 1911

HURD, D. The arrow war. London, Collins and Company. 1967

HYDE, F.E. Blue funnel. Liverpool, University Press. 1974

" " Far eastern trade. London, A. & C. Black. 1974

" " and MARRINER, S. The senior John Samuel Swire, 1825-1898. Liverpool University Press. 1967

INGRAMS, H. Hong Kong. London, Corona Library. 1952

JONES, C. Chief officer in China, 1850-54. Liverpool, C. Birchall and Sons. 1955

JONES, F.C. Shanghai and Tientsin. London, Institute of Pacific Relations. 1940

KAEMPFER, K. The history of Japan, 3 vols. Glasgow, J. Maclehose and Sons. 1906

KING, P. In the Chinese customs service, a personal record of 47 years. London, T. Fisher Unwin. 1924

KIRKALDY, A.W. British shipping, its history, organisation, and importance. London, Kegan Paul and Company. 1912

LANE-POOLE, S. and DICKINS, F.V. The life of Sir Harry Parkes, 2 vols. London, Macmillan and Company. 1894

LINDSAY, H.H. Report of the proceedings of a voyage to the northern ports of China in the Lord Amherst. London, B. Fellows. 1833

LITTLE, A.J. Gleanings from fifty years in China. London, Sampson Low, Marston & Company. 1910

" " Through the Yangtze gorges. London, Sampson Low, Marston & Company. 1888

LIU, K.C. Anglo-American steamship rivalry in China, 1862-1874. Cambridge, Mass., Harvard University Press. 1962

LOCKWOOD, S.C. Augustine Heard and Company, 1858-1862. Cambridge, Mass., Harvard University Press. 1971

LOUIS, W.R.	British strategy in the far east, 1919-39. Oxford, Clarendon Press.	1971
LOWE, P.	Britain and the far east: a survey from 1919. London, Longman Group Limited.	1981
LUBBOCK, B. edited by	Barlow's journals, 2 vols. London, Hurst and Blackett.	1934
LUBBOCK, B.	The opium clippers. Glasgow, Brown, Son and Ferguson.	1946
" "	The tea clippers. Glasgow, Brown, Son and Ferguson.	1933
LUCAS, C.P.	The beginnings of England's overseas enterprise. Oxford, Clarendon Press.	1917
LYON, D.J.	The Denny list, parts I-IV. London, National Maritime Museum.	1975
MACGREGOR, D.H.	The China bird. London, Chatto and Windus.	1961
" "	The tea clippers. " " " Windus.	1952
MACKENZIE, A.	A history and genealogy of the Mathesons. Inverness, A. and W. Mackenzie.	1886
MCALEAVY, H.	The modern history of China. London, Wiedenfield and Nicolson.	1971
MANCALL, M.	Russia and China. Cambridge, Mass., Harvard University Press.	1970
MARTIN, B. and SHUI CHIEN-TUNG.	Makers of China. Oxford, B. Blackwell.	1972
MATHESON, J.	The present position and prospects of the British trade with China. London, Smith, Elder and Company.	1836
MICHIE, A.	The Englishman in China, as illustrated by the career of Sir Rutherford Alcock. Edinburgh, W. Blackwood and Sons.	1900
MIDDLETON-SMITH, C.A.	The British in China and far eastern trade. London, Constable and Company.	1920
MILLER, H.	Pirates of the far east. London, R. Hale and Company.	1970
MILLER, J.I.	The spice trade of the Roman empire. Oxford, Clarendon Press.	1969
MILLS, L.	British rule in eastern Asia. London, Oxford University Press.	1942

MORRISON, C.E.	An Australian in China, the narrative of a quiet journey across China into British Burma. London, H. Cox and Company.	1895
MORSE, H.B.	The chronicles of the East India Company trading to China, 1635-1834, 5 vols. Oxford, Clarendon Press.	1926-1929
" "	The trade and administration of the Chinese empire. 3 vols. London, Longman, Green and Company.	1910-1918
" "	The international relations of the Chinese empire. 3 vols. London, Longman, Green and Company.	1910-1918
MURPHEY, R.	The outsiders: western experience in India and China	1977
" "	Shanghai, key to modern China. Cambridge, Mass., Harvard University Press.	1953
NEEDHAM, J.	Science and civilisation in China, 7 vols. Cambridge, University Press.	1954 -
OLIPHANT, L.	Narrative of the Earl of Elgin's mission to China and Japan. Edinburgh, W. Blackwood and Sons.	1859
OWEN, D.E.	British opium policy in China and India. New Haven, Yale Historical Publications.	1934
PANNIKAR, K.M.	Asia and western dominance. London, G. Allen and Unwin.	1961
PARKER, E.H.	Up the Yangtze. Hong Kong, Mail Office.	1891
PARKINSON, C.N.	East and west. London, John Murray.	1963
" " edited by	The trade winds. London, G. Allen and Unwin.	1948
PARKINSON, C.N.	Trade in the eastern seas, 1793-1815. Cambridge, University Press.	1937
PARRY, J.H.	Europe and a wider world. London, Hutchinson University Library.	1949
" "	The Spanish seaborne empire. London, Hutchinson and Company.	1966
PASKE-SMITH, M. B.T.	Barbarians in Japan and Formosa in Tokugawa days. Kobe, Japan, J.L. Thompson and Company.	1930
P ATERSON, N.J.F.N.	The China run. London, Hodder and Stoughton.	1948

