

MERCHANTS AND MANDARINS:
THE GENESIS OF AMERICAN RELATIONS WITH CHINA

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Dissertation Abstract

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American contact with China began in the 1780's, when traders from the newly-independent Republic appeared at Canton to purchase China teas and silks. These first Americans in China discovered that Westerners resided in the Chinese Empire only on Chinese terms. Americans, like the European traders who preceded them to China, could enter the Empire at one port (Canton) for the sole purpose of trade. The Chinese considered all foreigners to be inferior "barbarians." To govern the Westerners at Canton, the Chinese had established a set of regulations and restrictions. Known as the "Canton system," these laws kept Westerners under the strict control of the Imperial government.

By the 1780's this system had operated efficiently for over a century. Since their government had little power or influence to protect them in foreign ports, American traders generally observed native laws. Eager for commercial profits, Americans in China tolerated Chinese assumptions of superiority to succeed under the "Canton system." The first Americans at Canton were individualistic, adventuresome and competitive. Such characteristics had pushed them across oceans to India and the East Indies and to the Pacific Northwest and the Hawaiian Islands on their way to the Celestial Empire. American sea-

captains faced storms, shipwrecks and native pirates for trade. They considered the inconveniences of the "Canton system" merely another challenge.

American trade at Canton grew rapidly in its first three decades. The China trade became part of a global foreign commerce, in which American merchants despatched their vessels to ports in all hemispheres to procure cargoes for Canton. After the War of 1812, American trade changed. Resident-agents and commission houses at Canton permitted greater efficiency. By the 1830's Americans were competing successfully with the English, the largest and most-powerful group of foreigners at Canton. While business acumen was partially responsible for American success, another equally important factor was American attitudes toward the Chinese and the "Canton system." Obedience to Imperial laws earned Americans the benevolence of Chinese authorities and the friendship of Chinese merchants. The latter shared American desires for commercial profits and co-operated with them to achieve mutual benefits. In the 1830's this bond between Americans and Chinese increased, as the English disrupted and finally destroyed the "Canton system" in the Opium War (1839-42).

The Opium War originated with English refusal to withdraw from the illegal drug trade. England's victory changed the entire basis of Sino-Western contact. Gradual deterioration of Imperial administration under the Ch'ing dynasty had caused a shift in the balance-of-power that had allowed the Chinese to govern their foreign relations. Increasingly characterized by corruption and venality, Ch'ing officials became powerless to

enforce Imperial rule. As power slipped away from Chinese administrators the English stepped into the vacuum. Attempting to maintain order and stability, England employed military force to impose Western concepts of international law on its relations with China. Consequently, with the Treaty of Nan-king (1842), the basis of Sino-Western contact became the "treaty system."

Aware of the importance of the English treaty, the United States government acted to protect American interests in China by despatching Caleb Cushing with powers to conclude a treaty with the Imperial government. In China Cushing perceived that American residents, who had refused to co-operate with the English during the Opium War, now had only the dubious protection of Imperial law. As the Ch'ing dynasty's power waned the Chinese government became less capable of discriminating in favor of nations who observed Chinese regulations. Cushing's recognition of the potential difficulties facing Americans under the emerging "treaty system" prompted him to insist on formalizing American relations with China. In the Treaty of Wanghsia (1844) Americans exchanged the advantages they had enjoyed under the "Canton system" for commercial regulations and legal and extraterritorial rights guaranteed by international law. Cushing's treaty reflected the ties of friendship that had developed between Americans and Chinese. This study examines the first sixty years of Sino-American contact, a period which strongly influenced both the Treaty of Wanghsia and the course of American relations with China into the twentieth century.

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On July 3, 1844 American Commissioner Caleb Cushing, accompanied by interpreters and naval officers, formally represented the United States in signing a treaty of amity and commerce with Imperial Commissioner Ch'i-ying. This treaty, known as the Treaty of Wang-hsia (Wanghia), initiated diplomatic relations between the United States and China. The American objective was clear--to grant American residents in China, a majority of whom were merchants, the protection of international law. Although American contact with China extended back to the earliest days of the Republic, the United States government had demonstrated little concern for relations with the Celestial Empire. Events in China during the Opium War (1839-42) stimulated official American interest. Prior to the War, Chinese attitudes toward trade and foreigners had assured American access to the China market and equal rights with other Western merchants in that trade. England, by crushing the Chinese militarily in the Opium War, had forced the Chinese government to deal with the West on Western terms. The latter meant formal recognition by the Imperial Court of international law and diplomatic relations with other states on the basis of equality. China had yielded to English demands in the Treaty of Nanking (1842). Subsequently, the American government, realizing the crucial importance of England's victory, decided to open negotiations with the Chinese. The

English had begun a new era in China's contact with the West. Americans, who feared that the English would take advantage of their new status of equality with China, reluctantly acknowledged the change created by the Opium War and the Treaty of Nanking.

Before 1839 Westerners had resided in China only on Chinese terms. This limited their presence in the Celestial Empire to the port of Canton for the sole purpose of trade. The Chinese, who considered all foreigners (wai-jen or "outside men," that is, outside China) to be inferior "barbarians," had established a set of regulations and restrictions to govern the Western traders at Canton. Known as the "Canton system," these laws kept Westerners under the strict control of the Imperial government. When American traders first arrived at Canton in the 1780's, this system had operated efficiently over European traders for over a century. The Americans, newly-independent and eager for the teas and silks of China, willingly acquiesced to Chinese rules. Motivated by their desire for commercial profit, American traders did not resent Chinese assumptions of superiority. Instead, they sought to succeed within the "Canton system." The first Americans to arrive at Canton were extremely individualistic, adventuresome and competitive. These characteristics had pushed them across oceans to India and the East Indies and to the Pacific Northwest and the Hawaiian Islands on their way to China. American seacaptains endured storms, shipwrecks and native pirates in the name of trade. They considered the inconveniences of the "Canton system" another challenge to overcome.

American trade at Canton grew rapidly in its first three decades. The China trade became part of a global foreign commerce, in which American merchants despatched their vessels to ports in all hemispheres to acquire cargoes for Canton, where they procured Chinese teas and silks. For skillful merchants and adventurous masters, this trade offered rich rewards. Interrupted by the War of 1812 and the subsequent Panic of 1819, the American China trade changed in the 1820's and 1830's. The financial reverses most merchants suffered during the post-war depression forced them to reorganize the methods of operation in their ventures to Canton. Previously, shipmasters and supercargoes had made the specific decisions regarding business transactions at the various ports. Economic instability in the China trade after 1815 rendered reliance on the itinerant masters ineffective. Seeking more efficiency, American merchants sent their own agents to reside in China, where they could constantly oversee commercial transactions and report regularly on market conditions. As the China trade acquired systematic and specialized functions, the old daring seacaptains now merely carried cargoes to ports designated by merchants and their agents. Gradually agents at Canton established independent commission houses which profitably competed against all other foreign merchants in the trade.

Business acumen certainly constituted a major component of the Americans' success, but another equally important factor was American attitudes toward the Chinese and the "Canton system." Obedience to Imperial regulation earned Americans the benevolence

of Chinese authorities and the friendship of Chinese merchants. The latter, sharing the Americans' desire for commercial profit, co-operated with them to insure mutual benefits. Ties between Americans and Chinese increased in the late 1830's as the English, the largest and most-powerful group of foreign merchants at Canton, attempted to disrupt commercial regulations. Originally the English trade had been the monopoly of the East India Company, but in 1834 private English merchants gained ascendancy with the cancellation of the Company's monopolistic charter by Parliament. Along with the Company, the private English traders had been part of a triangular trade which included England, India and China. By the 1830's the lynchpin of this trade had become opium, grown in India under Company auspices and sold in China by private traders. Unlike the Company, the latter merchants held the values of free trade and national honor to be more important than stable commercial conditions at Canton. They resented their inferior and regulated status under the "Canton system" and decided to defeat it. Gaining the support of the British government, these English merchants destroyed the "Canton system" with the Opium War.

American merchants reaped enormous profits during the period 1839-42. By continuing to operate within the "Canton system," they garnered all the foreign trade at Canton. Chinese merchants gladly transacted business with them instead of the truculent English. In the eyes of the Imperial government, Americans reinforced their position as "respectful barbarians,"

who deserved the benevolent reward of China's trade. But the Americans, although they refused to join the English in opposing China, realized that military power gave the English the leverage to dictate the terms of their future relations with the Celestial Empire. When the English forced the Chinese to accede to their demands, the "Canton system" was dead. Even though Imperial authorities offered American merchants the same commercial rights and privileges yielded to the English under duress, the Americans feared that Chinese promises were no longer sufficient. The United States believed that its commercial rights in China now had to be protected by treaty, not against Chinese usurpation but against that of other Western powers, especially England. In this belief lay the seed for the future Open Door attitude and policy of the United States toward China. Americans had also fostered ties of friendship with Chinese merchants and officials. In the future the Chinese, as during the Opium War, would continue to look upon Americans as "respectful barbarians" and, unlike many other Westerners, their friends.

Consequently, the first six decades of American contact with China, based on commercial relations, were crucial in defining American and Chinese attitudes which influenced subsequent diplomatic relations between the two countries. Several American diplomatic historians have ventured to discuss this period. Kenneth S. Latourette was the first to deal solely with early American relations with China in The Story of Early Relations between the United States and China, 1784-1844 (1917). Five years later Tyler Dennett, in his massive Americans in Eastern Asia (1922),

included a section on the origins of American diplomatic relations with China. Foster Rhea Dulles published several books on Sino-American relations: The Old China Trade (1930) and China and America: The Story of Their Relations since 1784 (1946). All of these writers used the same basic sources, consisting of government documents and assorted journals, memoirs, log books and manuscript collections. With slightly differing emphasis, they described the development of American trade at Canton and the issues with which Americans had to deal before 1844, including the Treaty of Wang-hsia. These historians, having based their books most heavily on government documents and printed memoirs, discussed the period from the American point-of-view.

In the last two decades, historians have again looked at the "Canton system" and its destruction in the early 1840's. Unlike earlier writers, these historians have been most interested in Chinese history. They have viewed the period as crucial in terms of China's contact with the West. Since their primary focus is China, this latter group has tended to lump together all foreigners in China under the umbrella of their Western heritage. These historians, therefore, have based their analyses of the period before 1844 on the assumption that the American experience in China played a subordinate role to that of the English, whose numerical strength and military power determined the image of Westerners in Chinese eyes. Since the Chinese treated all foreigners as "barbarians," national distinctions, they have argued, were less important than the overall phenomenon of China's first contact with a civilization that

refused to acknowledge its inferiority to the Celestial Empire. John King Fairbank, the most notable of these Chinese historians, has been the major force behind modern American scholarship on China. His book Trade and Diplomacy on the China Coast: The Opening of the Treaty Ports, 1842-1856 (1953) focused on Anglo-Chinese relations, but it remains one of the best discussions of the turbulent period in which the "treaty-port system" replaced the "Canton system." Most importantly, Fairbank fostered a new approach to the study of contact between China and the West. By emphasizing a familiarity with Chinese history and sources, he encouraged scholars to understand Sino-Western relations from a Chinese point-of-view.

My purpose in this study has been to re-examine the genesis of American relations with China. I have viewed this period of initial contact between Americans and Chinese as a development distinct from the overall Western experience, although it was part of that phenomenon. Americans shared the Western heritage of the Europeans at Canton, yet the merchants and traders from the United States forged their own set of attitudes and actions regarding China and the "Canton system." In my study of the American experience in China under the "Canton system", I have retraced the research of Latourette, Dennett and Dulles. Unlike these authors though, I have relied most heavily on the private papers of American residents at Canton and on the business papers of their commission agencies and houses. These merchants and their trade defined the basis on which the American government established formal relations with the Celestial

Empire in 1844. But I have also approached this period with an understanding of the Chinese and their attitudes toward "barbarians."

Available Chinese sources on relations with Americans are not overwhelming, since the major mode of contact was through Chinese merchants at Canton. These men did not correspond and retain records and memoirs like their American counterparts. Moreover, the Imperial Court had a traditional policy of allowing local authorities a wide margin of decision, so until the opium crisis of 1839 the Court displayed little concern for the foreign trade at Canton. Chinese scholars generally have not dealt with this period until recently. Most of these studies by Chinese historians are by Communist writers, who follow the Marxist-Maoist interpretation of imperialism that all Westerners equally preyed on China. A few Nationalist Chinese have countered with a more benevolent view of Westerners and Americans. But more study, incorporating research on both sides of the Pacific, must be done on the contact between Americans and Chinese throughout the nineteenth century. Sino-American relations, as they developed under the "Canton system" were only a beginning.

CHAPTER I

ORIGINS OF THE AMERICAN EAST INDIA TRADE

In December 1818 Capt. Henry Bancroft, master of the ship "Sachem," received his sailing orders and weighed anchor for a voyage to East India. Capt. Bancroft first sailed to Gibraltar, where he exchanged his cargo of flour and food-stuffs for specie. From the Mediterranean the ship headed down the long coast of Africa, doubled the Cape of Good Hope, crossed the Indian Ocean, and finally arrived in East India. In the nineteenth century all of Asia east of the Cape of Good Hope was known to Americans as East India. Capt. Bancroft's orders on this voyage to East India were simply to procure a profitable cargo. Ports which the "Sachem's" owners deemed advisable to visit included Batavia (Java) for coffee, spices and rice, Manila for sugar, hemp and rice, and Canton for teas, silks and nankins (nankeens). The captain might fill his cargo at the first port or he might have to stop at all three, trading specie and some of the cargo procured earlier to make a profit. If market conditions were poor at Batavia, Manila and Canton, the ship could head westward and try the Indian market at Calcutta. From East India Capt. Bancroft had orders to sail to Rotterdam and finally Boston. Such a voyage might easily

last over a year.¹

Capt. Bancroft's voyage on the "Sachem" in 1818-19 was typical of American commercial ventures in the East India trade. The major objective in this trade was China with its teas and silks. But Americans called their commerce with China the East India trade because it involved many more ports outside of China. The trade was in fact a very complex venture, encompassing virtually the entire globe. Americans had very little native produce and no manufactures to offer the Chinese as imports. They relied on specie and merchandise procured elsewhere for their inward cargoes to Canton. American merchants in the China or East India trade, therefore, not only sent their vessels to Asia for teas, silks, coffee and spices. They also despatched vessels to Europe, the Mediterranean, South America and the Pacific Ocean in search for specie and cargo to trade in the China market. For Americans the China trade was essentially a global venture.

Two major trading routes led from the United States to East India. The less traveled of the two was around Cape Horn into the Pacific Ocean. American vessels in search of fur, sandalwood and beche-de-mer were the only ones to use this route. Because of extreme hazards in sailing around Cape Horn and in procuring these articles, most merchants shied away from sending their vessels to the Pacific Ocean. The risks limited this

¹Instructions, Bryant & Sturgis to Capt. H. Bancroft, Dec. 1818, Harvard Business School, Baker Library, Bryant & Sturgis MSS. Bryant & Sturgis' Letterbooks are full of these instructions as are the Letterbooks of Perkins & Co., Harvard Business School, Baker Library, Perkins & Co. MSS.

trading route to a small number of wealthy men. Overwhelmingly, American merchants despatched their captains to East India around Cape of Good Hope. Not only were sailing conditions much better but also there were many more opportunities along this route for buying and selling cargo. A vessel could wend its way to China via Europe, India and the East Indies or even touch at South America before crossing the Atlantic Ocean.

Such circuitous and complex voyages emanated from the search for desirable cargo to carry to China. The Chinese desired very little of Western produce or manufactures. Specie and bullion in the form of Spanish dollars remained the primary article of payment for Chinese teas and silks. American merchants possessed few Spanish dollars and traded for them elsewhere. They faced the problem of getting the most dollars for their cargoes in European, Mediterranean and South American markets. Distances and lack of communication also contributed to the complexity of the East India trade. No merchant could know what prices were at ports oceans away. Shipmasters, to make a profitable voyage, often sailed to many ports to sell their inward cargo at a high price and to buy outward cargo at a low price. The East India trade, therefore, included many commercial transactions besides the purchase of teas and silks in China.²

American merchants employed numerous vessels in their endeavor to make profits in the East India trade. They kept

²H.B. Morse and H.F. Macnair, Far Eastern International Relations (Boston, 1931), pp. 66-67.

smaller vessels plying between the United States and Europe in commercial enterprises designed to collect specie and sundry merchandise for China and the East Indies. The same vessels carried China teas and silks to European ports. Larger vessels, averaging around two hundred tons burthen, took the cargoes gathered by the smaller vessels to East India and returned laden with teas and silks from China, coffee and spices from the East Indies, or sugar and hemp from the Philippines.³ Often a vessel touched at several ports and carried a cargo composed of articles gathered at every stop.

Only more prosperous merchants could afford to maintain a fleet of vessels in the East India trade. Most American merchants combined their interests and invested in single ventures. Often the type of vessel employed by a combination of this nature was under one hundred tons burthen. In fact a large part of American vessels that sailed to East India included smaller vessels such as barks (barques) and brigs. Distinguished nautically from the larger ships by number of masts and type of rigging, barks and brigs were faster but more prone to shipwreck because of their light tonnage. Whereas ships had three masts (foremast, mainmast and mizzenmast), all square-rigged, barks had three masts of which only two (foremast and mainmast) were square-rigged, and brigs had two masts both square-rigged. Americans utilized the lightness of the

³Winthrop L. Marvin, The American Merchant Marine (New York, 1920), pp. 199-200.

latter types to reach East India in less time and to visit ports not hazarded by larger ships. These vessels were often at sea for a year or more sailing from port to port in search for profitable trade.

Because of the conditions governing the East India trade, the shipmaster was of utmost importance to his merchant-employer. Lack of communication between merchant and ship forced the merchant to rely on his captain for decisions that ordinarily he would make. Only the captain could be aware of the exact market conditions at a foreign port. Contemporary methods of ocean transportation lent further weight to the captain's decisions. The state of markets in ports both in the United States and abroad at the time of a vessel's departure often varied considerably by the time the vessel reached the foreign ports and returned. A merchant therefore was very dependent on his master in making commercial profits. Employing a man who was simultaneously a good seacaptain and a skilled businessman was almost essential. Although merchants eventually sent a supercargo on the voyage to handle the trade, they gave their masters immense discretionary powers over where to trade and what cargoes to bring back. Often at the end of an East Indian voyage a merchant would discover his vessel had completely changed cargoes several times before returning.⁴

⁴Samuel Eliot Morison, Maritime History of Massachusetts (Boston and New York, 1925), pp. 84-85.

Wages aboard ship, including those of the officers, were uniformly low. But for the officers there were benefits to supplement their salaries. Each officer, according to his rank, had free use of an allotted amount of cargo space for private ventures. In addition, merchants often granted their officers a commission of the voyage's profits. By skillful adventuring and expeditious reinvestment a master could become wealthy in a relatively short time. In turn the master and his officers gave their loyalty to the merchant-owner of the vessel. Considering the difficulties a vessel faced in an East India trading voyage, a merchant faced the problem of his vessel not returning with a full cargo. The opportunities for embezzlement were rife. So to protect his own interests a merchant gave his vessel's officers a stake in the outcome of the voyage. This system operated well, allowing both merchant and master to reap profits. Seacaptains, often able to retire in their thirties, perpetuated the process by becoming merchants themselves.⁵

For the many men engaged in the trade, a voyage to East India meant unknown adventure and problems as well as profits. In sailing to Asia a ship passed through varying climates, including treacherous storms, extreme temperatures, frustrating calms. But these hardly fazed a vessel's crew. There were further difficulties in sailing through uncharted waters, hazardous especially in the East Indian archipelagos. One mistake

⁵Emory R. Johnson, et. al., History of Domestic and Foreign Commerce of the United States (2 vols.; Washington, 1945), p. 118. Morrison, Maritime History of Massachusetts, pp. 76-77, 113. Marvin, American Merchant Marine, pp. 81, 91-92.

could easily result in shipwreck on a coral reef or against rocky shores. There always existed the possibility of attack by native pirates. That usually meant death for the entire crew. A vessel even faced the risk of attack in ports, for often Americans were unknown or unwanted. Nevertheless, few American vessels failed to complete their East India voyages and almost all were profitable.

II

American merchants entered the China trade in 1784. Immediately after the Treaty of Paris the first American ship sailed from the United States to Canton to procure the teas and silks which previous to the Revolution the English East India Company had supplied. By the 1780's the port of Canton, in the southern Chinese province of Kwangtung, was the only port of China open to foreign trade. In 1685 an Imperial edict had opened all Chinese ports to foreign trade, but within the next seventy-five years European trading companies in China had centered their business at the southern port of Canton. Trade there between the Europeans and the Chinese became regularized under Chinese law. Part of this system of trade was the restriction of foreign trade to Canton. In the 1750's the British tried to trade at other ports but the Chinese rejected their overtures at each place. After 1760 the British and other Europeans ventured only to Canton for their teas and silks. American merchants, having received all their teas and silks before 1776 through the British East India Company, followed the English pattern after the Revolution and despatched a

vessel to Canton.