PAULLIN, C.B. American voyages to the orient, 1685-1865. Princeton, Naval Institute Press. 1971

PEARL, C. Morrison of Peking. Sydney, Angus and Robertson. 1967

PEFFER, N. The far east. Ann Arbor, University of Michigan Press. 1958

PELCOVITS, N. Old China hands and the foreign office. Honolulu, Institute of Pacific Relations. 1948

PHILIPS, C.H. The east India company, 1784-1834. Manchester, University Press. 1961

PHIPPS, J. A practical treatise on China and the eastern trade. Calcutta. Printed in London. 1835

PLANT, C. Glimpses of the Yangtze gorges. Shanghai, Kelly and Walsh. 1926

PLATT, D.C.M. The cinderella service. British consuls since 1825. Edinburgh, T. and A. Constable, Limited. 1971

PRITCHARD, E.H. Anglo-Chinese relations during the seventeenth and eighteenth centuries. Illinois, University Press. 1929

PURCELL, V. The boxer uprising. Cambridge, University Press. 1963

" " The British in Malaya. London, Oxford University Press. 1948

" " The Chinese in south-east Asia. London, Oxford University Press. 1965

RASMUSSEN, A.R. The China trader. London, Constable and Company. 1954

REDFORD, A. Manchester merchants and foreign trade, 1794-1856. Manchester, University Press. 1934

" " Manchester merchants and foreign trade, 1856-1939. Manchester, University Press. 1956

REMER, C.F. A study of Chinese boycotts. Baltimore, John Hopkins University Press. 1933

" " Foreign investments in China. New York, Macmillan and Company. 1933

" " The foreign trade of China. New York, Muller and Company. 1930

RICHARDS, D.S.	Islam and the trade of Asia. Oxford, near east history group.	1970
RIDLEY, J.	Lord Palmerston. London, Constable and Company.	1970
RUTTER, O.	The pirate wind. London, Hodder and Stoughton.	1930
SANSOM, G.B.	The western world and Japan. London, Cressett Press.	1950
SARGENT, A.J.	Anglo-Chinese commerce and diplomacy. Oxford, Clarendon Press.	1907
SCHURZ, W.L.	The Manila galleon. New York, E.P. Dutton and Company.	1959
SCOTTS, THE	Two hundred and fifty years of ship-building. Glasgow, James Jack Advertising Limited.	1961
SHEWAN, A.	The great days of sail. London, Heath Cranston.	1927
SIMPKIN, C.G.F.	The traditional trade of Asia. London, Oxford University Press.	1968
SKRINE, C.P. and NIGHTINGALE, P.	Macartney at Kashgar. London, Methuen and Company.	1973
SMITH, C.W.	The great hunger, Ireland 1845-9. London, H. Hamilton.	1962
SOOTHILL, W.E.	China and the west. London, Humphry Milford.	1925
STEENGUARD, N.	Carracks and caravans. Odense, Denmark, Studentlitterateur.	1973
" "	The Asian trade revolution of the seventeenth century. London, University of Chicago Press.	1973
STURGIS, J.	Books and papers of Russel Sturgis. Cambridge, Mass., Harvard University Press.	1963
TEISCHMAN, E.	Affairs of China. London, Methuen and Company.	1935
TING, CHAO TING.	Key economic areas in Chinese history. New York, Appleton-Century Crafts.	1963
TOLLEY, K.	Yangtze patrol. Maryland, Annapolis, Naval Institute Press.	1971
TOUISSANT, A.	The history of the Indian ocean. London, Routledge and Kegan Paul.	1966

TREGEAR, T.R. — An economic geography of China. London, Butterworth. 1963

TREGONNING, K.G. — A history of modern Malaya. London, Eastern Universities Press. 1964

" " — Home port Singapore, a history of the Straits Steamship Company of Singapore; 1890-1965. Singapore, published for the Straits Steamship Company Limited. 1967

VILLIERS, A.J. — Monsoon seas. New York, McGraw-Hill 1952

" " — Sons of Sindbad. London, Hodder and Stoughton 1940

" " — The Cutty Sark. London, Hodder and Stoughton. 1955

" " — The Indian ocean. London, The Muesum Press. 1952

VINACKE, H.M. — The history of the far east in modern times. New York, Appleton-Century Crafts. 1950

VIRAPOL, S. — Tribute and profit; Sino-Portuguese trade, 1652-1853. Cambridge, Mass., Harvard University Press. 1977

WALEY, A. — The opium war through Chinese eyes. London, Oxford University Press, 1958

WANG, S.T. — The Margary affair and the Chefoo agreement. London, Oxford University Press. 1940

WARMINGTON, R.S. — The commerce between the Roman empire and China. Cambridge, University Press. 1928

WEALE, B.L.P. — The port of fragrance. London, Noel Douglas. 1930

" " — Why China sees red. London, Methuen and Company. 1926

WHITEWAY, R.S. — The rise of Portuguese power in India, 1497-1550. London, Constable and Company. 1899

WILLIAMS, J.B. — British commercial policy and trade expansion, 1750-1850. Oxford, Clarendon Press. 1972

WILLIAMS, S.W. — A Chinese commercial guide. Hong Kong, A. Shortstride. 1863

" " — The middle kingdom, 2 vols. London, W.H. Collins and Company. 1883

WILLIAMSON, A.R.	Eastern traders: some men and ships of Jardine, Matheson and Company. Privately printed, Ipswich.	1975
WILLOUGHBY, W.	Foreign rights and interests in China. Baltimore, John Hopkins University Press.	1927
WOODCOCK, G.	The British in the far east. London, Wiedenfield and Nicholson.	1969
WOODHEAD, H.G.W.	A journalist in China. London, Hurst and Blackett.	1934
" "	The Yangtze and its problems. Shanghai, Kelly and Walsh.	1931
WORCESTER, C.R.G.	Sail and sweep in China. London, His Majesty's Stationery Office.	1966
" "	The floating population in China. Hong Kong, Vetch and Vee Limited.	1970
" "	The junkman smiles. London, Chatto and Windus.	1959
WRIGHT, A.	Twentieth century impressions of Hong Kong, Shanghai, and the treaty ports of China. Shanghai, Kelly and Walsh.	1908
WRIGHT, S.F.	China's struggle for pariff autonomy. Shanghai, Kelly and Walsh.	1938
" "	Hart and the Chinese customs. Belfast, Queen's University.	1950
" "	Hong Kong and the Chinese customs. Shanghai, Kelly and Walsh.	1930
YOUNG, L.K.	British policy in China, 1895-1902. Oxford, Clarendon Press.	1970
YULE, H.	Cathay and the way thither. 2 vols. London, Hakluyt Society.	1866
YU, PING-SHIN.	Trade and expansion in Han China. Los Angeles, University Press.	1947

BIBLIOGRAPHY

Part 2 - Unpublished theses

BASSETT, D.K. "The factory of the east India company trading at Bantam, 1602-1682." London School of Oriental and African Studies. Ph.D. 1955

BLUE, A.D. "British ships and west China, 1875-1941." The Open University, B. Phil. 1978

CHEONG, WING EANG. "Some aspects of British trade and finance in Canton, with special reference to the role of Anglo-Spanish trade in the eastern seas, 1784-1834." London University, Ph.D. 1963

CHOU, P.G. "A hundred years of economic relations between Great Britain and China, 1834-1934." University of Edinburgh, Ph.D. 1938

GREGORY, J.S. "British attitudes to the Taiping Rebellion in China, 1850-1864." London University, Ph.D. 1955

MARCHANT, L.R. "Anglo-Chinese relations in the provinces of the west river and Yangtze river basins, 1889-1900." London University, M.A. 1965

WONG, K.L. "Anglo-Chinese trade and finance, 1854-1914." University of Leicester, Ph.D. 1976

YI-YI, M. "English trade in the south China sea, 1670-1715." London University, Ph.D. 1958

BIBLIOGRAPHY

Part 3 - Articles from Society Journals and Magazines, and Miscellaneous Sources.

Abbreviations

A.N.	The American Neptune.
E.H.R.	English Historical Review.
F.E.Q.	Far Eastern Quarterly.
H.A.H.R.	Hispanic American History Review.
H.T.	History Today.
JARDINES.	Items privately printed by Jardine, Matheson and Company.
M.M.	The Mariners' Mirror.
N.M.M.	Publications of the National Maritime Museum.
P.H.R.	Pacific History Review.
R.A.S.	Journal of the Royal Asiatic Society.
R.A.S. (H.K.)	" " " " " " , Hong Kong branch.
R.G.S.	Journal of the Royal Geographic Society.
T.J.C.S.	T'song Journal of Chinese Studies, published by the University of California.
T.P.	T'onng Pao, magazine on Chinese affairs, also published by the University of California.