Financed by a group of New York and Philadelphia merchants, the "Empress of China" departed from New York in February 1784. Capt. John Green and Supercargo Samuel Shaw carried a cargo of ginseng (jen-shen), a root highly valued by the Chinese as "a sovereign remedy for almost every malady that human flesh is heir to, from indigestion to consumption, and. . .believed to insure immunity from all kinds of disease." Actually the ginseng aboard the "Empress of China" was not genuine, but the root of a plant in the same family as Chinese ginseng. The Chinese had been using ginseng for centuries before Western traders arrived. Westerners, seeing how much ginseng brought in the market at Canton, sought to find the root elsewhere.

In 1716 a French missionary, intrigued by an article on the root written by a missionary to China, discovered the plant growing in eastern Canada. This American ginseng, although inferior in quality to Chinese ginseng, proved very profitable in the Canton market, where it sold at a lower price. New Englanders also found the root and exported it through the English. By the 1750's American colonists outdistanced the Canadians in the export of ginseng. The root, therefore, was a natural cargo to carry to Canton in the first American venture.⁶

⁶The name ginseng came from the shape of the root, which often had a human form. For that reason the Chinese believed that the drug prolonged life besides curing various afflictions. Actually ginseng did possess medicinal value, although not as the panacea the Chinese believed. Maurice G. Kains, Ginseng: Its Cultivation, Harvesting, Marketing and Market Value; with a Short Account of Its History and Botany (New York, 1901), pp. 1-5.

Shaw profitably traded the ginseng for teas, and the "Empress of China" returned to New York in May 1785. This initial voyage had lasted almost fifteen months but had made a profit of twenty-five percent for the investors. The widely heralded success of this adventure signalled the beginning for American merchants to rush into the China trade.⁷

During the five years after the return of the "Empress of China," merchants in other American ports took over the lead in adventures to China. All voyages nevertheless followed the basic pattern set by Green and Shaw. The vessels carried ginseng as inward cargo and teas as outward cargo. According to Shaw's reports from Canton, the Chinese market for ginseng was immense. Since the appearance of American vessels at Canton the annual consumption of ginseng had tripled and the price had surged upward. Outside the East Indies, the American continent remained the major source of the root. Shaw wrote in his journal that "it must be a most satisfactory consideration to every American, that his country can carry on its commerce with China under advantages, if not in many respects superior, yet in all cases equal, to those possessed by any other people."⁸ These advantages included the importation of ginseng instead of

⁷The Journals of Major Samuel Shaw, the American Consul at Canton, ed. by Josiah Quincy (Boston, 1847), is the memoirs of the supercargo on the first American vessel to trade at Canton; see pp. 133-213. Kenneth S. Latourette, "The Story of the Early Relations between the United States and China," Transactions of the Connecticut Academy of Arts and Sciences, Vol. XXII (New Haven, 1917), pp. 13-15.

⁸Journals of Major Samuel Shaw, p. 233.

specie for teas and silks plus the opportunity of stopping at other ports en route to Canton to trade. For a country as young as the United States in the 1780's, possessing a trade at Canton equal to that of Europe's was an achievement. Shaw noted that European merchants at Canton "viewed [the American trade] with no small degree of jealousy."⁹

American merchants entering the trade after Shaw's voyages to China, however, discovered that his predictions did not bring the expected profits. Instead, toward the end of the decade, American voyages were less successful than anticipated, and apparently American trade to China could not expand indefinitely. One reason was the American market itself. Although the new country's population promised growth, its consumption of Chinese teas did have limits. More importantly, so did the sources of American ginseng. At first specie supplemented ginseng in the inward cargo. But the United States in the 1780's could hardly afford any loss of specie.¹⁰ As an example of the change, the voyage of the ship "Massachusetts" in 1790 was very different from that of the "Empress of China" only six years earlier.

Major Samuel Shaw, Supercargo in the first China adventure, was the principal owner of the "Massachusetts." A former aide-de-camp to General Henry Knox, Shaw had received an appointment as the first American consul to China in 1786. By 1789 he had returned from his second voyage to Canton on

⁹Journals of Major Samuel Shaw, p. 252.

¹⁰Latourette, "Early Relations between the United States and China," pp. 27-28.

another ship financed by New York merchants. From his experience on this adventure he visualized an ever-increasing growth of American trade not only to China but also to other parts of Asia. Shaw interested his friend Thomas Randall, another military officer turned merchant, in the idea of creating a monopolistic and government-financed American East India Company to compete with the English Company. The "Massachusetts" would be the first step in realizing this idea.

Built in imitation of the English Company's huge merchantmen, Shaw's new ship was eighteen hundred tons burthen with a keel of one hundred and sixteen feet. Compared to the average American merchantman of two hundred tons burthen, this was the largest American ship afloat. On its first voyage to Canton in 1790, the "Massachusetts" sailed with newly reappointed Consul Shaw aboard. After his arrival at Canton, Shaw could not profitably sell his cargo of ginseng. In the two years he had been absent from Canton the ginseng market, never as large as Shaw had first assumed, had become glutted and prices had depreciated considerably. Shaw also discovered that the wood used to construct his ship had decayed, since the builders had failed to season it properly. So the voyage that was to give impetus to a public American trading company failed.¹¹ Shaw himself died shortly thereafter.

III

Although the first American vessel to visit Canton

¹¹Marvin, American Merchant Marine, pp. 77-80.

sailed from New York, Boston merchants quickly ventured into the East India trade. These entrepreneurs possessed large capital reserves, great resources, and the advantages of an excellent harbor. Instead of looking eastward, they despatched their vessels southward along the coast of Spanish America, around Cape Horn, and on to Canton through the Pacific Ocean. The merchants of Boston developed the trade to China with fur from the South Seas and the Northwest Pacific Coast of North America.

American vessels first arrived to trade for furs on the Northwest Coast in the 1780's. This fur trade developed as a corollary to the American China trade. In 1781 the British explorer Capt. James Cook had published journals of his voyage to the Pacific Ocean. In the early years of the China trade Boston merchants began searching for articles besides ginseng to trade at Canton. Aware of a market for furs in China from the reports of returning Americans, an association of Boston merchants headed by Joseph Barrell,¹² in 1787 despatched two vessels, Capt. John Kendrick on the ship "Columbia" and Capt. Robert Gray on the sloop "Lady Washington," around Cape Horn to trade for furs on the Northwest Coast. Because of bad weather conditions both at Cape Horn and on the Northwest Coast, the two vessels were not able to collect enough pelts to fill

¹²The six merchants included J. Barrell, S. Brown, C. Bullfinch, J. Derby, C. Hatch and J.M. Pintard. A commemorative medal was struck for the occasion and put aboard the "Columbia" to be carried around the world. The origins of this voyage and an illustration of the medal are in Robert Greenhow, A History of Oregon and California and Other Territories of the Northwest. . . . (Boston, 1844), pp. 179-81, and Hubert Howe Bancroft, History of the Northwest Coast (2 vols.; New York, 1884), I, 185-87.

a cargo until the summer of 1789.

Capt. Kendrick despatched Capt. Gray in the "Columbia" on to Canton with the cargo of furs while he remained on the Coast with the "Lady Washington" to acquire more skins. Gray traded his cargo for teas at Canton and returned to Boston via the more tranquil Cape of Good Hope. The "Columbia's" voyage was not successful financially, as other vessels had reached the American market with teas before it. But this Boston enterprise in sending the first American vessels around Cape Horn opened a whole new branch of trade for American merchants. During the following decade the number of American vessels sailing along the Northwest Coast steadily increased.¹³ In 1790, on his second voyage in the "Columbia," Capt. Robert Gray discovered and named the Columbia River.

In the early years of the fur trade an adventure to the Northwest was a very risky speculation. The voyage brought the owner either great profits or severe losses. Although costs in such an operation were small, success was by no means certain. Usually a vessel left the United States in late summer or early fall to arrive on the Northwest Coast in the spring, after a six-month trip via Cape Horn and the Sandwich (Hawaiian) Islands. The section of the Northwest Coast most frequented by American fur traders included the "sea-coast between the mouth of the Columbia River. . .and Cook's Inlet [On the Bering Strait]"

¹³Latourette, "Early Relations between the United States and China," pp. 29-34, and Morison, Maritime History of Massachusetts, pp. 46-49.

and all "the numerous islands bordering this whole extent of coast, and the sounds, bays, and inlets within these limits."¹⁴

This territory, largely uncharted and unmapped in the 1780's, offered majestic scenery of "mountains, rising in magnificent amphitheatres, covered with evergreen forests, with here and there a verdant plane near the shore, and a snowcapped mountain in the back ground. . . .Here nature reigns supreme."¹⁵

Living along the Coast were various tribes of Indians who trapped furs and sold them to whoever bid the highest price. The trade was by barter with American vessels offering articles such as beads, blankets, bars of iron and copper, great coats, knives, fire-arms and muskets in return for pelts of fur. Americans prized sea-otter fur most highly, but they also took pelts of beaver, fox and nutria.

Many vessels never completed their transactions. Since much of the North Pacific and its shores were uncharted, the threat of shipwreck was constant. Very few American vessels though actually suffered this fate. A much greater peril was attack by the Indians with whom Americans traded. From the beginning of the American fur trade, its participants maintained a very low opinion of the Northwest Indian tribes. The usual

¹⁴From a lecture on the Northwest fur trade given by the famous Boston seacaptain and merchant William Sturgis, as reported in "The Northwest Fur Trade," The Merchants' Magazine and Commercial Review, XIV (June 1846), 533.

¹⁵William Shaler, "Journal of a Voyage between China and the Northwest Coast, Made in 1804," American Register, or General Repository of History, Politics and Science, III (1808), 138-39.

characterization of the Indians was that "there is little to distinguish them from the four-footed inhabitants of their forests, with the cruelest of which their dispositions seem congenial."¹⁶ Americans also emphasized their proclivity for thievery and dishonesty, but the traders nevertheless desired the Indians' furs. As a result, all business transactions occurred aboard American vessels with the captain allowing only a few Indian canoes at a time to come near the vessel. Allowing large numbers of Indians to board the vessel often ended in "the most disastrous and tragical results." Since in most cases Indian attacks were unprovoked, the threat of this peril was always present in the fur trade.¹⁷ Nevertheless, such a hazardous prospect did not deter American masters and merchants from developing the Northwest fur trade. The ships' crews were only more wary.

After a spring and summer of sailing along the Coast trading for furs, vessels left the Northwest. Severe weather conditions, especially heavy fogs, on the Northwest Coast during winter months forced captains to seek warmer waters.

¹⁶Shaler, "Journal of a Voyage between China and the Northwest Coast," p. 139.

¹⁷Bancroft, History of the Northwest Coast, I, 373. All sources on the Northwest fur trade discuss Indian attacks. The usual occurrence was that a large number of canoes would surround a vessel with some Indians coming aboard, all under the pretense of peaceful trade. At a given signal the Indians would pull out weapons and attack the crew. Those Indians in canoes would board the vessel while many more would suddenly appear on shore and paddle out to support their comrades. Usually they far outnumbered a vessel's crew. No writer seems able to determine the reason for such attacks other than the Indians' "savage nature." Although deemed uncivilized, the Indians drove hard bargains in trade and demanded high prices (in terms of types and quantities of barter) for their furs.

If a vessel had a full cargo, it sailed directly to Canton. Usually though, the season's trade did not bring enough furs to fill a vessel's hold. Prohibited from southern ports in Spanish California by Imperial Spanish law, Americans had to sail their vessels to the Sandwich Islands to escape the bitter Northwest winters. A respite at the Islands was a welcome change for the crews. For a few months they could enjoy fresh food, friendly natives, warm weather and women.

In the spring the vessels returned to the Coast to resume trading for furs. Up to three seasons of trade were required to fill a vessel with pelts. When the vessel had completed its cargo, it sailed to Canton to trade for teas, silks and nankins (nankeens). The return voyage from Canton to the United States was via the Cape of Good Hope.¹⁸ If a fur-trading adventure reached Canton without too many losses and in a relatively short time, the result was a huge profit for the merchant-owner. But the average voyage lasted from three to five years and often incurred at least some misfortune. The speculative nature of the trade nevertheless did not prohibit its growth.

As Americans trading on the Northwest Coast increased, they faced another problem besides savage Indians. Two other nations, England and Russia, already had established themselves in the fur trade. Unlike the Americans, they did not trade from

¹⁸ Washington Irving, Astoria or Anecdotes of an Enterprise Beyond the Rocky Mountains, ed. by Edgeley W. Todd (Norman, Oklahoma, 1964), pp. 22-23. Latourette, "Early Relations between the United States and China," p. 35.

the sea. England had two trading companies, Hudson's Bay Company and the Northwest Company (of Montreal), composed of voyageurs and mechanics who trapped and cured the furs. These companies had built permanent outposts along the Coast to facilitate and protect their operations. Russian traders operated along the Coast from settlements scattered in the Bering Sea area. At first these Europeans resented the growing American infringement upon their established trade.

Within a few years the Americans became part of both the English and the Russian operations. In fact American vessels became the only means by which the European fur traders could profitably send their furs to Canton. In 1791 the Chinese government decreed a prohibition of Russian importation of furs to China. Although Russia later procured the right to import furs into China through Peking, during the 1790's Russia had no market for its furs. American traders, willing to try any way to make profits, offered to aid the Russians. They agreed that Russian traders would charter American vessels to carry their furs to Canton in the guise of American cargo. American vessels also began to transport the English companies' furs to Canton. English mercantile laws bound the Northwest Company, a Canadian-based group, to trade in Canton only through East India Company vessels. Sending their furs to China via England considerably cut into profits. Employing American vessels instead meant less costs through a more direct trade.¹⁹ Continuing their trade with the Indians,

¹⁹Irving, Astoria, p. 24 (footnote). Carl Seaberg and Stanley Paterson, Merchant Prince of Boston: Colonel T.H. Perkins, 1764-1854 (Cambridge, 1971), pp. 267-68.

within a few years the Americans monopolized the carrying trade in furs from the Northwest Coast to Canton.

This monopoly at first meant profits for all who participated in the fur trade. Consequently, large numbers of Boston merchants hastened to send vessels to the Northwest. Although the fur trade expanded, competition also increased. As a result merchants already engaged in the trade faced shrinking profits. Searching for a competitive edge over their rivals, these merchants sought to make their enterprises more efficient. The biggest problem was the time wasted sailing back and forth across the Pacific Ocean between trading seasons. A few merchants found the solution lay in organizing the fur trade into a system of several vessels in support of one another. Such a system though required sufficient capital for the acquisition and maintenance of a fleet of vessels and crews. Merchants who operated on this basis continued to profit from the fur trade but to the detriment of others who did not have the necessary capital to expand the number of vessels they owned. As a result, the only merchants able to survive profitably in the China fur trade were those with large reserves of capital. Consequently, there tended to be a very limited number of Boston merchants participating in the Pacific China trade.

IV

Boston vessels engaged in the fur trade in the 1780's did not limit their voyages to the coastline of North America. Many sailed through the southern oceans, searching for islands

inhabited by seals. Seal skins at first were more profitable at Canton than sea otter or beaver skins. Procuring seal skins, furthermore, was relatively simple and easy. After a vessel anchored in an island harbor, the crew went ashore to club and skin as many seals as they could. Unlike fur trading off the Northwest Coast, a sealing voyage through the South Seas met little danger and yet secured a considerable profit. By the 1790's American vessels regularly sealed at the Falklands, Massafuero, South Georgia, the Shetlands and the Island of Desolation. The vessels often sailed from island to island taking aboard pelts at each one. A sealing voyage might last up to two years, but usually a vessel had a full cargo of seal skins within a few months. Immediately the captain set a direct course across the Pacific Ocean to Canton.²⁰

Very successful in a strikingly short time, the trade in seal skins reached a peak around 1800. American vessels were returning from Canton with handsome profits made solely from seal skins. Some Americans deemed the trade important enough to be of interest to the American government. In proposals to the Washington Administration these traders stated their belief that the government had an obligation to support the sealing trade by sending exploring voyages to the South Seas and the Pacific Ocean. These expeditions would discover new habitats of seals and therefore increase the trade.²¹ There was no

²⁰Latourette, "Early Relations between the United States and China," pp. 38-40. Irving, Astoria, p. 515.

²¹Edmund Fanning, Voyage to the South Seas, North and South Pacific Oceans, China Sea, etc. (New York, 1833), pp. 117-18.

response to these proposals. Soon after 1800 profits from sealing decreased. Seeing the immense profits gained from the trade around 1800, merchants entered more and more vessels into such adventures. This increase flooded the market with pelts. Even more significant in ending the trade were the indiscriminate and wasteful methods employed in sealing. A ship needed to collect roughly one million pelts for a full cargo. As profit was their only concern, American captains and their crews felt no compunction about killing all seals as fast as possible. Within ten years they left most seal islands in the South Seas completely barren. A combination of a glutted market followed by a scarcity of supply ended the trade by 1812.

With the end of the sealing trade, many American vessels formerly employed in it moved northward to the Northwest Coast. Others ventured elsewhere for China cargoes. Some of these entered into the trade of beche-de-mer, a sea slug considered a gourmet delicacy by the Chinese. Trading vessels collected the beche-de-mer in the South Seas usually along coral reefs surrounding the islands. The process was long and arduous, with crewmen often suffering cuts from the reefs. Not too many Americans stayed in this trade for long. They joined others who had found a new type of trade just beginning at the Sandwich Islands.

American vessels had been stopping at the Sandwich (Hawaiian) Islands ever since they had first ventured around Cape Horn to the Northwest for furs. Although these Islands

were more than two thousand miles west of the American continent, they were a natural place for a sailing vessel to visit after rounding the Cape. Winds and currents along the western side of South America made beating directly up along the coast virtually impossible. From the beginning a lay-over at Oahu on a voyage from Boston to the Northwest was part of a vessel's itinerary. The Islands furthermore provided fresh supplies and relaxation for a crew that had just completed the arduous and dangerous task of rounding Cape Horn. American vessels engaged in the Northwest fur trade also usually wintered at the Sandwich Islands. By 1800 the large number of Americans at the Sandwich Islands influenced the English explorer John Turnball to remark that American traders, more than any other traders, would determine the future of the Islands. He added that American trade in the Pacific "exceeded ed all former efforts of former nations, . . . scarcely is there e an inlet in these most unknown seas in which this commercial hive has not penetrated. . . . And it must be confessed, to their honour, that their success is well merited by their industry."²²

In the Islands, Americans discovered another article that might be profitable in the China trade. This article was sandalwood, the heartwood of a tree noted for its light color, close grain and sweet aroma. The Chinese valued the fragrance and beauty of sandalwood for use primarily in their temples.

²²Harold W. Bradley, The American Frontier in Hawaii: The Pioneers, 1789-1843 (Stanford, 1942), p. 25.

In the 1790's American vessels began carrying Hawaiian sandalwood along with furs to Canton. But Americans soon discovered that Chinese importers especially liked the fine quality sandalwood from the East Indian islands of Malabar and Timor. Comparatively, Hawaiian sandalwood was very inferior. As a result it did not sell well at first and so Americans quickly ignored it as cargo.²³

V

As Bostonians despatched their vessels around Cape Horn to develop the fur trade to Canton, merchants in Salem, Massachusetts, entered the American China trade. The merchants of Salem did not seek to compete with the Boston fur trade but looked eastward across the Atlantic and Indian Oceans to East India. Salem, only twenty miles northeast of Boston, was the leading American port in the early China trade. Between the Revolution and the War of 1812 Salem, in fact, overshadowed Boston as a prosperous community and port. Salem's commercial development had a major impact on the expansion of American foreign trade. From the 1790's to 1815 virtually the entire American trade east of Cape of Good Hope consisted of traders from Salem. Most important was the pioneering spirit of Salem's shipmasters in directing this trade to ports never before visited by American vessels. These captains pursued trade and commercial profit anywhere.

²³Bradley, American Frontier in Hawaii, pp. 27, 56-65, 117. Letter, J.P. Sturgis & Co. to J. Hunnewell, May 19, 1830, Harvard Business School, Baker Library, Hunnewell MSS.

In 1783 the first American vessel to reach the Cape of Good Hope was from Salem. From there the sailing route led Salem captains and their vessels through the Indian Ocean and Southeast Asian archipelagoes to Canton. Although most ports in the Eastern Hemisphere were within the colonial empire of a European country, Salem vessels ventured into them and successfully opened the area to American commerce. These seafaring pioneers expanded American trade to include ports in Africa (Madagascar and Zanzibar), Arabia (Mocha and Muscat), India, and the East Indies (Java and Sumatra).²⁴ On February 19, 1796 Salem newspapers recorded the return of the ship "America" from Bengal with the first white elephant to land on American shores. "It sold for \$10,000." Newspapers reported on December 11, 1798 the departure of the first American vessel for Japan. The Dutch East India Company, which had a monopoly for Western trade with Japan, had chartered the "Franklin" to carry a cargo of European manufactures from Batavia (Java) to Japan.²⁵

Salem merchants ventured into the East India trade after the Revolution. During the 1770's they had constructed privateers for use against the British navy. The merchants found these privateers, successful in war, unsuitable for their customary commercial pursuits. Salem's vessels before

²⁴ Charles S. Osgood and H.M. Batchelder, Historical Sketch of Salem, 1626-1879 (Salem, 1879), pp. 127-37.

²⁵ Joseph B. Felt, Annals of Salem (2 vols.; 2nd ed.; Salem, 1845, 1849), II, 285-360.

1776 had sailed in the coasting trade, an enterprise that required small craft. To utilize their privateers the merchants decided to send them abroad to seek new profits at foreign ports.²⁶ The man whose ingenuity and energy spurred this growth of Salem's commerce in East India was Elias Haskett Derby. Known in Salem as "King Darby," this merchant by 1790 had become the first American millionaire in the trade to China. Derby, who later was called the "father of the India trade," annually despatched a fleet of vessels to the Indies and to China.

Other Salem merchants followed "King Darby's" lead in reaping fortunes from the East India trade. Although Derby was a notable exception, most of these men had been former sea-captains in the trade. Some of them had even sailed for Derby. As these captains retired from the sea, they established commercial enterprises and sent their vessels to East India with sons and nephews as captains. Derby's greatest mercantile rival rose through this process. George Crowninshield left the sea in 1790 at age fifty-five to become a merchant-ship-owner. Supported by four skilled and adventurous sons, Crowninshield built a fortune second only to Derby's.²⁷ As Derby and Crowninshield concentrated on trade to Canton and major East Indian ports, another Salem merchant Jonathan Peele garnered rich profits as the first American importer of pepper from Sumatra. For years he monopolized this trade, as his

²⁶Osgood and Batchelder, Historical Sketch of Salem, p. 137.

²⁷Morison, Maritime History of Massachusetts, p. 85.

masters successfully kept secret the exact spots where they procured their pepper. Eventually other captains discovered the inlets where Peele's masters traded with Sumatran natives and more Salem merchants entered the pepper trade.

In the early 1800's the Salem East India trade gradually centered on pepper, coffee, sugar and spices native to the Dutch East Indies. Carrying specie and miscellaneous cargoes of foodstuffs, metals, soap, furniture and spirits, vessels went no farther than ports in Java and Sumatra. Their monopoly of the coffee and spice trade in the Indies brought immense profits to the merchants of Salem. These men also took over the American trade to Calcutta, where they exchanged cargoes of Madeira wine for sugar, indigo and India cottons. Consequently, except for a few men such as Derby and Crowninshield who maintained fleets of vessels, Salem merchants only occasionally despatched vessels to Canton. Nevertheless, Salem's foreign commerce had a tremendous impact on the overall East India trade. The daring and initiative of the masters and merchants of Salem discovered the wealth of East India and brought it back to the United States.

VI

American trade at Canton increased greatly in the early years after 1800.²⁸ This expansion was partially the result

²⁸Latourette, "Early Relations between the United States and China," p. 29. For the number of American vessels trading each season at Canton in the period 1785-1815, see H.B. Morse, The Chronicles of the East India Company Trading to China, 1635-1834 (5 vols.; Cambridge, 1926), Vols. II, III.

of attempts by adventurous Americans to expand the range of commodities in the China trade. But events across the Atlantic Ocean also stimulated the growth of American trade to China. The Napoleonic Wars opened up new markets on the European Continent to neutral American vessels and their Canton cargoes. In 1805 forty-one American vessels anchored at Canton. But by 1807 the stimulus given the American China trade by the Napoleonic Wars had a reverse effect. Instead, the belligerents threatened the destruction of all American trade. England's Orders-in-Council and France's Berlin and Milan Decrees had embroiled the United States in a controversy over neutrality on the high seas. Seeking to force a resolution without declaring war, President Thomas Jefferson responded to Europe with an embargo on the American export trade. In stopping all shipping to Canton, the Embargo virtually ended American trade with China. The number of American vessels at Canton plunged from thirty in 1807 to eight in 1808. Although there was another surge after the removal of the Embargo in 1809, the American China trade did not recover fully until after the War of 1812.

American commerce suffered from England's policy of impressment as well as the Embargo. This issue had remained unsettled since the Revolution. The English really never had stopped impressing American seamen. Of course, the problem increased in magnitude after England's involvement in war with France. American vessels in the China trade faced this problem even at Canton. As early as 1805, Americans at Canton with the

support of American Consul Edward C. Carrington protested to the Chinese government against English vessels seizing American vessels and impressing their crews. The Americans, including resident merchants, shipmasters and supercargoes, asked the Chinese authorities to protect their rights as neutrals in a neutral port.²⁹ But the Imperial government refused to interfere in disputes among foreigners. So Consul Carrington could do nothing more than protest repeatedly to the English captains who impressed American seamen. Carrington noted in his despatches to the State Department that "it appears that the Citizens of the United States must rely on their own government to protect them when within the Empire against the violences of other nations who visit it. . . ."³⁰ As no American naval vessel was near China, this reliance meant nothing. The Americans were effectively alone. In August 1807 the master of the American brig "Diana" died of injuries received in defending his vessel from English seizure off the coast of China. Three months later the English boarded the American ship "Topaz" and killed its master and eight of its crew. This incident almost resulted in a sea-battle between the remaining American merchantmen and the English warships at Canton.³¹

²⁹U.S., Department of State, Consular Despatches: Canton, E.C. Carrington, Nov. /Oct./ 25, 1805. "Memorial to His Excellency John Tuck, Governor of the Province of Canton," Oct. 23, 1805, enclosed in Consular-agent Carrington's despatch of Oct. 25, 1805.

³⁰Consular Despatches: Canton, E.C. Carrington, n.d.

³¹Morse, Chronicles of the East India Company, III, 64-65. Latourette, "Early Relations between the United States and China," pp. 49-51.

Although American seamen averted war in China, they were not so successful in the Atlantic Ocean. Consequently, the United States declared war on England in June 1812. Immediately English warships at Canton blockaded all American vessels anchored there. American trade in China virtually stopped. The English, furthermore, successfully kept Americans away from the Northwest Coast and from the Sandwich Islands, thereby halting the American fur trade in the Pacific Ocean. This branch of the American China trade had changed since its beginning in the 1780's. A group of Boston merchants who had made their fur trading operations more efficient had pushed out their rivals.³² But the American merchant who had taken the lead in the American fur trade and who suffered most from English policies during the War was a New Yorker, John Jacob Astor.

In the 1780's Astor, a German immigrant merchant to New York, had begun merchandizing furs from Montreal to Europe via New York. Desiring to expand into general sales, Astor had moved into the China trade. By 1805 he owned the ship "Beaver" in which he shipped specie, ginseng, quicksilver and furs to Canton. Astor was also interested in improving his profits in the fur trade. He devised the method of employing a number of vessels, whereby he split the voyage from the Northwest Coast to Canton into separate sections. Each vessel had a specialized

³²Seaberg and Paterson, Merchant Prince of Boston, pp. 181-82. The most prominent Boston house in the Northwest fur trade was that of James & Thomas H. Perkins. The latter had begun his career in the China trade as a supercargo for Elias Haskett Derby of Salem.

function to perform in tying together the sections. For instance, one vessel traded with the Indians for furs while another transported the transshipped furs to Canton, thus allowing the first vessel to remain on the Coast gathering a new cargo. A third vessel was responsible for keeping all the vessels supplied with provisions and naval stores. Such efficiency resulted in Astor's getting more cargoes of furs into the Canton market and ensuring their arrival early in the season.³³

Astor was not satisfied merely with improving methods employed in the American fur trade on the Northwest Coast. He desired to expand his profits in the fur trade even further. But the English monopolistic companies prevented his doing so. The only way to compete successfully with the English and accrue more profits from the fur trade would be to establish a landed fur-trading operation. He attempted to buy into the Northwest Company, which rebuffed his offer. Astor then decided to form his own trading company. To staff his Pacific Fur Company he hired Canadians away from the Northwest Company by offering them higher salaries. Astor's plan was for the Pacific Fur Company to build a string of trading posts in the interior along the Missouri and Columbia Rivers and their tributaries. The Company's major base of operations would be a fort at the mouth of the Columbia River, a fort to be named Astoria. Each year vessels from New York would bring supplies

³³Kenneth W. Porter, John Jacob Astor, Business Man (2 vols.; Cambridge, 1931), II, 668.

to Astoria and would pick up the furs which had been collected for the voyage to Canton.³⁴

By constructing its major outpost at the mouth of the Columbia River, the Pacific Fur Company (or Astor) would control a large part of the Northwest fur trade. Of the major rivers and sounds along the Northwest Coast, American traders had discovered that the shores of the Columbia River provided one of the few areas free of Russian or English domination. Entrance into the River though posed difficult problems for ocean vessels. At its mouth, the Columbia was only a half mile across. The strong and rapid current of the river in meeting the ocean at this narrow mouth had formed a bar, passage over which was "always difficult, and sometimes dangerous." Vessels often had to wait up to a week on the outside for the proper winds to cross the bar. Once inside the river, a vessel discovered "a wide, open bay" from which the Columbia stretched for thirty or forty miles indented by deep inlets. All along the river lived Indian tribes who traded furs.³⁵ An establishment located on Baker's Bay, at the mouth of the Columbia, was in a perfect position to amass a large trade upriver with the Indians and simultaneously load its own vessels for the voyage to Canton.

In 1810 Astor despatched his ship "Tonquin" with a

³⁴Irving, Astoria, p. 30.

³⁵Gabriel Franchere, A Voyage to the Northwest Coast of America, ed. by Milo Milton Quaife (Chicago, 1954), pp. 54-55. Shaler, "Journal of a Voyage between China and the Northwest Coast," p. 138. Irving, Astoria, pp. 83-84.

party to establish Fort Astoria. Simultaneously an overland expedition left New York for the Northwest via St. Louis. This latter group planned to explore the interior where the Company planned to build its outposts. The two groups did not meet at Astoria until 1812. Astor's Company did manage to erect the main fort, but deaths and internal problems of authority continually plagued the establishment. By then, moreover, the United States had declared war on England. During the early months of the War, English warships appeared at Baker's Bay with orders to seize Fort Astoria. Members of Astor's Pacific Fur Company, most of whom were Canadians, quickly and peacefully surrendered the establishment to the English. Throughout the War the United States did nothing to protect or recapture the fort. Astor himself could not aid his operations, since the English navy forced the majority of American vessels to lie at anchor either at Canton or in the United States.

For the Americans who had to remain at Canton during the War, life was boring and tedious. English warships kept a constant guard outside the entrance of the Pearl River, on which Canton was located. American warships never appeared in China, so there was little to do but wait. For the seamen, life aboard American merchantmen was not pleasant. In January 1815 the American consul reported that Americans who had escaped from English ships refused to return to their own country's vessels.³⁶ The Chinese government virtually ignored the War,

³⁶ Consular Despatches: Canton, B.C. Wilcocks, Jan. 6, 1815.
[Silas Holbrook], Sketches, by a Traveller (Boston, 1830), p. 41.

although it did appear to aid the Americans in late 1814. Local authorities warned the English to keep their warships out of "territorial waters of the Interior."³⁷ This order in effect protected American vessels anchored near Canton. But English obedience to the warning rather than Chinese enforcement rendered the vessels safe. Other nations in China did not act as impartially as the Chinese. In December 1814 the American Letter-of-Marque brig "Rambler" of Boston captured the H.B.M. ship "Arabella" of Calcutta. But the Portugese, who controlled the port of Macao on the coast of China, arrested and jailed the "Rambler's" captain and forced the crew to return the "Arabella" to the English. The Americans nevertheless scored a minor victory by first disposing of the "Arabella's" cargo.

VII

After the Treaty of Ghent in 1815, English warships ended their blockade of Canton and American vessels stranded there sailed to the United States. American trade with China for the war years had been even less than that of the year of the Embargo in 1807-08. In the year after the War ended American trade to China quickly revived.³⁸ This postwar China

³⁷ "An Anglo-American Conflict Occurs in Chinese Waters, Nov. 30, 1814," in Fo Lo-shu, A Documentary Chronicle of Sino-Western Relations, 1644-1820, The Association for Asian Studies: Monographs and Papers, No. XXII (Tucson, 1966), p. 394.

³⁸ Morse, Chronicles of the East India Company, III, 155-65, 206, 228, 243-44, 308, 328.

trade was different though, as it excluded the seacaptains and merchants of Salem. The port's commerce suffered through the Embargo and War, and Salem's wealth gradually began to disappear. Salem never recovered its earlier position in American foreign commerce.³⁹ Although the port continued to be a major inlet of trade from East Indian markets such as Manila, Batavia and Singapore, only one Salem merchant, Joseph Peabody, continued to gross large profits from Canton ventures. Ports to the south with larger and better harbors grew in importance after 1815. During the 1820's Boston, Philadelphia and especially New York completely overshadowed the older seaport of Salem in the China trade.

As American trade to Canton resurged after the War, American vessels reappeared in great numbers on the Northwest Coast. Astor returned to the fur trade in 1815, but on a smaller scale than his prewar endeavors. The War had hurt the China speculations of many American merchants including Astor. When he decided to withdraw from the China trade, his interest in Astoria diminished. In 1818, after years of tremendous losses on his investment, Astor sold the fort to the Northwest Company and dissolved his Pacific Fur Company. Despite the failure of Astoria, America's interest in the Northwest did not decline. By that point many Americans had become interested in establishing a permanent settlement in the Pacific Northwest. They argued that Astoria constituted the

³⁹James Duncan Phillips, Salem and the East Indies: The Story of the Great Commercial Era of the City (Boston, 1947), pp. 226-27.

American claim to the Northwest. American interest in the China trade was the basis for this resurgent concern for the Northwest just as it would be again in the 1840's.⁴⁰

Ironically, as American national interest in the Northwest began to spread, the American fur trade suffered a temporary decline. By 1821 English and Russian competition once again threatened the interests of American traders. Shortly after the Northwest Company had acquired Astoria, it abandoned the fort because of ruinous expenses. Thereafter the Company merged with the dominant Hudson's Bay Company. This newly-enlarged group moved their central base of operations up the Columbia River to Fort Vancouver.⁴¹ American vessels thus lost their business with the Northwest Company, as Hudson's Bay Company still sent their furs to Canton via England in East India Company vessels. In the same year Americans faced new Russian restrictions promulgated in Czar Alexander's ukase. But they were able to overcome both threats. By 1823 Hudson's Bay Company borrowed the practice of the old Northwest Company in sending their furs to Canton consigned to Americans. Before long Americans were a crucial link in British trade between North America and Canton, as "all supplies for British establishments, west of the Rocky Mountains, were brought from London to Boston, and carried thence to the mouth of the Columbia in American ships, and all their collections of furs sent to Canton consigned to an American house, and the proceeds shipped to England. . . or the United States

⁴⁰Foster Rhea Dulles, China and America: The Story of their Relations since 1784 (Princeton, 1946), pp. 9-10.

⁴¹Irving, Astoria, p. 511.

in the same vessels."⁴² Since issuing their ukase, the Russians had done nothing to enforce it, so American vessels also returned to the northern part of the Northwest Coast around Nootka Sound.⁴³

What actually had a deleterious impact on the American fur trade in the 1820's was the increasing number of American vessels engaged in the trade. The resulting competition suffocated the trade, as the volume of trade gradually overtook the supply of fur. For the furs that remained the Indians and trappers began to demand exorbitant prices. By 1830 there was hardly an American ship to be seen along the Northwest Coast.⁴⁴ That Coast by then, nevertheless, had become important to Americans outside the mercantile community. The trade to China from the Northwest, dating back to the 1780's was still responsible for the initial American awareness of and interest in the Northwest Territory.

Although the American fur trade off the Northwest Coast declined in the 1820's, this trade did not completely die. Even before the supply of furs dwindled on the Northwest Coast, American traders had begun to explore elsewhere for furs. In the early 1800's American vessels drifted southward along the coast of California. The attraction to

⁴²Letter, Perkins & Co. to W. Smith, Sep. 10, 1822, Perkins & Co. MSS "The Northwest Fur Trade," p. 538.

⁴³Letter, Bryant & Sturgis to J.P. Sturgis & Co., May 6, 1822, Bryant & Sturgis MSS.

⁴⁴Bradley, American Frontier in Hawaii, pp. 73-74. Adele Ogden, The California Sea Otter Trade, 1784-1848 (Stanford, 1941), p. 86.

the south was the sea otter, the fur of which was highly valued at Canton. But unlike the Pacific Northwest, the southern coast inhabited by the sea otter was not unsettled mountains and forests. A colony of Spain, California already had establishments at the major inlets and harbors. In the 1780's the Spanish themselves for a short period engaged in a fur trade between California and Canton. Usually gathered by Indians and collected at the missions, the fur pelts were sent south to the port of San Blas (Mexico), where Spanish galleons transported them to Manila and Canton. But the Spanish did not encourage the fur trade and it never flourished.⁴⁵

Spanish authorities nevertheless prohibited vessels outside the Empire from engaging in the fur trade along the California coast. They sought to enforce this restriction by refusing such vessels permission to trade or anchor at any port or harbor in California. American seacaptains, finding the sea otter especially abundant along the rocky shores of northern California, found ingenious "emergencies" such as a sudden shortage of fresh water or food or the dire need for repairs which necessitated putting into port. While the captain explained his problems to local authorities, his vessel's crew traded for otter pelts. Interestingly, the Californians most willing to trade were Spanish missionaries. They were soon joined in the trade by Mexican settlers who, like the missionaries, found such an illegal trade with American traders

⁴⁵ Bancroft, History of the Northwest, I, 374-75.

very profitable. With little military power to enforce restrictions on fur trading and with virtually no support from the residents, Spanish authorities became increasingly lax in keeping American vessels out of California harbors.⁴⁶

Although never equal to the Northwest fur trade, American trade in California furs grew very quickly after 1800. This trade expanded even more in the 1820's. In 1822 California, along with the rest of Mexico and other colonies in South America, achieved independence from the Spanish Empire. The newly-opened ports of Mexican California now legally welcomed foreign trade. Coincidental to this new growth in the California fur trade was the diminishing fur trade on the Northwest Coast. In the 1820's California began to replace the Northwest Coast in the great circular Canton trade route of the American merchants.⁴⁷

Throughout the 1820's the chief articles in the California trade continued to be sea otter pelts. Gradually other articles assumed importance, as more vessels visited California's shores. These ships now included stops at various ports in South America and the Sandwich Islands, besides Canton and the United States. In the late 1820's the China trade experienced changes that were reflected in the increasing variety of imports and exports in the trade. American vessels in California not only took on board sea otter skins but also included in their cargoes hides, tallow and soap from the

⁴⁶Shaler, "Journal of a Voyage between China and the Northwest Coast," p. 153.

⁴⁷Bradley, American Frontier in Hawaii, pp. 18-19.

missions and large ranches.⁴⁸ During the following decade the export of these articles steadily increased. This change in the trade was important to California and the United States. In the 1830's, as had occurred ten years earlier on the Northwest Coast, the fur trade in California faced a shortage of skins. More importantly, this time the Chinese demand for furs also ebbed. So supply and value both dropped at Canton.⁴⁹ But American traders did not leave the California trade as they had done when the Northwest had faltered. They had discovered other exports to replace the dwindling fur supply. The same Americans viewed an expanding demand in California for imports from China and the Sandwich Islands. In 1837 an American house at Oahu proposed to another house in California a plan for despatching vessels on a regular run between Canton and California via the Sandwich Islands.⁵⁰

Noteworthy too in the late 1830's was the disappearance from the fur trade of the Boston mercantile houses which earlier had monopolized that trade in the Northwest and in California. In their place arose local American merchants who centered their houses in ports such as San Francisco, Monterrey and Santa Barbara. These new houses, most of which had former ties with Boston houses, now controlled American trade from California to Canton. This trade was important enough to con-

⁴⁸China Trade Days in California: Selected Letters from the Thompson Papers, 1832-1863, ed. by Donald Mackenzie Brown (Berkeley, 1947), pp. 1-2. Ogden, California Sea Otter Trade, p. 91.

⁴⁹Ogden, California Sea Otter Trade, pp. 146-47.

⁵⁰Brown, China Trade Days in California, p. 26.

stitute their sole means of profit. Also many of these American merchants settled in California. They married into native landed families, but they retained their American identity.⁵¹ By the late 1840's these American merchants were members of California's elite. Engaged in trade to China and the Pacific, they envisioned an unlimited expansion in trade between the United States and China. This trade, in employing California ports as entrepôts, would increase the economic value of the entire region. The American China trade to a large extent was the major cause for the United States developing an interest in California.⁵²

VIII

Besides California and the Northwest Coast, Americans expanded their China trade after the War of 1812 to include the Sandwich Islands. In 1815 American traders again introduced Hawaiian sandalwood into the Canton market. This second time they were willing to sell it at lower prices as inferior sandalwood. Consequently they were much more successful. The renewed sandalwood trade lasted about ten years. After a peak around 1820 the trade gradually fell into decline. Like all other types of commodities in this early period of the China trade, the supply of sandalwood in the Sandwich Islands dried up. Hawaiian chiefs had allowed and even had promoted the

⁵¹Some of these men included: Alpheus B. Thompson, Francis A. Thompson, John Coffin Jones, jr., John Sutter, Alfred Robinson, and Stephen Reynolds. See Brown, China Trade Days in California.