BALLARD, G.A. 'The downfall of the Portuguese in the far east'. M.M. Vol.12, 1926. p.169-195.

BLUE, A.D. 'Chinese emigration and the deck passenger trade.' R.A.S. (H.K.) Vol. 10, 1970, p.79-93.

" " 'Early steamships in China.' R.A.S. (H.K.) Vol.13, 1973, p.45-57.

" " 'European navigation on the Yangtze.' R.A.S.(H.K.) vol. 3, 1963, p.107-129.

" " 'Piracy on the China coast.' R.A.S. (H.K.) Vol.5, 1965, p.1-17.

BOWEN, R.L. 'Roman trade in the Indian ocean,' Part I, A.N. Vol.XVII, 1957, p.262-291.

BOWEN, R.L. 'Roman trade in the Indian ocean', Part 2, A.N. Vol. XVIII, 1958, p.25-28.

BUCKLEY, N.C. 'The extraordinary voyages of Admiral Cheng Ho.' H.T., Vol.25, 1975, p.462, 471.

DONNELLY, I. 'Early Chinese ships and trade.' M.M. Vol.11, 1925, p.234-342.

DUYVENDAK, J.J.L. 'The true dates of Chinese maritime expeditions in the early fifteenth century.' T.P. 1928, p.341-342.

HAVILAND, E.K. 'American steam navigation in China.' Part I, A.N. Vol. 16, 1956, p.157-179, and p.243-269.

" " 'American steam navigation in China.' Part 2, A.N. Vol. 17, 1957, p.38-64, and p.134-151.

" " 'American steam navigation in China, Hong Kong and the Canton river.' A.N. Vol. 22, 1962, p.5-44.

HARGREAVES, J.D. 'Lord Salisbury: and British isolation on the Yangtze, June-September, 1900.' Bulletin of Institute of Historical Research, Vol. 30, 1957, p.62-7.

JARDINES. 'An outline history of a China house for a hundred years, 1832-1932.' Privately printed by Jardine, Matheson and Company, Hong Kong, 1934.

" 'Jardine, Matheson and Company, an historical sketch.' Privately printed by Jardine, Matheson and Company, Hong Kong, 1963.

LI, SHU-HUN 'The south pointing carriage and the mariners' compass.' T.J.C.S. 1956, p.62-112.

LINDSAY, T.J. 'The Hankow steamer races.' R.A.S. (H.K.) 1968, Vol. 8, p.44-55.

LIU, K.C. 'British-Chinese steamship rivalry in China, 1873-1885,' from The economic development of China and Japan,' studies on modern Asia and Africa, edited by C.D. Cowan, London, G. Allen and Unwin, Limited. 1964, p.49-78.

LO, JUNG-PANG 'China as a sea power.' F.E.Q. 1955, Vol. XIV, p.489-502.

MANCALL, M. 'The Kiakhta trade.' from The Economic development of China and Japan', studies on modern Asia and Africa, edited by C.D. Cowan, London, G. Allen and Unwin, Limited. 1964, p.19-48.

MILLS, J.V. 'Notes on early Chinese voyages.' R.A.S., 1950-1. p.3-25.

MORSE, H.B. 'The provision of funds for the East India company at Canton in the nineteenth century.' R.A.S. 1922, p.227-255.

PARKES, H. 'Report on the Russian caravan trade with China.' R.G.S., Vol. 24, 1854, p.306-312.

PLATT, D.C.M. 'The role of the British consular service in overseas trade, 1825-1914.' Ec.H.R. 2nd series, 15, 1963.

ROCKHILL, W.W. 'Notes on relations on the trade of China with the eastern archipelago and the countries of the Indian ocean during the fourteenth century.' T.P. XIV, 1913, p.489-500.

SCHURZ, W.L. 'Mexico, Peru, and the Manila galleons.' H.A.H.R. Vol.11, 1918, p.312-334.

" " 'The Manila galleons, 1565-1825.' H.T. Vol.8, 1958, p.538-547.

" " 'The Royal Philippines company.' H.A.H.R. Vol. 3, 1920, p.491-501.

SEYMOUR, W. 'The company that founded an empire.' H.T. Vol. 15, 1965, p.751-761.

SLADEN, E.B. 'Exploration via the Irrawaddy and Burma into south western China in 1868.' R.G.S., Vol. XVI, 1870-1, p.341-364.

STELLE, C.C. 'American trade in opium to China, 1821-39.' P.H.R., 1947, Vol. 10, p.57-74.

SWINHOE, R. 'Expedition on the Yangtze.' R.G.S. Vol. XL.,1870, p.268-285.

WHITE, W. 'China station 1859-1864. The reminiscences of Walter White.' N.M.M. Monograph No.3, 1972.