⁵²Brown, China Trade Days in California, p. 1. Ogden, California Sea Otter Trade, p. 151.

reckless lumbering of the Islands' sandalwood groves. By 1825 only extremely inferior wood remained. This wood could no longer compete successfully with the fine wood brought to Canton from India and elsewhere. In 1830 American merchants at Canton warned that Hawaiian sandalwood was "worth but little more than freight."⁵³ In other words, the wood sold for about the same amount as the cost of shipping it to Canton.

With the decline of the sandalwood trade after 1825 the nature of American commercial activity at the Hawaiian Islands changed. American merchants employed the port of Honolulu in their trade between Canton and the newly independent ports of California, Mexico and South America. During the 1830's and 1840's the Islands became an integral part of the American China trade to the West Coast, especially California. At this period new merchant houses seeking a share of this new China trade appeared in Honolulu. These merchants differed from those who had made their profits in the fur and sandalwood trades previous to 1830. The major merchants engaged in those trades had operated out of their homeports in the United States. They merely had agents in the Islands to carry out their instructions. Over a certain period of time they were guaranteed immense profits. When the supply of fur and sandalwood petered out after 1825, these merchants discontinued their resident agents in the Islands.

New merchants and their independent houses soon became

⁵³Bradley, American Frontier in Hawaii, pp. 75-76, 117-18, 214-15.

the center of American trade at Honolulu. But now there was not the opportunity to make a fortune in profits as had formerly existed. The Islands no longer had any native products worth exporting. Their value lay in their use as an entrepot, where articles brought from California and Canton were transhipped elsewhere. Commercial success in this type of trade was by no means predetermined. Profits depended on a merchant's talent to predict the demands of future markets and his ability to supply those demands.⁵⁴ This sort of commerce, as had been the case at Canton and other Pacific ports, was highly speculative. It also required the merchants involved to reside at the port of business to make the necessary quick decisions. As in California, the American merchants who became residents at Honolulu gradually gained a stake in the future of the Islands.

American merchants' commercial activity in the Hawaiian Islands impelled the Islands toward closer ties with the United States. Certainly no prominent American designed to annex the Islands at this period in the nineteenth century. But the Hawaiians, as early as 1816, voiced fears that the United States wanted to colonize them. The foundation of such a fear lay in the almost complete commercial dominance of trade in the Islands by American merchants. Their vociferous contentions that American commerce should remain dominant only

⁵⁴Letter, J. Hunnewell to Baker & Son, Mar. 16, 1830, Hunnewell MSS. Letter, J. Hunnewell to Pierce & Brewer, Mar. 27, 1836, Hunnewell MSS.

exacerbated Hawaiian fears.⁵⁵ This attitude of American residents may have stemmed from the fact that they harbored a belief that the English were determined to expel all American influence from the Islands. A statement by King Liholiho in 1821 lent credence to such apprehensions. Most likely acting in response to the growing American hegemony, the King spoke of placing his Islands under British protection. He failed to act, however, and after his death subsequent Hawaiian rulers placed increasing emphasis on friendship with the United States. Even in the 1830's American residents nevertheless persisted in believing that the British desired to annex the Hawaiian Islands.⁵⁶

When an American naval expedition visited the Islands in 1829, American residents used the occasion to appeal to the American government for support of American interests in the Islands. American Consul John C. Jones, in communications to the naval commander, spoke for the American community in asking for greater governmental support and more numerous naval visits. Jones portrayed American commerce in the Islands as having an extremely promising future, especially in trade to South America.⁵⁷ Capt. W.C.B. Finch of the U.S.S. "Vincennes" was skeptical

⁵⁵ Bradley, American Frontier in Hawaii, pp. 95-96.

⁵⁶ Extract of Letter, J. Hunnewell to Rev. W. Ellis, Feb. 20, 1833, Hunnewell MSS. Bradley, American Frontier in Hawaii, pp. 98-99.

⁵⁷ Charles S. Stewart, A Visit to the South Seas, in the U.S. Ship Vincennes during the Years 1829 and 1830 (2 vols.; New York, 1831), II, 213-19.

of the requests of Consul Jones and the American residents. His own observations of American trade in the Islands emphasized different facets from those deemed important by the consul. Finch characterized the trade as "novel" and "informal," and the shipping as very irregular if not illegal. Nevertheless, he did not demean Americans and their trade in his communications to King Kauikeauoli. Asked by the young King for advice, the Captain emphasized that he should seek out and rely on the wisdom of foreigners. Finch also stressed that the United States government did not condone any acts by American citizens that might violate Hawaiian laws. But he warned the King that he and his officials should not interfere with the duties of the American consul.⁵⁸ King Kauikeauoli maintained a friendly attitude toward Americans. The American trade in the Islands, moreover, was never restricted.

Throughout the 1830's American dominance in the Hawaiian Islands increased through commercial and missionary activities. American merchants involved themselves further in the Islands by buying into Hawaiian sugar plantations. Some merchants even gave up commercial enterprises to devote full attention to agricultural pursuits.⁵⁹ Simultaneously with the growth of American influence was a decrease in British in-

⁵⁸ Stewart, A Visit to the South Seas, II, 249-54, 279-80.

⁵⁹ Letter, S. Reynolds to J. Hunnewell, Nov. 14, 1836, Hunnewell MSS.

fluence. The British government was not anxious to see the Hawaiian Islands become an American possession, and moreover it welcomed any lessening of American dominance. But the British government did not push any policies to prevent that growing dominance. No English merchants established themselves as rivals to the Americans. No English missionary society sent representatives to the Islands to compete with the American Protestants already there. Consequently, the United States developed even closer ties with the Islands. This was especially true as the importance of the American trade with China became more apparent in the late 1830's. The role of the Hawaiian Islands in the Canton trade to California and South America was by then an integral one. When the American government finally decided to take formal action in 1842 in regard to American policy toward China, the Tyler Administration included the Hawaiian Islands as part of its concern with the present and future American role in China.

CHAPTER II

THE "CANTON SYSTEM"

Embarking for China was a momentous day in the life of an American merchant, an occasion second in importance only to the day of his arrival back home. His family and friends accompanied the departing merchant down to the wharf and aboard ship. "As the ship cast off, the neighbouring wharves were crowded with lookers-on, national and private flags were run up the mast heads of sea-going craft lying near." The crowds cheered the vessel as it slowly glided away. Relatives and friends remained on board until the last moment, until the vessel was about to clear the harbor. Then the merchant was on his way to the Celestial Empire.¹

For the merchant the pain of separation was acute, due not only to the distance between China and the United States but also to the length of residence at Canton. A typical stay at Canton for an American merchant in the pre-treaty China trade was a term of seven years. The distance between China and the United States made visits extremely impractical. Even by 1844, when the famous clipper ships entered the China trade, a voyage to Caonton required more than three months under

¹William C. Hunter, The 'Fan Kwae' at Canton before Treaty days, 1825-1844 (London, 1882), p. 1.

under excellent sailing conditions. Before then, an average trip lasted five to six months. Considering the small tonnage of most American merchantmen in the ocean trade, even this length of time was remarkably short.

A voyage to Canton in an American merchantman was a memorable experience for an American merchant, especially if the venture was his first. Shortly after the ship cleared the harbor all neophyte travelers aboard, whether passengers or seamen, fell prey to seasickness. Virtually no one escaped the malady at the beginning of the trip. Unless a person regularly sailed the ocean, he could furthermore anticipate suffering seasickness on every ocean voyage he made. The first pages of memoirs, journals and letters of travelers to China all dwelt upon the travails of seasickness. All of them would agree with one who commented, "I defy anyone, even the most colorist, to depict the horrors of seasickness." The illness forced a person to sink into a "state of utter hopelessness, and frustration of strength and spirits. . ."² Fortunately, after a few days of such agony, the voyager regained his appetite and began to revel in the fresh salt air on deck.

By the second week of the voyage, when the traveler was accustomed to ocean sailing, he discovered a new problem: filling his time. In 1830 American merchants had begun traveling to China as passengers more often than as members

²Diary of H. Low, May 24, 1829, Nov. 20, 1833, Library of Congress, Low Family MSS.

of a ship's crew. With the growth of the large commercial houses at Canton after 1826, business skill became as important as seamanship. The China trade increased in size and complexity until efficiency decreed the segregation of the sailing and trading facets of the enterprise. The overwhelming majority of American residents at Canton were merchants, who embarked on merchant vessels only to travel to their place of employment. For these men life aboard ship often meant many tedious and monotonous months.

The best account of such an experience was the diary kept by Harriet Low, who was accompanying her aunt and uncle to China, where the latter was to serve as chief of Russell & Co. This young lady from Salem was nineteen years old when she sailed to China. Her description of life aboard ship was typical of those who preceded and followed her. For the most part there was very little activity available to a passenger. The three major pastimes were reading, writing (letters and journals) and eating. Everyone took along an ample supply of books and paper. Passengers could go on deck, but they could not interfere with the business of the vessel. Like the crew they were totally under the rule of the captain. Social convention also precluded much association with those in the fore-castle. Left mainly to amuse themselves, passengers came topside mostly for exercise. This activity entailed pacing the deck, as there was nothing else to do aboard ship but sit. Voyagers became careful observers of weather conditions. Their journals and letters reflect careful and minute observations of

the weather, usually beginning with comments on prevailing winds and even including specific calculations.

Generally the voyage settled into a routine which most passengers described as "pleasant." Usually in the morning they went on deck and spent the afternoon reading and writing. As Harriet Low described this rigid pattern of life: "I generally . . . go up there as soon as breakfast is over, saunter about awhile, see all there is to be seen, hear the news of the day, find out how she heads, take a look at the fowls and pigs, and then to my book." In the evening insufficient lighting made reading difficult, so after a few hands of cards or just conversation the passengers retired early.³ Altogether there was little excitement, so small events such as spotting dolphin or other fish aroused the interest of all aboard. Sighting another set of sails was an especially dramatic event. Every effort was made to hail the vessel because the possibility of new faces or at least news was overwhelmingly attractive to the isolated travelers. Passengers even welcomed storms to break the monotony. Although frightening at first, bad weather provided something to relate to those back home.⁴ Even this diversion was rare, because

³Diary of H. Low, Jun. 5 and Jun. 11, 1829, Low Family MSS. The China Trade Postbag of the Seth Low Family of Salem and New York, 1829-1873, ed. by Elma Loines (Manchester, Maine, 1953), p. 103.

⁴Diary of H. Low, May 29, 1829, Low Family MSS. For an amusing narration of experiencing a storm at sea, see a letter written by John Murray Forbes to his wife Sarah in Reminiscences of J. M. Forbes, ed. by Sarah Forbes Hughes (3 vols.; Boston, 1902), I, 170.

most travelers to China took passage on vessels sailing the Cape of Good Hope route. Rounding Cape Horn was an experience very few people, even seamen, enjoyed.⁵

Sighting land was the most exciting experience for the traveler. Unfortunately there were virtually no opportunities for this until the end of the voyage. Crossing the Atlantic and the Indian Oceans often meant months of seeing nothing but water, so that most of the voyagers found the ocean lonely and depressing. They anxiously awaited the sighting of Java Head in the Strait of Sunda between Sumatra and Java in the East Indies.⁶ Vessels en route to China often stopped at Anjers or Batavia (Java) for supplies, letters and perhaps some trade. The joy of seeing land after so long could scarcely rival the excitement of arriving at their final destination, the Celestial Empire. When a vessel reached China, however, it did not immediately sail up to Canton. Foreign vessels did not reach the city at all. Canton was located on the Chu Kiang (Chiang) or Pearl River, known then to foreigners as the Canton River, seventy miles from its mouth. All foreign vessels anchored at Whampoa, a harbor in the river roughly ten miles downstream from Canton. Before the 1840's foreigners believed their

⁵China Trade Days in California: Selected Letters from the Thompson Papers, 1832-1863, ed. by Donald Mackenzie Brown (Berkeley, 1947), pp. 5-6.

⁶Diary of H. Low, Aug. 22, 1829, Low Family MSS. Journal of Benjamin Hoppin, jr., Jan. 22, 1823, Boston, Museum of the American China Trade.

vessels were unable to sail any further upriver.⁷

Foreign vessels arriving in China were unable to sail the sixty miles up the Pearl River to Whampoa without a Chinese pilot. Between Whampoa and its mouth, the river flowed through a narrow channel bordered by high cliffs. Foreigners called this channel the Bogue (the English form of the Portuguese name Bocca Tigris or Chinese name Lu-men, Tiger's Mouth). After the Bogue, the river widened at its mouth into a broad expanse of water (forty miles across) dotted with numerous islands. These islands and the waters around them formed the Outer Anchorages, area which the Chinese considered outside the jurisdiction of the Celestial Empire.⁸ Upon arrival all foreign vessels stopped at one of the Outer Anchorages to obtain a pilot. (If the vessel had aboard any cargo that must be smuggled into China, the master would dispose of it here before receiving his pilot.) The most common Outer Anchorage was the large island of Heungshan and its port of Macao. All foreign passengers disembarked at Macao, as they were forbidden

⁷Only after the Opium War did foreigners discover the channel that would allow them to sail cargo vessels all the way up the Pearl River to Canton. The Chinese had successfully kept the knowledge of this channel from the foreigners. S. Wells Williams, "Recollections of Cina Prior to 1840," Royal Asiatic Society Journal (China Branch), VIII (February 21, 1874), 2.

⁸The Chinese considered the Outer Anchorages, islands off the coast of China, as outside the Empire's jurisdiction because they could not integrate these areas into their tightly-organized systems of defense and political control. See Philip A. Kuhn, Rebellion and Its Enemies in Late Imperial China: Militarization and Social Structure, 1796-1864 (Cambridge, 1970).

to sail up to Whampoa aboard the cargo vessel.

After so long a time at sea, Americans found Macao a lovely city and "a delightful surprise." They frequently compared it to Naples with "the same beautiful bay studded with green islands, the same gentle curving beach, the same rising hills on either side, and the houses and buildings of every description towering up the slope that stretches from the pier." The white buildings of Macao were of European architecture, with churches and villas dotting the horizon.⁹

Stretching from the center of the city out to the pier was the Praya Grande, the major square in which foreigners strolled for entertainment. Off the Praya Grande were the villas where the foreign merchants' families lived. The entire city was a foreign enclave on the edge of the Celestial Empire.

Macao had been a European colony since 1563, when the Chinese granted the city in perpetuity to the Portugese. Exactly how the Portugese first settled there is moot, but in the 1530's they did build a settlement which they named "Ciudad do name de Deos de Macao." After 1563 Portugal maintained strict control over the city, sending out a Royal Governor to head the colony. The population of Portugese Macao by the 1820's and 1830's included a large number of Western women, as the Chinese forbade their presence at Canton.

⁹ Two good contemporary descriptions of Macao by American travelers are in David Abeel, Journal of a Residence in China, and the Neighboring Countries from 1829 to 1833 (New York, 1834), pp. 63-64, and Osmond Tiffany, jr., The Canton Chinese or the American's Sojourn in the Celestial Empire (Boston, 1849), pp. 17-18.

Foreign wives who accompanied their husbands to China resided at Macao. Until the late 1830's very few American women were among their number. Although other Western nationals outnumbered the Portuguese at Macao by the 1820's, this small minority retained all positions of political and economic power.¹⁰

For the American merchants who spent most of their time at Canton, Macao remained an oasis of beauty and serenity. At Canton, they missed "the enjoyment of verdant scenery, invigorating breezes, bodily recreation, and ladies' society" of Macao. Instead, the combination of Canton's heat and humidity, crowded and restricted conditions, constant bustle and noise produced "a most disagreeable effect upon the mind."¹¹ However Canton was the center of trade. Soon after arrival at Macao, the merchants left to sail the seventy miles up to Whampoa and Canton. This trip up the Pearl River was an adventure in itself, often dangerous and at best uncomfortable. There were two passages from Macao to Canton. One, known as the Outer Passage, was a deep channel in the main river restricted solely to cargo vessels going upriver to anchor at Whampoa. The Chinese required foreigners traveling to Canton

¹⁰For a discussion of the history and population of Macao, see Andrew Ljungstedt, An Historical Sketch of the Portuguese Settlements in China and of the Roman Catholic Church and Mission in China (Boston, 1836), pp. 10-14, 26-36. Foreign residents, other than Portuguese, who wished to reside at Macao for an extended period had to obtain permission from the Royal Governor. Letter, W. H. Low to S. Russell, Mar. 1, 1831, Library of Congress, Russell & Co. MSS.

¹¹Abeel, Journal, p. 20. Letters, N. Kinsman to R. Kinsman, Nov. 22, 1843, and W. R. Lejee to N. Kinsman, Jan. 9, 1843, Salem, Essex Institute, Kinsman Family MSS.

to use the second or Inner Passage. This regulation was a part of the system of Imperial decrees by which China controlled the movements and activities of foreigners at Canton. The Inner Passage was a circuitous maze through smaller streams that curved around numerous islands before emptying into the Pearl River at its mouth. It provided lovely scenery but consumed a considerable amount of time (up to three days). Customarily travel between Macao and Canton was by an illegal "fast-boat"¹² through the Outer Passage. Foreign merchants usually chose this method of making the trip to Canton in preference to the several days the alternate route required. The "fast-boat" averaged only twelve hours for the trip.

Since Chinese law restricted the Outer Passage to cargo vessels and their crews, foreign merchants who traveled this route had to do so in secrecy. They usually sailed under the cover of darkness, when there were fewer Mandarins to notice them. The trip nevertheless was very uncomfortable, since all foreign passengers had to remain hidden even at nighttime. Overlooking the Pearl River were a series of Chinese forts, each with sentries who constantly watched the river traffic for illegal intrusions. Concentrated at the narrow channel of the Bogue, these fortifications included forts at Chuen-pi,

¹²"Fast-boats" (faster than cargo vessels, hence their name) were Chinese vessels with two cabins, a foremast, and ten to twelve oars (used optionally). They required a crew of twelve to fifteen men plus a helmsman. The main cabin was ample accommodation for four passengers. Hunter, 'Fan-Kwae' at Canton, pp. 86-87.

Anunghoi and Tiger's Island. Passing under these forts and their guns required total secrecy and silence to keep from drawing the sentries' attention. Another peril on the dark river was the possible attack by Chinese pirates. Sometimes the pirates were even in collusion with the boatmen in charge of the "fast-boats." Aside from physical danger there was extreme discomfort just in staying hidden. Under the hatch foreign passengers often were "infested & devoured by myriads of centipedes[] scorpions" and cockroaches, some "as big as young crocidiles." Along with the vermin, they had to contend with stultifying heat and "vile smells." After a night of sleeplessness, if the boat met with no incident, the foreigners reached Whampoa at dawn. From there they could ride up to Canton in the open air.¹³

Whampoa (Huang-pu or Yellow Anchorage), with its rows of foreign vessels at anchor, was a splendid sight. The size of the Company's East Indiamen, resembling naval frigates, especially overwhelmed the Americans. At this point the river widened, as the land on either side changed from high barren cliffs to wide flat paddies of rice and sugar cane. In the middle of the river lay Whampoa Island, Dane's Island and French Island where lived the thousands of Chinese who

¹³Letter, J. M. Forbes to A. Heard, Aug. 18, 1832, Harvard Business School, Baker Library, Heard MSS. Gideon Nye, jr., The Morning of My Life in China (Canton, 1873), pp. 10-14. Letter, T. H. Cabot to E. Cabot, Aug. 24, 1834, Massachusetts Historical Society, Samuel Cabot MSS. Cabot's comment after finally arriving at Canton was, "I was pretty done up."

served the foreign merchantmen.¹⁴ Constant bustling activity characterized the entire scene at Whampoa. All kinds of boats surrounded the foreign vessels. Chinese lighters loading and unloading cargo, Mandarin boats bringing officials to inspect arriving and departing vessels, Chinese house-boats hawking food and souvenirs all crowded the anchorage. Such a congestion of river traffic clogged the Pearl River the whole ten miles between Whampoa and Canton. Travelers to Canton in this period were repeatedly amazed at the river activity of the Chinese, a sight "without parallel in any other country." Boats of every description numbering thousands populated the river. The total amount of Chinese esconced on these boats virtually stupified the Americans, who rarely had contemplated much less witnessed such a conglomeration of sights and sounds.¹⁵

Most astounding to Americans was the multitude of people who lived in boats on the river. Many of these Chinese worked on shore, but they lived their entire life in a river-boat. They had been born here and here they would die, leaving the boat to another generation. These people were members of the lowest class of Chinese society. No Chinese on shore would ever consider marrying a river person. Before the reign of the Ch'ien-Lung Emperor, who "naturalized" them, these

¹⁴Fitch Taylor, A Voyage around the World (New Haven, 1855), p. 134, and E.C. Wines, A Peep at China in Mr. Dunn's Collection, with Miscellaneous Notices Relating to the Institutions and Customs of the Chinese and our Commercial Inter-course with Them (Philadelphia, 1839), p. 25.

¹⁵Tiffany, The Canton Chinese, p. 22.

people were not even Chinese citizens.¹⁶ Although the river people had a very segregated existence they created their own community, "a floating population as complete in all its features as one on land." They kept their boats anchored in very neat rows, streets between. Among them there was order and very little violence. These boats occupied a phenomenal amount of space on the sides of the river. One observer claimed that "there were not less than 84,000 dwelling boats within the immediate neighbourhood of Canton."¹⁷

River traffic crowded the middle of the river and created a scene of "ceaseless movement of boats of every description and of all sizes, which literally covered it." Moving up and down the river were vessels never before seen by Westerners. Gaudily painted revenue cruisers, with thatched roofs for protection from the weather and cannons tied with red sashes, hurried by on official business. Coasting vessels transporting salt to various parts of China or carrying cargo to the East Indies and Manila joined them. Smaller boats by the thousands ferried passengers ranging from coolies to wealthy idlers with dazingly long fingernails.¹⁸ The

¹⁶Abeel, Journal, pp. 94-96.

¹⁷William C. Hunter, Bits of Old China (London, 1855), pp. 17-18. Wines, A Peep at China, p. 26.

¹⁸Hunter, 'Fan Kwae' at Canton, pp. 14-15. Hunter resided at Canton from 1825 to 1842, having arrived at the age of thirteen; he was the American merchant who studied the Chinese language.

strangest vessels, indigenous to southern China, were the junks. Employed primarily in transporting cargo, junks were also used as warships in China. Some were large enough to hold five hundred men. The junk had one principal mast, on which flew a sail of bamboo matting. Two smaller masts displayed brightly colored flags. Most noticeable to foreigners were eyes painted on either side of the bow. Similar to the figurehead on Western ships, the eyes were for good fortune. Many junks also boasted ornate carvings and paintings of dragons, serpents and other animals.¹⁹

Thus the Canton or Pearl River was a marvelous wonder to foreigners. There was nothing like it in the experience of Westerners arriving at Canton for the first time. Most of them could not fathom the sheer multitudes of Chinese. Everywhere as far as a person could see in any direction on the river were dense crowds of people, "a city afloat," with its "incessant movement, . . . subdued noises, . . . life and gaiety." For most the river at Canton provided a constant source of interest and amusement in an otherwise tedious existence. One American noted: ". . . it is long after arriving in China, that a foreign eye learns to observe unmoled the gay and active scene perpetually raising in the river."²⁰

¹⁹ Erasmus Doolittle, "Recollections of China," in Silas Holbrook, Sketches, by a Traveller (Boston, 1830), p. 46.

²⁰ Hunter, 'Fan Kwae' at Canton, p. 14. W.W. Wood, Sketches of China: with Illustrations from Original Drawings (Philadelphia, 1830), pp. 54-56.

II

These exotic scenes of Chinese life on the Pearl River reinforced in the minds of newly-arrived Americans the fact that they were entering a different society. A stay at Canton, regardless of its length, was a unique experience both in terms of life-style and of business customs. Foreign trade in China operated under circumstances which American merchants or any other Western merchants found in no other market. All commercial transactions of foreigners, along with their other activities, were under strict Chinese control. The Imperial Government had formulated a very tightly structured system within which they conducted foreign trade. They aimed to control closely both the foreign trade and merchants. Traditional Chinese society merely tolerated mercantile activities as necessary but hardly desirable. Within the Confucian social system merchants as a group were among the lowest classes. According to Confucianism, which theoretically was the basis on which Chinese society operated, one could not live as a righteous and honorable man while engaging in trade.²¹ Although by the end of the Sung Dynasty in the

²¹According to Confucian principles, the economic foundation of the state was agriculture. Trade and commerce were activities that pulled men and goods away from the land. These "parasitic" activities and those engaged in them required control to prevent their overtaking agriculture in importance. Confucianists also believed that trade fostered "crime and corruption," through misuse of its profits by merchants and government officials. See Frederic Wakeman, jr., "High Ch'ing: 1683-1839," in Modern East Asia: Essays in Interpretation, ed. by James B. Crowley (New York, 1970), pp. 1-28.

thirteenth century this Confucian principle no longer was totally effective, the Imperial Government still demanded that trade and commerce be kept under official control.

As Westerners began appearing on the coast of China seeking to trade with the Chinese, the Imperial Government treated them as they had all other foreigners. In Confucian China belief in the superiority of Chinese society and civilization pushed all foreigners into the classification of "barbarians." Chinese viewed their own society as the center of the world with all other societies revolving around it. These foreigners were still part of the world in which China existed. Consequently the Chinese had constructed an elaborate system of foreign relations in order to treat or "manage the barbarians."²² Over the centuries this system had been very successful. The foreigners surrounding China had been tribes or states with political, economic and social organizations much inferior to that of the Chinese Empire. When the Westerners first appeared, the Chinese naturally put them into the same category of other "barbarians" and expected them to act as anticipated. They did not realize that the Europeans were different, with societies with comparable levels of organization as China's but with superior technology. Chinese

²² Simply, this system was based on a superior-inferior relationship between China and foreigners. Foreign states having contact with China included neighboring Asian tribes, Japan, Burma, Siam, etc. At given intervals these states would send tribute missions to Peking, where they would kow-tow (k'ou-t'ou) before the Emperor and present their tribute in acknowledging his sovereignty and their own inferior position. In return the Emperor would bestow gifts upon the mission to take home. See John K. Fairbank, Trade and Diplomacy on the China Coast (2 vols.; Cambridge, 1953).

moral superiority was moreover an incomprehensible concept for the Europeans. The failure of the Chinese to recognize this would eventually climax in war.

By the time American traders arrived at Canton in the late eighteenth century a rigorous system of rules and regulations for governing Western trade had been established. Such had not been the case when the Europeans ventured to China in the sixteenth century. Although the Chinese restricted the trade, the atmosphere was much more open and free. But jealousies among various European traders, especially between the Portugese and the Dutch, led them to be more aggressive toward the Chinese and their trade. Their flagrant violation of existing laws convinced the Imperial government of the need for more rigid regulation.²³ Over the following two hundred years the Chinese developed the system which American and other foreign merchants called the "Canton system." Included in this system were laws governing all facets of the foreign trade, even the lives of the merchants who participated in it.

As soon as their vessels entered Chinese waters, Americans met with Chinese regulations. Although foreign vessels remained unmolested by the Chinese at the Outer Anchorages of Macao and the islands nearby, legally there was to be no trade until a foreign vessel reached the Inner Anchorage at Whampoa. Beginning in the early 1820's, foreigners developed

²³Wines, A Peep at China, p. 102.

a flourishing smuggling trade with the Chinese at the Outer Anchorage of Lintin, an island in the mouth of the Pearl River. But most trade still went through the Whampoa Anchorage. To sail up the Pearl River to Whampoa, a captain had to stop for a Chinese pilot at Macao. Besides the pilot the master also had to obtain an official permit or chop. Such permits were issued only to vessels bearing cargo in kind. (Specie did not constitute cargo under Chinese law.) After the captain received his chop and the Chinese pilot, his vessel proceeded upriver through the Outer Passage to Whampoa. After he anchored his vessel there, he went up to Canton in a smaller boat to announce his vessel's arrival and deliver letters to American residents.

Actual business transactions occurred at Canton. Before the sale of a vessel's cargo could be completed, there were numerous requirements the captain or supercargo and later the consignee had to fulfill. First of all, as part of the strict supervision of foreigners required by the Imperial government, a Chinese had to assume responsibility for foreign vessels. The government designated a group of Chinese merchants whose sole business was China's foreign commerce at Canton. These "Security merchants" or Hang-shang guaranteed a vessel's payment of tonnage and port duties and its crew's good behavior. In return for holding the Security merchants individually accountable for the foreign vessels they secured, the government granted them a monopoly of foreign trade.²⁴

²⁴Liang Chia-pin, Kwang-tung-shih-san-hang-kao (An Examination of the Thirteen Hongs of Canton) (Taipei, Taiwan, 1961), p. 105.

Besides a Security merchant, the foreign trader required the services of a Comprador and a Linguist. He hired both of these persons through the Security merchant who guaranteed the vessel. The Comprador obtained all supplies necessary to feed the crew and refit the vessel while anchored at Whampoa. He received a share of profit made on selling the supplies to the foreign vessels rather than a salary.²⁵ By the 1820's American vessels at Whampoa generally used the services of the same Comprador, who went by the name "Boston Jack." His fees usually amounted to two or three hundred dollars for each ship he serviced. The Linguist was a vital link in the "Canton system" of trade. As he was the interpreter, he was involved in virtually every part of the trade. This individual's importance derived from the dearth of foreigners at Canton able to understand or speak Chinese. Imperial law prohibited teaching the Chinese language to foreigners. The punishment for doing so was death.²⁶ Few foreigners, furthermore, cared to learn Chinese until the missionaries arrived. Before 1844 only one American merchant had studied the language. Instead American merchants willingly relied upon the Linguist to

²⁵This form of payment was known as "squeeze" or yang-lien-fei (fee to nourish incorruption). "Squeeze" was an institution in traditional China of unofficial fees that were a part of most monetary transactions and services. These fees replaced or supplemented salaries and revenue to make corrupt practices unnecessary. Everyone recognized its existence and it worked very efficiently as part of the economic system. "Squeeze" was not the same transaction as defined by Western concepts of extortion or bribery. "Squeeze" only became corrupt when those participating in the system transgressed limits of traditional sense of proportion.

²⁶Williams, "Recollections of China before 1840," pp. 6-7.

interpret from them. The Linguist did not speak English. He communicated with the merchants in Pidgin English, a language that combined primarily English and some Portugese words with Chinese syntax. Pidgin English was the language of trade and commerce at Canton. There was little need for Americans to learn Chinese. The Linguist not only interpreted for business transactions, but he negotiated all transactions between local officials and foreigners relating to the vessel. The fee for his services was a flat \$250.²⁷

When the vessel had acquired the necessary services of the Security merchant, Comprador and Linguist, the Superintendent of the Canton Customs (Yueh-hai-kuan-pu) or Hoppo sent his officers to measure the vessel. Size not weight determined tonnage duties at Canton. The Chinese measured a vessel in terms of covids (one covid equalled almost fifteen inches). There were three classes of size, each of which paid a fixed rate of Taels per covid. The largest class carried the highest rate of duty. American vessels usually paid measurement fees equalling about two or three thousand dollars.²⁸ A major exception to this law was a vessel with a cargo of rice. Such cargo made the vessel legally exempt from any measurement or

²⁷For details concerning the specific regulations of trade at Canton, see a report by American Consul Peter W. Snow, enclosed in his despatch No. 26, Oct. 21, 1839, U.S., State Department, Consular Despatches: Canton.

²⁸These figures are computed according to the information in Consul Snow's report on the Canton trade, Consular Despatches: Canton, Oct. 21, 1839.

tonnage duties. Through this relaxation the government hoped to encourage the importation of rice which the Chinese always needed in quantity. Often vessels stopped in Java or the Philippines to load rice en route to Canton in order to evade the heavy measurement fees. Beginning in the 1830's the American commission houses at Canton regularly despatched vessels to Manila for rice. They stockpiled the rice in a storeship at one of the Outer Anchorages. As American vessels arrived in China, the rice was transshipped aboard them for the trip up-river to Whampoa.²⁹

Whether a vessel carried rice or not the master had to pay other charges known as "Cumsha." Pidgin English for kanhsieh (gratitude), Cumshaw theoretically was a gift from the foreigners to the Emperor for the privilege of trading at Canton. By the nineteenth century the Cumshaw fees were hardly a gift, as they were levied on every foreign vessel. Somewhat lower on vessels with rice, the Cumshaw fees on most vessels totalled more than two thousand dollars. These fees, when combined with measurement fees plus fees paid to the pilot, the Comprador and the Linguist minimally amounted to five thousand dollars. This sum did not include all costs incurred by a vessel at Whampoa. The vessel had not yet even unloaded its

²⁹This information is attainable from the "Consular Returns on American Vessels arriving at and departing from the Port of _____." These "Returns," which included information on vessels, ports and cargoes, were kept by the American consul for a six-month period. Those from Canton are useful only to a limited extent, as many are missing or incomplete. But by comparing those from Canton and Manila in the 1830's, a regular trade in rice in American vessels can be determined. Consular Despatches: Canton and Manila.

cargo. Only after the Hoppo gave his permission could the cargo be taken off. The vessel's Security merchant, who always bought the cargo, sent down coolies with chop-boats or lighters to unload and transport the cargo up to Canton. But the Americans responsible for the vessel bore all costs pertinent to the inward cargo.³⁰ (In turn the Security merchant paid all costs of the outward cargo.) Each chop-boat received about fifteen dollars for its services.

While the vessel lay at anchor at Whampoa awaiting its outward cargo, it was subject further to a constant barrage of small fees which amounted to systemized graft and extortion.³¹ The vessel remained at Whampoa up to six months, during which time the Chinese prepared its cargo of exports. Throughout this period of waiting, only the captain and supercargo left the vessel for any extended time. The crew lived on board, restricted to the vessel except for their "liberty-day" at Canton. Armed with one-month's wages, in groups they ventured up to Canton to spend all of it on souvenirs, liquor and amusement. A street near the river, that "renowned thoroughfare called Hog Lane", contained shops "kept by the greatest ruffians that can be imagined" that catered only to the seamen. (Foreign residents rarely ventured there themselves). The ship's officers carried their crew after this day of riotous revelry back to Whampoa to remain for the duration of the vessel's stay in China. In the

³⁰Liang, Kwang-tung-shih-san-hang-kao, p. 106.

³¹H.B. Morse, The Gilds of China with an Account of the Gild Merchants or Co-hong of Canton (London, 1909), p. 77.

early days of the trade the captain or supercargo transacted the business for the vessel. After 1815 the captain consigned the vessel to a resident agent or a commission house. Consequently, the "time hung heavily on his hands" also. One captain when asked his opinion of Canton answered, "When the Almighty had finished the world on a Saturday night, He must have made Canton out of the chips!"³²

Not only foreign vessels and cargoes but also the foreign merchants who conducted the trade faced regulation and restriction. Most importantly, Canton was the only Chinese port open to foreign trade. All other ports and internal areas remained closed to an foreign presence. The Imperial government had originally allowed foreigners to be at Canton only for the purpose of concluding their business. They stayed in the Factories along the riverfront, buildings the Chinese had reserved for the sole use of the foreign factors or merchants. To ensure that the foreigners would not obtain any sort of foothold in Canton, the government decreed a number of ordinances designed to inhibit the activities of foreigners there. The most important regulation proscribed the presence of any foreign women or fire-arms in the Factories, as the Chinese reasoned that foreigners could not establish permanent residence without families or the means to protect them. This was the most vigorously enforced of the edicts governing Western "barbarians." The interdiction against Western women remained a canon with

³²Hunter, Bits of China, pp. 3-7, 72.

Chinese officials who otherwise winked at foreigners' illegal actions. Other measures restraining foreigners forbade their hiring Chinese servants and their entering inside the walls of Canton. Imperial decrees also banned the use of sedan chairs for transportation and use of the river for pleasure-boating.³³ Consequently, the Factories and the area between them and the river were the only space in which the foreigners had any freedom.

Transcending these restrictions was the law that foreigners must leave Canton as soon as they completed their commercial transactions. Theoretically they were to return home with their vessels. In the early years of Western trade with China such a limitation did not actually hamper the European traders. Weather conditions, namely the monsoons, governed the seasons at Canton. They in turn determined the trading season for the Europeans. The summer southwest monsoons made passage through the South China Sea extremely dangerous, if not virtually impossible at that time. So the trading season opened soon after the southwest monsoons changed to blow from the northeast. This usually occurred in October. From October to March the majority of foreign vessels arrived, sailing in from the Pacific Ocean or from the Indian Ocean through the Straits of Malacca or Macassar and around the eastern side of the Philippines. This latter route was an easy one through

³³For a list of the major restrictions governing foreigners at Canton, see H.B. Morse and H.F. Macnair, Far Eastern International Relations (Boston, 1931), pp. 60-61.

open seas. After March, as the southwest monsoons began to regain strength, a passage through the Strait of Sunda off Java Head was necessary.³⁴ The hazards of shipwreck and piracy were much greater sailing through the East Indies by this route. By the end of March the trading season at Canton dwindled to a few ships. All vessels hoped to clear the South China Sea before the height of the monsoons in June.

For hundreds of years this system operated efficiently. During the summer monsoon months any Europeans remaining in China retreated to Macao, where they preferred the cooler temperatures, fresher air and more open spaces. When the first Americans arrived in China in the 1780's, foreign trade still operated in the same fashion it had when the Europeans first arrived. But this highly structured and formal system was beginning to erode. The limits of the trading season were not so strictly observed as formerly. Although the East India Company operated according to the seasons, the English country traders as well as others arrived at various times besides the autumn months. With bigger and better vessels, the more daring masters ventured into Canton at all seasons. Although the majority still came in the autumn, the trading season was extended at both ends. The constant increase in vessels put more pressure on the foreign merchants who desired to reside in the Factories beyond the limits prescribed by Imperial law. Year-

³⁴The sailing routes from Christmas Island in the Indian Ocean to Macao: Winter: through the Straits of Malucca, past eastern side of Philippines; Spring: through Strait of Sunda, between Banka and Billiton Islands, close by Borneo; Summer: through Strait of Sunda, between Sumatra and Bali Islands, close by coast of Indochina; Fall: between Java and Bali, through Straits of Macassar and Celibes Sea, around eastern side of Philippines and through them at Manila.

round residence in the Factories became necessary to conduct business more efficiently. After 1826, with the growth of the large American commission houses at Canton, the Americans felt compelled to remain in the Factories year-round to conduct their trade. For a price they obtained the tacit permission of the local authorities to do so. As the trade expanded and their own wealth accordingly increased, these officials came merely to disregard the constant presence of foreigners at Canton.³⁵

After circumventing the regulation of the trading season, the foreigners began to chip away at other restrictions. By a combination of silence, bribery and judicious tact the foreign merchants discovered they could prevent local officials from enforcing many of the trade ordinances. The maintenance of proper appearances was more important to many Chinese by this time than the actual circumstances. Not only did the foreigners remain in the Factories with impunity, they violated many of the regulations governing the trade. By the 1830's they had created a flourishing smuggling trade in order to avoid any port charges and fees. Vessels unloaded their cargoes at one of the Outer Anchorages and did not sail up to Whampoa. Much of this cargo was opium. Such violations of Imperial laws, often flagrantly open, were in part the cause of the crises over opium and trade in 1839.

Until the late 1830's the "Canton system" worked efficiently and successfully for both foreigners and Chinese.

³⁵Hunter, 'Fan Kwae' at Canton, pp. 85-86. H.B. Morse, The International Relations of the Chinese Empire (New York, 1918), p. 277.

The Chinese, by creating self-seeking conditions to which foreigners had to submit to trade, very effectively exploited foreign trade for their own profit. Foreign merchants necessarily had to trust implicitly those Chinese with whom they dealt for protection and for profit. The fact they did so manifested the eagerness of foreigners to trade with China, Imperial regulations and restrictions notwithstanding.³⁶ The "Canton system," in the eyes of the Chinese, operated as everything in life should, for the benefit of all participants. This system allowed commercial profits for the foreign merchants beyond the regulations and restrictions on the trade.

Although claims have been made that the Canton system milked much of the profits Western merchants made at Canton, such a charge was not heard at Canton until the late 1830's. Before the crisis over opium the foreign merchants, especially the Americans, acquiesced to the "Canton system" because that system worked so well for them. Within the restrictions they retained broad powers of decision.³⁷ The Chinese furthermore provided a wide variety of services to the merchants. Through the Security merchant and the Linguist all custom-house business was accomplished without bother to the foreign merchant. Most importantly, foreign merchants found their

³⁶Morse, Relations of the Chinese Empire, p. 280.

³⁷Morse, Relations of the Chinese Empire, pp. 278-79.

Chinese counterparts in the trade honest and trustworthy.³⁸ In fact these Chinese merchants, the Security merchants or more simply the Hong merchants, were the essential link in the "Canton system." All trade went through them; without the guarantee of a Hong merchant a shipmaster could not open his vessel's hatches. Besides trade, all communications between officials of the Imperial government and foreigners passed through them. With the advent of a new system in the 1840's the abolishment of the Hong merchant in the foreign trade was the major innovation imposed on the China trade. Until then the Hong merchants had made the "Canton system" work profitably for the foreign merchants.

III

At Canton the Hong merchants were a unique group, merchants as familiar with Westerners and their customs as with Chinese. Since their own success and welfare were equally dependent upon foreign merchants and the local authorities, the Hong merchants depended on their ability to co-operate with these two often antagonistic groups. They were caught in the web of misunderstanding and mistrust which foreign merchants and Imperial officials displayed toward each other. Since Imperial decree proscribed all contact between barbarian merchants and Chinese officials, little opportunity for mitigating this alienation occurred in pre-treaty China. Interesting to note, the Hong merchants often leaned toward

³⁸Hunter, 'Fan Kwae' at Canton, p. 97.

the Westerners. Unlike the majority of Chinese who typically condescended to pity the "barbarians," the Hong merchants endeavored to comprehend the attitudes and methods of operation of foreigners. They were often successful in this effort. The Hong merchants, to be sure, had ulterior motives. Without foreign merchants and their trade they would lose lucrative profits. But they nevertheless formed an important link between Westerners and Chinese. During this early period, when contacts between the West and China were limited to commerce, the Hong merchants were the interpreters of the images on which both sides built their respective attitudes.

As known to American merchants in Canton during the early nineteenth century, the Hong merchants were members of the Co-hong (Pidgin English for Kung-hang), the collective body of the Chinese merchants engaged in the foreign trade. Limited to representatives of the thirteen foreign Hongs or factories, the Co-hong was a monopolistic organization that was part of the Imperial government's plan of control of foreign trade at Canton. During the eighteenth century the Ch'ien-lung Emperor had created this body. In the following years he alternately abolished and recreated the Co-hong in response to demands and bribes by various factions of Cantonese merchants, some of whom were financed by the East India Company. The Chinese merchants, unlike the Company, basically desired some form of organization in order to control the Canton market. But the local officials excessively "squeezed" money from them. As the Co-hong dispersed the responsibility for individual

member's debts over all the members, they intermittently went collectively bankrupt.

In 1760 the merchants of Wai-yang Hong, with the support of the Governor-general of Liang-Kwang, petitioned for the creation of another organization. When they were granted their wish, they called this new structure by the old name of Kung-hang or Co-hong.³⁹ By this time the Imperial government had also established the system of Security merchants in the foreign trade. The new Co-hong became an umbrella over the Security or Hong merchants. It received complete control over all commercial transactions of the foreign merchants, including their payment of duties and taxes plus their use of capital to finance the trade. At this time the government also instituted a new tax on the foreign trade, a levy of three percent on all imports. This "Consoo" (Hang-yung, for the use of the Hong) charge theoretically went into a fund to cover any financial liability of the members of the Co-hong.⁴⁰

When the first American traders arrived at Canton, the new Co-hong was in operation. They quickly discovered that the Security merchant was their most important contact at Canton. Once the master or supercargo contracted to have his vessel

³⁹Liang, Kwang-tung-shih-san-hang-kao, p. 105. This book gives a thorough and very detailed history of the Co-hong and of all Hongts ever involved in foreign trade. Also Morse and Macnair, Far Eastern International Relations, pp. 58-59.

⁴⁰Liang, Kwang-tung-shih-san-hang-kao, p. 106, and Morse and Macnair, Far Eastern International Relations, p. 59.

secured, that particular Hong merchant took complete charge of the vessel's trade. The East India Company regularly gave its business to the same Hong merchants, but the Americans before the late 1820's were not in the same position. Especially in the early days of American trade, when it was extremely speculative, individual Americans could not predict if they would return the following season. Each American trader who arrived had to rely upon his own luck to obtain an honest and capable Security merchant. At this point not all members of the Co-hong were as trustworthy as later Hong merchants were reputed to be. As the American trade to China became more regular, both in terms of voyages and resident agents, those merchants engaged in it sought to achieve maximum profits for their investments. Naturally they desired to deal with the best Hong merchants. Americans at Canton sent information on the various Hong merchants back to the United States.⁴¹ By the 1830's, when American commission houses in Canton transacted the majority of the American trade, each house--like the East India Company--had its own Hong merchant with whom its partners conducted their business.

Of the Hong merchants who secured most of the American trade the two most popular were Houqua and Pwankhequa. In each case three male members of the family served as head of the Hong and therefore bore the same mercantile name. Each merchant, when he established himself as a Security merchant with a Hong,

⁴¹ Various references to Hong merchants and membership of the Co-hong by numerous merchants in their letters show how often the personnel changed. In the 1830's the membership became more stable.

took a commercial name which combined his own surname with a new personal name (ming-tzu). The merchant always included the character kuan in his commercial name to signify that he was an officer of trade or merchant. In Pidgin English kuan became qua. The foreign merchants often had perverted a Hong merchant's name by shortening it, changing its pronunciation, or both. For example, Liang King(Ching)-kuan was known as Kingqua, P'an Ch'i-kuan as Pwankhequa and Wu Hao-kuan as Houqua.⁴² Other Hong merchants who frequently secured the American trade were Mouqua, Youqua and Manhop.

During the pre-treaty period of American trade at Canton membership of the Co-hong changed frequently.⁴³ The Co-hong was often below its maximum of thirteen Hongs. To be a Hong merchant was as harsh and demanding as it was profitable. These merchants were constantly subject to demands for money by local authorities, especially the Hoppo (Superintendent of Customs). The Imperial government at Peking furthermore viewed the Co-hong as a source of revenue for public works, etc. To refuse a "request" from Peking for contributions was punishable by imprisonment and death. Even to join the Co-hong a merchant had to buy permission to the amount of two hundred thousand Taels (over \$275,000) from the Emperor. Consequently only the wealthy Chinese could afford the position of a Hong.

⁴²For biographical sketches of these three Hong merchants, see Eminent Chinese of the Ch'ing Period, ed. by Arthur Hummel (2 vols.; Washington, 1943-44), pp. 501-02, 605-06, 867, 877.

⁴³Morse, Relations of the Chinese Empire, pp. 280-81.

But once established, the opportunities for making a fortune were enormous. With their monopoly of foreign trade and the heavy foreign demand for teas and silks, a Hong merchant who was a shrewd businessman could reap tremendous profits in a short period. The best example was Houqua, who in 1834 was worth twenty-six million dollars. Besides monetary rewards there also existed social rewards for the successful Hong merchants. In return for "gifts," the Emperor often bestowed titles and ranks on the merchants or their sons. Also they could purchase degrees from the government for their sons. In these ways the merchants, members of the lowest class of Chinese society, permeated the Confucian social hierarchy and moved their families up the social ladder.⁴⁴

Few Hong merchants made and retained tremendous fortunes. Like American merchants in the China trade, they endured numerous and severe vicissitudes of fate as well as successes. Many of them suffered serious financial problems which occasionally left them bankrupt. The cause often was speculation on credit without sufficient capital. The Hong merchants, adventurous businessmen like their American counterparts, invested in both Chinese and foreign commercial ventures. They accomplished the latter under cover of the commission houses at Canton. But their credit also came from the same source, American merchants and English country traders.⁴⁵ If

⁴⁴This can be seen in the biographical sketches, Hummel, Eminent Chinese of the Ch'ing Period, pp. 501-2, 605-6, 867, 877.

⁴⁵Evidence of this appears in numerous letters from American merchants at Canton to their partners and consignors in the United States. See letters in Russell & Co. MSS.

the investment failed, the Chinese merchant often had no way to pay his debts. Although the Consoo Fund existed to cover debts incurred by Hong merchants, they usually dared not resort to it in these circumstances. Above all they desired to keep the matter hidden from local officials, as adventures in foreign trade were forbidden. Usually the Co-hong sought to cover the debts of its fellow members to prevent any official investigation and action. But the situation created problems for foreign houses which often had debits as much as one hundred thousand dollars listed on their ledgers as a loan to a Hong merchant.⁴⁶ If the merchant went too far in debt, the Co-hong could pressure him to retire. The wealthier Hong merchants could not continually afford to pay others' debts in addition to their own assessments.

Although the American merchants at Canton sporadically complained of the restrictions of the Canton system and the monopoly of the Co-hong, for the most part they praised the honesty of the individual Hong merchants and the efficiency of their system of trade. The major problem the Americans faced was deceptive practices in packing merchandise. Especially in the beginning years of trade, American discovered that some

⁴⁶For discussions of investments and financial difficulties of various Hong merchants, see Letter, Bryant & Sturgis to J.P. Sturgis & Co., Mar. 6, 1823, Harvard Business School, Baker Library, Bryant & Sturgis MSS; Letter, T.T. Forbes to T.H. Perkins, Nov. 1, 1824, Harvard Business School, Baker Library, Forbes MSS; Russell & Co. to S. Richards and S. Russell, Dec. 9, 1836, Heard MSS. The Governor-general of Liang-Kwang memorialized the Emperor on the practice of foreigners lending money to Hong merchants, see "English, Americans, and Prussian Merchants Lent Money to Two Hong Merchants, Nov. 29, 1810," in Fo Lo-shu, A Documentary Chronical of Sho-Western Relations, 1644-1820, The Association for Asian Studies: Monographs and Papers, No. XXII (Tucson, 1966), pp. 380-81.

Hong merchants tried to profit from selling cheaper quality goods at high-quality prices or from sending merchandise of a different quality than was contracted to be shipped.⁴⁷ These merchants gained a reputation that quickly spread. As American merchants began to reside at Canton, this practice of cheating soon dwindled. After the mid-1820's very little concern for such deceptions was noted in communications among Americans engaged in the Canton trade.

Until 1840 there were very few complaints by American merchants concerning the "Canton system." For the system as it existed then, this was remarkable. The Hong merchants completely controlled all business transactions from the time a vessel anchored at Whampoa until the vessel left again. Such a system left vast areas for extortion on the part of the Chinese, through the Hong merchants.⁴⁸ All foreigners, including Americans, realized at the time that their trade was "squeezed," but the demand abroad for teas and silks and the profit in importing them overrode all resentment. Also the honesty and integrity displayed by the Hong merchants enabled both groups to transact business agreeably and profitably. No written contracts ever existed, all business deliberations were oral. Some contracts were made a year in advance of actual sales, but no one

⁴⁷ An example of this is in Letter, C. Butler and E. Carrington to S. Russell & Co., May 10, 1820, Russell & Co. MSS.

⁴⁸ Tyler Dennett, Americans in Eastern Asia: A Critical Study of the Policy of the United States with Reference to China, Japan and Korea in the 19th Century (New York, 1922), p. 49.

ever reneged on his word. Of all aspects of life at Canton, the American merchants remembered this remarkable mode of commerce most favorably. "The transacting of business was of the pleasantest, nothing being left undone to render it easy and convenient in all its branches." At least one American much preferred doing business at Canton than in the United States.⁴⁹

There existed another group of Chinese merchants about whom Americans were also very complimentary. These merchants were the "Outside merchants" or "Chow-chow men" (San-shang or miscellaneous merchants). Their name derived from their circumstance of being "outside" the Co-hong and from their merchandise being "chow-chow" articles or sundries. Theoretically all foreign trade was legally within the jurisdiction of the Co-hong. Yet the Hong merchants only retained trade in the major imports (ginseng, raw cotton, cotton and woolen cloths) and exports (teas and silks).⁵⁰ The Outside merchants dealt in the trade's minor articles such as chinaware, lacquer ware, ivory, fans and fireworks. In 1828 the Imperial government indirectly sanctioned this trade by promulgating a list of items delegated to management by the Hong merchants. This list omitted the

⁴⁹ Hunter, Bits of China, p. 222. The Hong merchants' honesty and integrity are attested to in Hunter, 'Fan Kwae' at Canton, pp. 95-96, and Hughes, J.M. Forbes Reminiscences, I, 225-26. In a letter John Perkins Cusing stated his preference for the trade system at Canton, Letter, J.P. Cushing to T.T. Forbes, Dec. 10, 1828, Bryant & Sturgis MSS.

⁵⁰ H.B. Morse, The Chronicles of the East India Company Trading to China, 1635-1834 (5 vols.; Cambridge, England, 1926), III, 325.

chow-chow trade articles.⁵¹ Like the Hong merchants these Outside merchants had a reputation of honesty and integrity in the foreign trade. American merchants, who exported a large percentage of chow-chow merchandise, valued some of the Outside merchants, Cumwa and Washing especially, as much as they did their Hong merchants.⁵²

While the Hong merchant's primary function under the Canton system was commercial, they also served as official representatives of the Imperial government in dealing with the foreign residents at Canton. The ramifications of this latter capacity were important in the crisis of 1839-1842. In effect the Hong merchants formed a buffer between the authorities and the foreigners. Such a barrier was necessary from the Chinese viewpoint, since the officials could not directly treat on a level of equality with "barbarians." But this responsibility also tended to push the Hong merchants into closer ties with the foreigners. Both groups' desire for a profitable trade reinforced this bond. At times the Hong merchants were willing to subvert their own authorities and aid the foreign merchants in violation of regulations. Consequently the foreigners were able to use the very group instituted to control them and their trade to circumvent the Chinese Government's laws and regulations.

⁵¹Liang, Kwang-tung-shih-san-hang-kao, pp. 108-09.

⁵²Hunter, 'Fan Kwae' at Canton, p. 106, and Wines, A Peep at China, p. 55.

In many instances the Hong merchants' partiality to foreigners stemmed from their aversion for the local authorities. Although the local government was dependent upon the foreign trade for its revenue, the officials also used the trade to enrich themselves on the side. They squeezed and harassed the Co-hong for money to supplement taxes. A parallel structure of government over the Hong merchants exacerbated the "squeeze." Directly above the Co-hong on one side was the Hoppo (Kuan-pu) or Superintendent of Customs. This official was an appointee of the Imperial Court; he was therefore independent of local provincial authorities. From his customs duties he had to pay his staff of collectors and satisfy the officials and ministers above him at Peking. He also usually was able to amass a fortune of his own. The source of revenue for all these debts was the foreign trade through "squeezing" the Co-hong.⁵³ Since he wielded independent power over the trade, the Hoppo was an extremely influential official at Canton. For those able to secure the position, the result was one of the most lucrative services within the Chinese Empire.⁵⁴

In addition to the Hoppo, the Co-hong was also responsible to the local provincial officers of the Imperial government. In China the province traditionally have maintained a certain amount of independence from the central government at Peking.

⁵³Morse, Gilds of China, p. 71, and Morse and Macnair, Far Eastern International Relations, p. 57.

⁵⁴The post was so lucrative that it was a one-year appointment.

As long as the provincial officials remitted their assigned quota of revenue and kept order, Peking was content to leave them alone.⁵⁵ To be sure, the Imperial government did not refrain completely from any interference. Various arms of the Imperial bureaucracy kept watch over the provinces but only when circumstances warranted direct action did the Emperor overrule the provincial government. At the top of the provincial structure was the Governor-general (Tsung-tu) or Viceroy who ruled two provinces, in this case Kwangtung and Kwangsi (Liang-Kwang or "the two Kwangs"). His duties concerned the general maintenance of law and order, and he was supreme in all civil matters. Under him was the provincial Governor (Fu-tai or Foo-yuen), called the Lieutenant-governor by the foreigners. He ruled Kwang-tung (Canton's province) and substituted for the governor-general if necessary. Both of these men were responsible for the foreign trade in seeing that foreigners obeyed the laws of the Celestial Empire.

Below the governor were a variety of officials who presided over provincial revenue and justice. At the bottom of the hierarchy were the Hien (Hsien or "district"), officials who combined the duties of tax collector, police chief and magistrate. Canton had two districts and therefore two Hien, the Namhoi (Nan-hai) and the Punyu (Pan-yu). These Chinese officials exercised the most direct responsibility over the

⁵⁵Morse and Macnair, Far Eastern International Relations, p. 55.

foreigners in terms of law enforcement.⁵⁶ In all cases, concerning the rules and regulations of the foreign trade, the provincial authorities operated through the Co-hong. Their usual method was to issue edicts to the Hong merchants commanding them to make the foreigners obey. If the foreigners did not do so, the authorities held the Hong merchants responsible. In some instances they even resorted to imprisonment and threats of death to force the Hong merchants to regulate the foreigners. If the foreigners wished to communicate to the authorities, they had to petition the Hong merchants to submit pleas on their behalf to the proper officials. There was no direct communication between foreigners and Chinese except through the Hong merchants.

Like the Hoppo the provincial authorities viewed the foreign trade as a source of revenue. Also like the Hoppo's, their expenses usually exceeded their legal resources of revenue. Although autonomous in governing their province, the governor-general and governor were subject to "squeeze" from above. Naturally they in turn squeezed the officials under them. This system went all the way down to the Hien, who then squeezed the Co-hong.⁵⁷ Such a system, although alien to Western ideas about government, had operated efficiently for a long period in Imperial China. But by the nineteenth century the Ch'ing

⁵⁶Morse, Gilds of China, pp. 71-72.

⁵⁷Morse and Macnair, Far Eastern International Relations, p. 59. Journal of Benjamin Hoppin, jr., Memorandum.

Dynasty, then close to two hundred years in existence, had declined in strength and vitality. Excessive venality on the part of its officials abusing the institution of "squeeze" sapped the effectiveness of the system of unofficial "squeeze". Improper demands for money which no longer constituted necessary source of revenue contributed to the breakdown of the system. Bribery, which was distinguished from "squeeze" in the Chinese system, became common. Foreigners, as well as Chinese, participated in this abuse of the system. Fearful and suspicious of the power of the officials at Canton, the Hong merchants were often happy to help foreigners seeking to thwart their power. The Americans at Canton, like all foreigners, profitted from such an attitude of the Hong merchants. But, more than any other group of foreign merchants, the Americans maintained fairly good relations with the government. For them the Canton system generally functioned very well.

IV

Daily life at Canton was no less a unique experience than the system of business and official relations. Residence there was totally different from that in any other foreign port. Imperial law prohibited foreigners inside the walls of Canton and restricted them to the area of the Foreign Factories on the bank of the Pearl River. The Foreign Factories or Hongs dated back to the eighteenth century, when the Chinese had constructed them for the use of the Chinese merchants in the foreign trade. After the formation of the Co-hong this body took them over. Foreign traders also began to use them as counting-rooms.

Except for the Spanish, all the Europeans in the Canton trade came in national trading companies.⁵⁸ Requiring a place to conduct their business and to reside during the trading season, the European companies received the privilege of renting the Factories from the Co-hong. Throughout the pre-treaty period the Hong merchants retained ownership of the buildings and rented space in them to the foreign merchants. Each Hong merchant was responsible then not only for the vessels and cargoes which he secured but also for the resident merchants connected with the vessels.⁵⁹

All of the Foreign Factories fronted on the Canton or Pearl River. As described by Americans in Canton, the group of buildings occupied an area just over sixteen acres. All of them stood in a row facing the river with three streets running through them. Although constructed of brick and roofed with tile, the buildings over the years had been razed several times. Their style invariably remained the same, three stories high with verandas supported by pillars. All the windows and doors and Venetian blinds which did little to keep out the heat or the noise.⁶⁰ Actually each Factory building contained several

⁵⁸The Journals of Major Samuel Shaw, the American Consul at Canton, ed. by Josiah Quincy (Boston, 1847), pp. 168-72. Shaw gives a history of all the foreigners and their trade at Canton.

⁵⁹Morse and Macnair, Far Eastern International Relations, pp. 61-62.

⁶⁰W.S.W. Ruschenberger, A Voyage round the World: including an Embassy to Muscat and Siam, in 1835, 1836, and 1837 (Philadelphia, 1838), pp. 393-94.

apartments connected by passage-ways. Except for the New English Factory, which was the residence of the East India Company, several commercial establishments occupied a single Factory. These Chinese had originally given each Factory a name. Over the years the names of the European trading companies that had occupied the Factories remained associated with them, even though many had long departed. By the 1820's and 1830's the Foreign Factories were known by both of their appellations, Chinese and English.

One Factory, the Kwang-yuan Hong or Factory of Wide Fountains, had been taken over by American merchants and subsequently called the American Factory. This building consisted of three apartments, each occupying three floors side by side. The ground floor consisted of storerooms, a kitchen and quarters for the Chinese servants. More importantly, on this floor also were the counting-rooms or offices and the treasury. This latter room was essential to all commercial establishments, since there were no banks in Canton. Although in the 1830's the merchants largely used bills in trade, specie was the predominant commodity imported to pay for teas and silks. Built of granite with iron doors, the treasury in every prosperous house contained about one million dollars in bullion.⁶¹ No one actually guarded the vault, although during the day the house's Shroff was always present. The Shroff was a Chinese money-dealer employed to handle the actual receipt and payment

⁶¹Hunter, 'Fan Kwae' at Canton, pp. 24-25.

of specie for the house. In Canton monetary transactions were according to weight, so the Shroff sat in front of the treasury with his scales and weights and piles of bullion.⁶² Above the working quarters was a floor of drawing rooms and dining rooms. The bedrooms were on the third floor.⁶³ An establishment required numerous living facilities to accommodate not only its partners and pursers but also the masters and supercargoes of the vessels consigned to it. During the busiest months of the trading season the number of latter "guests" would swell the house residents to more than double the normal size. These chambers, nevertheless furnished very sparsely, presented "cheerless" surroundings to their residents.⁶⁴

Americans did not all reside at the American Factory, as there were too many commercial establishments. They also filled Suy Hong or the Swedish Factory. (There had been no Swedish merchants at Canton since the late 1700's.) In fact the American consul traditionally resided there, with the American flag flying in front. There were further American establishments in the Imperial (German) Factory (Ma-ying Hong) and in the French Factory (Fa-erh-hsi Hong).⁶⁵ All of these

⁶²Hunter, 'Fan Kwae' at Canton, p. 56.

⁶³Tiffany, The Canton Chinese, pp. 214-15, and Taylor, Voyage around the World, pp. 137-38.

⁶⁴Hughes, J.M. Forbes Reminiscences, I, 139.

⁶⁵The Foreign Factories with both names are listed in Ruschenberger, Voyage round the World, p. 394, and Ljungstedt, Historical Sketch of the Portugese Settlements in China, pp. 282-83.

Factories constantly faced the threat of fire, and before 1844 they had burned to the ground at least twice. Once a fire began at Canton, crowded housing conditions and lack of fire-fighting equipment allowed the flames to cover a large area in a very brief time. The Co-hong was responsible for protecting the foreigners and their Factories from all disturbances including fire. Although the Hong merchants maintained boats and coolies for this purpose, they were usually unsuccessful in combatting fires. The foreigners managed to escape with their lives, account-books and treasury but lost their buildings and goods.⁶⁶ Not until the late 1820's did the American merchants bother to carry any insurance on their merchandise.

In front of the Factories was a paved expanse about one hundred yards deep. Called Factory Square by the foreign residents, this esplanade reached all the way to the river. At its edge was a landing-place, known as Jackass Point, for the boats that brought foreigners up from Whampoa. (There were no wharves at Canton since the cargo vessels were unloaded and loaded at Whampoa.) Foreign residents used the Square as their place of exercise. Regulations prohibited them from venturing anywhere inside Canton and the China countryside or from rowing and sailing on the Pearl River. So their only opportunity for exercise, as had been the case aboard ship, was walking or

⁶⁶ A disastrous fire razed the Factories in 1822. Letter, Perkins & Co. to J. & T.H. Perkins, Nov. 7, 1822, Harvard Business School, Baker Library, Perkins & Co. MSS; Journal of Benjamin Hoppin, jr., Memorandum. Concerning fire insurance, see Letter, Wetmore & Co. to G. Peabody, Nov. 10, 1836, Salem, Essex Institute, George Peabody MSS.

pacing up and down Factory Square. The East India Company had walled off part of the Square in front of their Factory for a garden. This spot provided a sort of sanctuary or escape from the Square for the foreigners. During daylight hours Chinese of all descriptions flooded the Square. They included "itinerant pedlars and hawkers in a small way of business," singers, jugglers, cobblers, tinkers, barbers, "idlers and vagabonds." "Add to these quantities of professional loafers, staring in a vacant way at any passing foreigner." The experience of walking through this melange of sights and sounds was very intimidating to foreigners.⁶⁷ Although the Americans, like other foreigners at Canton, accustomed themselves to this scene and even viewed it with indifference or amusement, the English Garden was a welcome refuge of repose.

For Americans first arriving at Canton the activity in the Square, combined with the noise of Chinese shouts and laughs plus the utter peculiarity of customs, was overwhelming. Americans discovered that Chinese customs were sometimes almost exactly opposite their own and often bewildering.⁶⁸ Their countrymen's appearance further surprised the newcomers. The former's dress was nearly as hilarious as that of the Chinese, because the style was so out-of-date. To new arrivals, American residents at Canton displayed "worn, haggard expression/s/ and

⁶⁷E.C. Bridgman, "Walks around Canton," Chinese Repository, IV (May 1835), 42-43.

⁶⁸Hunter, Bits of Old China, pp. 124-25.

excessive paleness. . . ." They spoke and moved languidly. This characteristic struck most of the arriving Americans, who were usually from the northeastern United States, "very unpleasantly" to say the least.⁶⁹ But the Americans soon found that, except during the height of the trading season, everyone tended to live at a much slower pace at Canton.

One reason for the residents' lethargic behavior was their small amount of exercise. They not only had few opportunities for pleasurable exercise but they did nothing in the way of physical work. Chinese servants took care of all domestic chores. Every establishment, regardless of size, retained a Comprador, who literally ran the Factory household. Actually the Hong merchants supplied the Comprador and secured him "in all that related to good conduct generally, honesty and capability." In turn the Comprador chose all his "own people" whose behavior he secured, to staff the Factory establishment. Besides directing housekeeping duties, the Comprador was also the Factory "banker," keeping private accounts for all the members and paying their personal bills. A merchant could "live in Canton for years, and never have occasion to defile his fingers with cash."⁷⁰

Every resident in the Factory also had his private servant who satisfied all his needs and desires. This servant

⁶⁹Letter, T.H. Cabot to E. Cabot, Aug. 24, 1834, Samuel Cabot MSS. Tiffany, The Canton Chinese, p. 235.

⁷⁰Hunter, 'Fan Kwae' at Canton, pp. 53-54; Ruschenberger, Voyage round the World, pp. 394-95.

was extremely devoted to his master, but he would do nothing for any other foreigner. He furthermore refused to do any menial labor such as cleaning. Such duties were the responsibility of coolies under his direction. Although the servant was accountable to the Comprador, he especially desired to please his foreign master. The main reason the servant worked in the Foreign Factories was to enter the commercial sphere at Canton himself. Known in Chinese as shih-tsai, or "business youths," these young men hoped to learn Pidgin English sufficiently to enable them to become pursers at a Chinese Hong or Outside shop that transacted business with foreigners. Usually relatives of the Comprador, this was an opportunity to advance themselves and their family financially and socially.⁷¹

All these Chinese servants were not able to make life at Canton enjoyable though. The conditions under which the American residents lived certainly were pleasant and in the United States only the very wealthy would have had the luxuries common at Canton. But the comfort and luxury usually associated with the life foreigners enjoyed in China only came about after 1844 in the newly-opened treaty ports. In pre-treaty days living in the Canton Factories for the majority of Westerners, although they were free from menial labor and they did experience moments of gaiety, had many uncomfortable and unpleasant aspects.

⁷¹Tiffany, The Canton Chinese, pp. 216-17; Hunter, Bits of Old China, p. 8. In Pidgin English the youths were called "makee larn."

One of the worst features was Canton's "raging" climate. Completely unaccustomed to humid heat, the Americans complained incessantly of the discomforts of Chinese summers. There was virtually no relief from the heat, although many of the residents did change to white linen suits. Even worse though were the winters, "the sickly season. . .when the many sudden changes of weather cause cold, which bring on fever, &c." The temperature sometimes varied fifteen to twenty degrees within a few hours. Accompanying this were changeable winds, chilly northern winds with occasional humid hot southern winds. The American seemed to have trouble adjusting to the precipitous changes and as a result many became ill at the onset of winter.⁷² A person with a cold or fever apparently could not recuperate at Canton. Remaining in the Factories often led to a more serious disease, so those who did become ill sailed down to Macao or even back to the United States. An American's resistance also seemed to decrease over a period of years, so that many fell seriously ill after a few years. This posed problems for houses which needed to rearrange personnel to cover the sick man's leave of absence.⁷³

Another discomfort that accompanied the climate was the constant presence of insects and pests in the Factories. Perhaps the worst and most ubiquitous were the cockroaches. They

⁷²Ljungstedt, Historical Sketch of the Portugese Settlements in China, pp. 201-02, with a monthly account of the weather at Canton. Tiffany, The Canton Chinese, pp. 20-21. Letter, W.H. Low to Seth Low, summer 1830, in Loines, China Trade Postbag, p. 37.

⁷³Letter, W. Sturgis to A. Heard, Sept. 22, 1833, Heard MSS.

were so bold as to be found "eating the labels from the tea chests, the men's boots and oilskins, nibbling their toenails as they slept." Also constantly menacing the Factory residents, especially during the season of the southwest monsoons, were mosquitos and centipedes with painful bites. Further surprising the Americans was an assortment of flies, rats, lizards and venomous snakes. The deadly snakes invaded the Factories during floods, which apparently were a common occurrence during the monsoons. The rain caused the river to overflow into the Square and even into the Factories. One American resident remarked that the Americans liked the lizards. Living on the ceilings, they acted "as an auxiliary in catching mosquitos and flies." The lizards also provided amusement when, in losing their footing, they dropped onto an unsuspecting person.⁷⁴

Weather and pests were tolerable to a certain degree, but the restrictions that kept Americans virtually confined to their Factories added to the above discomforts to make their life tedious and lonely. They had almost nothing to do outside their business. One young American writing to his family in 1834 summed up the excitement in his life: ". . .we almost every afternoon make up a party for a pull. . .upon the river or a walk of a couple hours in the square which is the sum total of all the amusement we have in the course of a day

⁷⁴Charles P. Low, Some Recollections (Boston, 1905), pp. 28-29; Hunter, Bits of Old China, p. 16.

excepting eating which becomes. . .the great object of life."⁷⁵ Although they often varied their walks by taking different routes around the Square or by walking at different paces, the Square was not all that large. In the 1830's, against government regulations, the foreign residents took up rowing on the river in front of the Factories. Some of the Americans constructed schooners in which they raced one another. They even held races against the British residents.⁷⁶ This provided some exercise and amusement during the dull periods, although it too became tedious.

All facets of life at Canton narrowed down to an overwhelming emphasis on business. Outside the comfort of having servants carry out their wishes there was little else to entice one's residence at Canton. Life in the Factories remained very different from the rosy characterization later given that in the treaty ports. Except for a very few who liked Canton, the American residents there before 1844 wrote of their boredom and even more of their isolation. After he returned from Canton, one merchant wrote that "it is difficult to conceive of the state of isolation in which we lived in the Hongs." All their family and friends were oceans away and they longed for letters from home. But even these required up to six months

⁷⁵Letter, T.H. Cabot to E. Cabot, Oct. 13, 1834, Samuel Cabot MSS.

⁷⁶Tiffany, The Canton Chinese, p. 243. Hughes, J.M. Forbes Reminiscences, I, 154-55.

to arrive. As vessels did not come regularly to Canton, long periods of time passed without any news or correspondence from the United States. At Canton the residents had no company but each other. Until late in the pre-treaty period there was apparently very little fraternization between Americans and British or among merchants of competing American houses. The primary unwritten rule among foreign merchants at Canton was no discussion of business outside the Factory: "If you talk about business, harm may come from it, but, if you hold your tongue, you are safe!" Inside the Factory the residents discussed nothing but their own business, the state of the tea market or "the ups and downs of life in the rice market." In effect, a resident's life almost totally revolved around the trade and his duties in the commercial transactions consigned to him.⁷⁷

Most Americans therefore could not wait to leave Canton and return home. They made someone's departure a major event, partially as a good excuse to hold a party but also to soothe feelings of envy and disappointment felt by everyone else. Nevertheless, Americans still went to Canton and even returned a second and third time, knowing what lay ahead. The solitary reason was the profits to be garnered in the Canton trade.⁷⁸

⁷⁷ Hughes, J.M. Forbes Reminiscences, I, 144-45, 155; Letters and Recollections of J.M. Forbes, ed. by Sarah Forbes Hughes (2 vols.; Boston, 1899), I, 30. Williams, "Recollections of Canton," p. 1.

⁷⁸ Letter, J.M. Forbes to S. Cabot, Mar. 13, 1836, Forbes MSS. Letter, A. Heard to R.B. Forbes, Jun. 7, 1839, Heard MSS. Diary of H. Low, Nov. 20, 1833, Low Family MSS.

If a man resided at Canton and worked hard at the trade, he believed (with good reason) he would come home financially well-off. So a residence at Canton became a temporary stay. When an American made his fortune or recouped his debts, he knew he would leave. Such knowledge enabled the Americans at Canton to endure a lot of hardships. They even took the attitude that without temptations and amusements, a man would have to concentrate on his business. He could make more money in a shorter period. The implication was that he could leave sooner.⁷⁹

This emphasis on the temporary aspect of life at Canton is very important to understanding American relations with the Chinese. American attitudes toward China, the Chinese and the American trade at Canton stemmed from their stress on residing at Canton only long enough to gather sufficient profits from the trade to go home. As a result they were more tolerant of the Chinese and their commercial system. An expeditious trade was far more important to American merchants than Western principles of international relations. They therefore willingly acceded to the regulations and restrictions of the "Canton system," although the Imperial government treated them as inferior "barbarians." In turn their attitude helped create a friendly response from the Chinese, who developed a special

⁷⁹Letter, A. Heard to S. Brook, Oct. 18, 1841, Heard MSS. Letter, R.B. Forbes to S. Cabot, Mar. 3, 1840, Samuel Cabot MSS. "The Canton Letters, 1839-1841, of William Henry Low," ed. by James Duncan Phillips, Essex Institute, Historical Collections, LXXXIV (1945), 223-24, 304, 323-24. R.B. Forbes, Remarks on China (Boston, 1844), pp. 164-65. Forbes returned to Canton twice and recouped his losses.

attitude toward the Americans and their trade. From this foundation would develop a relationship that seemed to last throughout the nineteenth century and into the twentieth century.

CHAPTER III

AMERICAN MERCHANTS IN THE "CANTON SYSTEM"

Throughout the period before 1844, the number of American resident merchants at Canton remained small. Not until 1845, three years after the opening of four other treaty ports, did the American population in China exceed one hundred. From 1815 to 1844 the average number of resident Americans was about thirty. Before the War of 1812 very few foreigners actually resided at Canton. This was especially true of the Americans, who had yet to organize a trading company. After the War resident agents began doing the work formerly assigned to the supercargoes. In a highly speculative trade a resident merchant could keep better informed about market conditions at Canton. The number of American residents naturally increased, but this increase brought the total to only twenty merchants. In the 1830's more American merchants ventured to Canton with the appearance of commission houses and an expanded trade. During that decade American missionaries first entered China, although for the most part they resided at Macao instead of Canton.¹

¹Determining the total population of American residents in any given year is extremely difficult, as very few lists are available. H.B. Morse, in his Chronicles of the East India Company Trading to China, 1635-1834 (5 vols.; Cambridge, 1926), gives partial lists and numbers for random years. The Chinese Repository, a newspaper published by American missionaries in China, published a census of foreign residents for the year 1836 and then regularly

British residents at Canton considerably outnumbered the Americans. As long as the East India Company retained its chartered monopoly of the British trade with China, the British population was roughly double that of Americans. With the end of the Company's monopoly in 1834, private British traders and Parsee merchants from India flooded into the Canton trade. From that time, British residents outnumbered Americans three-to-one or four-to-one. The Parsees at one point even pushed the Americans into third place in total population.² The extremely limited number of American residents at Canton was a very significant factor in the formation of American attitudes and actions in China. This factor is certainly remarkable in view of the fact that Americans arrived at these concepts independently of the numerically dominant British establishment at Canton.

Not only was the American merchant population at Canton limited in number, it was homogeneous in character.³ The backgrounds of Americans were remarkably similar. Virtually all of them came from commercial cities, if not seaports, in the northeastern United States between Providence and Philadelphia.

after 1840. This source is the best, although women and children are not counted. In some issues though the place of residence is included.

²Chinese Repository, V, 9 (January 1837), 426-29; X, 1 (January 1841), 58-60; XI, 1 (January 1842), 55-58; XII, 1 (January 1843), 14-17; XIII, 1 (January 1844), 3-7; XIV, 1 (January 1845), 3-9.

³The basis for conclusions made concerning factors of homogeneity of American residents is a compendium of information gathered from the various manuscript collections consulted.

Given the nature of the China trade, this is hardly surprising. Since the earliest residents were former supercargoes or ship-masters, they naturally came from the port from which their vessel sailed. At that point merchants in the United States who adventured in the Canton trade owned their own vessels. They consequently had few vessels involved in that quarter of international commerce. These merchants chose the master or supercargo, very often a member of their own family, most adept at the East India commerce to reside at Canton to oversee their business. The earliest residents therefore came from the American port cities involved in the China trade. Although Boston, New York and Philadelphia had representatives, before 1826 the majority of Americans at Canton were from Salem and Providence.

After 1826 the majority of Americans came from Boston, New York, and Philadelphia. By that year these cities dominated American trade at Canton. In 1825 three major commercial houses, Perkins & Co. of Boston, Thomas H. Smith of New York, and Archer, Jones, Oakford & Co. of Philadelphia, controlled seven-eighths of the American ventures to Canton.⁴ By 1826, however, the overexpansion of the China trade which followed the War of 1812 caused a depression in that branch of commerce. As a result, many merchants completely failed or left the China trade. T.H. Smith was the largest house that suffered bankruptcy, although the other major houses suffered setbacks.

⁴Letter from C.H. Hall, Jan. 16, 1826, in U.S., Congress, House, Committee on Foreign Affairs, China Trade, H. Doc. 248, 26th Cong., 1st sess., 1839-40.

After this debacle fewer merchants speculated in Canton voyages and those who did had already enjoyed some success in them.⁵

At Canton there was also a shift in organization. A new structure, the commission house, appeared. Initially, these houses were simply a combination into partnership of two or more resident agents, each of whom brought their own business into the house. But the members of the house restricted their business activity entirely to commission work. In other words, they merely bought and sold cargoes on consignment from merchants in the United States and Europe. These houses became independent commercial agencies, no longer part of American mercantile houses. The individual members of the house, as well as the house itself, did not own any interest in merchant vessels. This type of organization operated very successfully. The commission house employed the talents of several merchants in China and simplified the trade for merchants elsewhere. As the China trade expanded and became more sophisticated in the 1830's, the success of the commission house was very apparent. With the separation of shipowners and merchants, with the virtual disappearance of the supercargo's duties, with the growing complexities in world trade, the commission house was eminently more practical than the individual agent. Much of the trade was done on freight and a commission

⁵This conclusion is drawn from information from various manuscript sources regarding participants in the trade and their vessels at Canton. Use of the "Consular Returns of American Vessels arriving at and departing from the port of Canton" included in U.S., Department of State, Consular Despatches: Canton is also useful.

house could fill a cargo more quickly.

During the 1820's the first commission houses to appear at Canton were connected with the major commercial houses in the United States. Perkins & Co. of Canton had been the China agent of Perkins & Co. of Boston since 1803. The chief of the establishment John Perkins Cushing, after the death of his partner in 1829, joined forces with another agency house Samuel Russell & Co. In the 1830's Russell & Co., drawing consignments largely from Boston merchants, expanded into the largest and most important American commercial operation at Canton. This house became so large that it spawned a rival house. Augustine Heard and Joseph C. Coolidge, both former partners, in Russell & Co. in the 1830's, formed A Heard & Co., which ultimately became one of the four largest American commercial houses in China.

Also appearing in the late 1820's were two other major houses. David W.C. Olyphant formed Olyphant & Co. from the shambles of T.H. Smith's business in New York. His partners were all Smith's former associates in New York. In the early 1820's Nathan Dunn of Philadelphia built up Nathan Dunn & Co. in connection with Archer, Jones, Oakford & Co. of Philadelphia, by bringing Joseph Archer into his agency. Dunn left Canton in the early 1830's, relinquishing his position in the house to William Shepherd Wetmore. Thus began Wetmore & Co., Russell & Co.'s largest competitor in the 1830's and 1840's. Smaller commission houses appeared at Canton, especially after the dissolution of the East India Company's charter in 1834 and

again after the opening of new ports in 1842.⁶ The new agents predominately came from the growing American ports of New York and Philadelphia. While Boston and Salem merchants dominated the early China trade, during the late 1820's and 1830's New York garnered the largest share of shipping to and from Canton. Other than Russell & Co., which drew partners from New York as well as Boston in the 1830's, there were few Bostonians at Canton.

Besides a similar geographic background, these Americans shared a commercial orientation that also contributed to the homogeneity of their community at Canton. They were overwhelmingly from merchant families in the Northeast. The China trade became a self-perpetuating institution for many families in Boston, New York and Philadelphia. Most American residents in the 1820's and early 1830's had been masters or supercargoes, and clerks in the United States previous to that. With the formation of commission houses at Canton, these residents called on their own families to send out sons and nephews to clerk for them. Virtually all merchants at Canton had former commercial experience or were related to a merchant. At Canton a newcomer would clerk for four years to learn the business. He then joined the house as a partner, transacting business and teaching new members the trade. After seven years in China he returned to the United States to drum new commissions for the house. When he left, he chose his own replacement at Canton. The new appointee most often was a relative. Consequently,

⁶The Chinese Repository lists commission houses at Canton in its population census.

a few families dominated the Canton trade. The most prominent example of this phenomenon was the family of Boston's greatest merchants, James and Thomas Handasyd Perkins. Their descendants by the names of Cushing, Forbes and Sturgis provided a continuous line of partners for Perkins & Co. and Russell & Co. The latter house was never without a partner from the Forbes or Sturgis families. Other families at Canton in the China trade included generations of Olyphants-Kings, Heard's, Wetmores and Delanos.

These Americans, moreover, were a very young group, usually in their twenties, though often younger. John Perkins Cushing, a paragon of success at Canton, was only sixteen when he became the chief of his house. His career was extraordinary, but other Americans achieved success at early ages. The young men who came to Canton to clerk in the commission houses began their careers by entering the counting-houses at home in their early teens. The next step upward, especially for a member of a family engaged in the China trade, was a seven-year term at Canton. Youth was an advantage in the Canton trade, which required enormous physical stamina. Canton's tropical heat and humidity posed problems for every Westerner. The gruelling routine of business during the trading season also required strength. During the busiest months of October through December, partners and pursers (clerks) alike worked fourteen hours a day loading and despatching vessels.⁷ Included in this task was a mountain of paperwork. Every communication, bill

⁷See various letters in Russell & Co. MSS, Library of Congress.

of lading, invoice, etc. was written in triplicate to prevent its loss. While most of this work was done by the pursers, the partners had to write letters to all their correspondents and consignors concerning market conditions and shipping at Canton. More than a few merchants had to leave Canton before their term had expired due to illness.

Participation in the China trade at an early age taught a young man the art of international commerce. The Canton experience became an excellent training-ground for his profession, as the trade here was as unstable, speculative and complex as anywhere in the world. Some Americans such as Cushing, the Forbeses, A.A. Low and John C. Green demonstrated an apparently natural talent for the enterprise, but most had to be taught. The seven-year term at Canton was a necessary prerequisite to a career in the trade. While a purser's life was boring, his job required rigorous attention to detail, as he was "occupied in the various processes of receiving and despatching cargoes, with making out sales and interest calculations, copying letters, filing away papers, . . ."⁸ All bookkeeping was double-entry, a principle that not all prospective merchants easily grasped.⁹ Their tasks wore on tediously day after day with little relief.

Afternoon dinner was the chief diversion of the day. All

⁸Osmond Tiffany, jr., The Canton Chinese or the American's Sojourn in the Celestial Empire (Boston, 1849), p. 223.

⁹Letter, A.A. Low to W.H. Low, Sep. 17, 1838, in The China Trade Postbag of the Seth Low Family of Salem and New York, 1829-1873, ed. by Elma Loines (Manchester, Maine, 1953), p. 64.

members of the house, pursers and partners, gathered to eat together and to discuss the daily business of the house. "All affairs, past, present, and future, were discussed at the table, and became as familiar to the clerks as they were to the partners." No matter connected with the trade was ever considered too important to be withheld. The partners related all they knew about the China trade and foreign commerce in general to their pursers. Profits at Canton depended on skill in decisions over what commodities to buy or sell at a given time and at a given price. This skill did not come easily. Pursers were equal to their partners at the dinner table and were encouraged to ask questions. As these young men acquired the knowledge and methods of business from the experienced partners, they were able to contribute to "a more intelligent co-operation" in the business of the house.¹⁰

Besides being small and close-knit, the American community tended to be closed and elitist. The myth of the huge numbers of fortunes acquired in the China trade remained a myth. Many merchants did return from Canton wealthy. John Perkins Cushing retired at forty-one a millionaire. More than a few Americans returned after seven years worth one-hundred-thousand dollars.¹¹ But going to China did not ensure every young man a fortune. Many pursers did not rise to partnership,

¹⁰William C. Hunter, The 'Fan Kwae' at Canton before Treaty Days, 1825-1844 (London, 1882), p. 124.

¹¹These are in terms of the actual amounts these men made. In today's monetary value, \$100,000 would be worth close to a million dollars. These men who made that much were considered millionaires in their day.

especially those who had no influence with the partners. A great number of young men sought employment at Canton, but the hierarchy kept them out. Partners often decided whom they would take into the house years in advance of the actual promotion.¹² They generally passed their share on to brothers, sons, nephews or at least good friends. The commission houses, moreover, were limited to two to four partners and three to six pursers. Since these houses accounted for the majority of American residents before 1840, the room for entry and advancement in the trade was necessarily restricted. The nature of the trade itself precluded unlimited expansion and therefore ensured the closely-knit and tightly-controlled character of the merchant community.

Given the limited size of the American population at Canton before 1844, their homogeneous characteristics as American merchants bound them together. These merchants' cohesiveness shaped the attitudes they formed and the policies they pursued in China. Their leaders and spokesmen were the taipans or chiefs of the major houses, Russell & Co., Wetmore & Co. and Olyphant & Co. This unity became more noticeable with the growth of these houses. The ascendancy of these houses in the China trade fostered and enhanced the homogeneous character

¹²Letter, N. Kinsman to A. Chase, Jan. 31, 1844, Salem, Essex Institute, Kinsman Family MSS. The partnership papers for Russell & Co. also reflect this trend, as seen in Russell & Co. MSS. This system of selection also operated as a detriment to a house. On occasion partners in the United States sent out sons and nephews who either had no business skill or did not wish to work to acquire it. The house had to ease out such a person in a way not to insult the merchant who had sent him. Letter, W.H. Low to S. Russell, Aug. 28, 1831, Russell & Co. MSS.

of the American community at Canton that had been first apparent when the group was composed of independent shipmasters and super-cargoes.

II

American attitudes toward China and the Chinese developed basically from the contact the American residents at Canton had with the Hong merchants. Chinese convention and Imperial edicts strictly limited American social intercourse to this group of Chinese. The Hong merchants nevertheless were not the only Chinese with whom the Americans had contact. Although foreigners had no social relations with the natives of Canton, they daily were among these Chinese in the Factory Square. Foreigners furthermore were able to venture into certain parts of the city of Canton, where they were surrounded by all sorts of Chinese. In theory Imperial law proscribed Westerners from leaving the confines of the Foreign Factories. But in practice the Chinese enforced this regulation only to the extent of prohibiting foreigners inside the city walls. Canton, already in existence for fifteen hundred years when the first Americans arrived, had long before expanded beyond its walls which were only six miles in circumference. By the 1830's, when the population of Canton numbered over a million inhabitants, at least half of the Cantonese lived outside the old city walls.¹³ In addition to the Pearl River on which thousands of Chinese lived in boats, the suburbs (as

¹³David Abeel, Journal of a Residence in China, and the Neighboring Countries from 1829 to 1833 (New York, 1834) p. 75.

foreign residents called the unwallled sections of Canton) absorbed the city's overflow of population. The Chinese authorities permitted the presence of foreigners in this part of Canton during the daytime. Most of the Outside merchants had their shops in the suburbs, so the foreign residents generally visited this area for business purposes. But they also went to amuse themselves with the strange customs of the Chinese.

Canton's suburbs, outside the city's walls, were indistinguishable from that older part of the city within the walls. The streets were incredibly narrow, crowded and noisy to Western eyes and ears. Ranging from two to sixteen feet wide, the average street measured about eight feet across. On either side were shops and houses, the latter including poor as well as wealthy residences. While the houses of the rich Cantonese presented walled exteriors to the streets, the dwellings of the poor were "mere mud hovels--low, narrow, dark, uncleanly."¹⁴ At either end of the streets were gates which policemen or guards closed at dusk. The guards' duties were to maintain order and to prevent disturbances. Some of the American residents believed they also had orders to protect the "persons and property" of the foreigners.¹⁵

¹⁴Andrew Ljungstedt, An Historical Sketch of the Portuguese Settlements in China and of the Roman Catholic Church and Mission in China (Boston, 1836), pp. 237-38. E.C. Wines, A Peep at China in Mr. Dunn's Collection, with Miscellaneous Notices Relating to the Institutions and Customs of the Chinese and our Commercial Inter-course with Them (Philadelphia, 1839), pp. 23-24. Edmund Fanning, Voyages to the South Seas, North and South Pacific Oceans, China Sea, etc. (New York, 1833), pp. 309-10.

¹⁵Hunter, 'Fan Kwae' at Canton, pp.26-27. William C. Hunter, Bits of Old China (London, 1855), pp. 218-19.

In the suburbs the streets were "generally crowded, and present[ed] a busy, bustling, animated appearance" much like that of the Factory Square. Population density and its consequent noise both amused and irritated American residents at Canton. From sunrise to sunset, the Square and streets were alive with a harsh cacophony of sounds. "Human voices of harsh, drawling tones, cries of confined dogs and cats, screams of roughly handled poultry, notes of feathered songsters, an accompaniment of very unmusical instruments, all unite in this unharmonious concert."¹⁶ The Chinese who produced the noise completely confounded Americans. In the streets the density of people was oppressive. As one American noted, "It requires a degree of courage and perseverance to thread the mazes of some of these alleys, and emerge into air and space." The scene in the streets was one of "myriads of human beings, hurrying this way and that, carrying burdens, jostling each other. . . ." An American venturing here had to thread his way among the pushing and shoving crowds, while "it is necessary for comfort and cleanliness, to catch the warnings, and watch the motions of the porters, who carrying all movable bodies upon their shoulders, and constitute no inconsiderable portion of the moving multitude." A roar of cries, shouts and chatter in an unintelligible language moreover surrounded him.¹⁷

¹⁶Wines, A Peep at China, pp. 23-24. Abeel, Journal, p. 89.

¹⁷Abeel, Journal, pp. 76-79. Tiffany, The Canton Chinese, pp. 41-42. Tiffany also states that the foreign residents could not tell one Chinese from another.

Beggars were especially prevalent in these Chinese crowds. They often followed foreigners through the streets and even into the shops pleading for offerings. Chinese beggars carried bamboo sticks, which they beat together to create a raucous noise. Imperial law prohibited shopkeepers from throwing beggars out of their shops.¹⁸ Americans at first were sympathetic to these unfortunate Chinese, but their staggering numbers quickly inured the residents to their existence. Irritation and indignation replaced sympathy in Americans dealing with the beggars. The average American gradually began to view the Cantonese with contempt.

Although Americans generally viewed the Chinese masses at Canton with disdain, this condescending attitude appeared only after the Americans had resided at Canton for a length of time. Newly-arrived Americans observed the Chinese with interest and curiosity. These residents found their habits and customs strange but neither disgusting nor contemptible. Americans accepted the Chinese as another "exotic" facet of China. During the course of a few years' residence at Canton their impression changed.¹⁹ This reversal of attitude must have been partially a

¹⁸Journal of P.S. Forbes, Jun. 22, 1843, Harvard Business School, Baker Library, Forbes MSS. Abeel, Journal, pp. 86-87.

¹⁹Stuart Creighton Miller, The Unwelcome Immigrant: The American Image of the Chinese, 1785-1882 (Berkeley, 1969) deals with American merchants' attitudes toward the Chinese. Miller states that contempt for the Chinese colored the total American attitude toward them. He has divided American visitors (not all of them are traders as he claims) into groups according to their feelings toward the Chinese, with those contemptuous of the Chinese outnumbering those favorably disposed toward them. I would generally agree with his conclusions except for the qualifications noted in the text of this chapter.

reflection of the frustration with which the Americans viewed their life at Canton. The tropical climate, the heavy workload and the boredom, the lack of family and friends (especially ladies), the regulations and seemingly ridiculous restrictions, the inability to escape Canton for more than a few days at a time--all these tensions must have gradually increased the residents' resentment for China and the Chinese.

Ridicule and derision which the residents received as foreigners also evoked negative feelings for the Chinese. Rarely could the Americans go into the Square or the suburbs without causing a crowd to gather and taunt them with cries of "Fanqui" (Fan-kuei or Foreign Devil) and "I-yang" (Barbarian). The Chinese had as "insatiable curiosity," which to most Americans was "both amusing and annoying."²⁰ Actually the majority of Chinese stared at the foreigners simply because they had never seen one before. The appearance of Westerners with their large noses, "red" (not black) hair, strange language and tight-fitting clothes astounded the Chinese as much as Chinese peculiarities intrigued Americans and Europeans. These Chinese onlookers, basically uneducated peasants and coolies, called them Fanqui for lack of understanding. Westerners' habits and actions were also strange to Chinese eyes.²¹ The Canton police protected the

²⁰ Tiffany, The Canton Chinese, p. 42. Gideon Nye, jr., The Morning of My Life in China (Canton, 1873), p. 33. Fitch Taylor, A Voyage around the World (New Haven, 1855), pp. 139-40.

²¹ Nye, Morning of My Life in China, p. 33, notes that Chinese paid to watch Augustine Heard of Russell & Co. ride a pony for exercise in an enclosure in Factory Square.

foreign residents and appeared very quickly if any situation seemed to warrant their action.²² Considering the number of Chinese compared to that of foreigners at Canton and the anti-foreign attitude of many Cantonese, few incidents involving foreigners occurred during this period.

There were nevertheless instances of Chinese not only hurling ridicule at Americans but also bombarding them with bricks and stones. Such hostile actions happened only away from the Factories and the police. The usual perpetrators of such actions were Chinese youths. They enjoyed yelling at the foreigners, throwing missiles at them, and chasing them back toward the Factories. Sometimes, especially after the Opium War, older men joined the youths. Some Americans, generally the younger pursers, found amusement in enticing the Chinese to start an incident. These clerks enjoyed the excitement and exercise of trying to escape a crowd running after them. Such activity became a pleasant diversion from the dull and tedious routine of life in the Factories.²³ Yet even Americans who indulged in this type of entertainment neither condoned nor liked the "anti-foreign" behavior of the Chinese. Awareness of this sort of feeling among the populace reinforced the frustration and resentment Americans felt for the conditions surrounding them. As one young American wrote home, "I began when I first came here, thinking that Fukee [i.e. the Chinese]

²²Abeel, Journal, p. 91.

²³Hunter, Bits of Old China, pp. 66-67. Journal of P.S. Forbes, Dec. 19, 1843, Forbes MSS.

was an injured man & I stood up for him on all occasions but his exceedingly bad manners in . . . disagreeable encounters I have had with him in the square I have gone into the opposition."²⁴

Americans' attitudes must be strongly qualified. The Americans at Canton developed various images of the Chinese. They perceived definite distinctions among different groups of Chinese with whom they met and dealt. Like other foreigners, the Americans had contact with only a limited segment of Chinese society. The major groups with whom they dealt were the Hong merchants, their servants, the local authorities (only indirectly) and the lower-class populace. They had no contact with the scholar-gentry class, the highest class of Confucian and Imperial China. Most Chinese the Americans saw were from the Cantonese masses. As these Chinese were generally suspicious of and unfriendly toward foreigners, Americans felt little amity for them. Since the residents had little reason to court the favor of these Cantonese, they dismissed them.

American attitudes toward other groups of Chinese seldom were colored by the same circumstance. They not only tolerated but liked their colleagues in the foreign trade, the Hong merchants. Many American merchants and the Hong merchants who secured their trade developed close friendships. These Chinese helped Americans with business and even personal finances. The Americans reciprocated for those Hong merchants

²⁴Letter, T.H. Cabot to E. Cabot, Jan. 10 and 15, 1835, Massachusetts Historical Society, Samuel Cabot MSS.

who invested in consignments to their houses. Both groups maintained social intercourse, the Hong merchants visiting the Factories and in turn inviting Americans (including their families) to dine with them and to visit their country estates outside Canton.²⁵ Some individuals formed close associations, which they maintained through correspondence after the Americans returned home.²⁶ Both groups shared a mutual interest in a profitable foreign trade without obstacles at Canton. This interest predisposed them toward amicable relations.

In the 1780's when American merchants first arrived at Canton, they distinguished themselves from the Europeans by their forthrightness and fairness in trade with the Chinese merchants. Perhaps they were naive, but such behavior gained them the respect of the Hong merchants. The latter were also pleased to discover the size of the United States and the potential markets therein for their teas and silks.²⁷ Throughout the following years of trade, relations between the two groups remained very friendly and mutually beneficial. Americans traded primarily on a cash basis which their Chinese counterparts found very satisfactory. For their exports of

²⁵Diary of H. Low, Feb. 3, 1830, Library of Congress, Low Family MSS. Hunter, 'Fan Kwae' at Canton, p. 40. Abeel, Journal, p. 124. The Hong merchants' country estates were located on Honam, a large island in the Pearl River across from Canton.

²⁶For an excellent example, see J.P. Cushing's Letterbooks in Harvard Business School, Baker Library, Bryant & Sturgis MSS.

²⁷The Journals of Major Samuel Shaw, the American Consul at Canton, ed. by Josiah Quincy (Boston, 1847), pp. 183, 198-99. Shaw related an amusing story of trading with a Chinese merchant, who told him, "Truly, Massa Typan, I see very well you no hap Englishman. All China-man very much love your country."

teas and silks they paid specie, which was more valuable to the Chinese than the products of Western countries. Consequently, Americans were not so dependent upon the Co-hong's monopoly of the trade as their major competitors, the British East India Company.²⁸ This factor saved them from much of the resentment and indignation their British colleagues felt toward the Hong merchants and the operation of the "Canton system" of trade. Basically, the Americans were only concerned with the most expeditious methods to achieve maximum profits. They therefore sought to make themselves as agreeable as possible in all reasonable circumstances. As the Hong merchants pursued similar interests, the compatibility of the two groups benefited both.

Implicit in the Americans' acceptance of the "Canton system" was their recognition of the sovereignty of Imperial law over them. The Americans demonstrated their willingness to adhere to the laws of the Chinese Empire in 1821 in the Terranova Affair by allowing an American seaman to die rather than disobey Imperial rule. (This Affair developed over a dispute concerning the seaman Terranova's involvement in the accidental death of a Chinese woman.) In acceding to Chinese demands to hand over the suspect to be judged and punished within the Chinese legal system, the American merchants believed they had no alternative. An American justifying in 1830 the

²⁸H.B. Morse and H.F. Macnair, in Far Eastern International Relations (Boston, 1831), p. 66, state that three-fifths of the American trade was on a cash basis.

action taken in regard to Terranovia wrote: "The American Government requires of us to submit peaceably to the laws of China--"²⁹ The Americans as a group retained this fundamental stance until the end of the "Canton system" in 1844. This policy was a reflection of the weak position of Americans at Canton.

Unlike their major competitors, the East India Company and the English private traders, American residents had no force or government upon which they could rely. They furthermore did not have guaranteed markets for their trade in silks and teas. In the early days of the American China trade there was as much competition among American traders as there was later between Americans and British. Private American traders therefore could not afford to antagonize the Chinese. Their weakness at Canton was not a unique experience to American merchants. Throughout the world American traders were a minority in comparison to the established mercantile empires of Europe. Subsequently, to make themselves amenable to the trading system, laws and customs of their host country was a realistic policy in the Americans' search for profits. At Canton, as the major American houses expanded to transact the majority of the American trade, this position of meek submission changed somewhat. In a situation of more strength they tended to be more independent, although they continued to abide by Imperial law.

²⁹Letter to the Editor," Canton Register, III, 20 (Oct. 2, 1830).

By the 1830's American merchants, like other foreigners, had begun to chip away at the regulations governing their residence at Canton. They learned that ignoring many of the ordinances received the tacit approval of local authorities.³⁰ Only when "illegal" activities grew to excessive proportions (usually a British group at fault) or when the Imperial government periodically decreed that the system be more thoroughly administered, did local officials tighten their enforcement of laws and regulations. While Americans considered this retrenchment an inconvenience, they conceded the Chinese right to such action and seldom complained. They merely adjusted their methods of trade. But they increasingly became dissatisfied with the "Canton system" and especially the officials who enforced it. Although Americans were generally willing to adhere to Imperial law before the 1840's, they lost respect for local authorities. By the late 1830's American residents viewed Canton and provincial officials as corrupt, dishonest, insincere, untrustworthy and dissolute men. After the Opium War Americans' respect for the Chinese Empire's laws and system of trade declined further.

When the first Americans appeared at Canton, the Chinese judged them by the Europeans already there. As they pursued an independent course relative to Chinese laws and regulations and trade, the Chinese perception of them changed. While the most common description of the foreign "barbarians" was that they

³⁰Hunter, Bits of Old China, pp. 1-3.

were "by nature inscrutable" and were moreover cunning, malicious, inconstant and avaricious, the Chinese regarded the Americans more favorably.³¹ Although they could not understand where the United States was situated, they became favorably disposed to its trade representatives. The Chinese noticed that they seemed to "resent the English barbarians and revere China." Such an attitude naturally impressed the Chinese, who resented British audacity. The Americans also received the compliments of being "trustworthy" and "reasonable."³² Throughout the 1820's and 1830's the policy of neutrality espoused by the American residents at Canton pleased the Imperial government even more. In the burgeoning troubles the Court had with the British, the fact that the Americans stood alone weakened the English position. This neutrality reinforced the Chinese position, at least in Chinese eyes. The Court singled them out for praise or material benefits in trade.³³

In practice the position taken by the Chinese and the Americans had self-gratifying goals. Moreover their policies were mutually beneficial. The best example of this occurred during the opium crisis of 1839. When the English vacated

³¹Earl Swisher, China's Management of the American Barbarians: A Study of Sino-American Relations, 1841-1861 (New Haven, 1951), pp. 11, 29-30.

³²Swisher, Management of American Barbarians, pp. 44-47.

³³Swisher, Management of American Barbarians, pp. xvi-xvii.

Canton in opposition to the Imperial government's stoppage of the opium trade, the Americans refused their pleas to join them and instead remained at Canton to trade. On the other hand the Chinese, not pressured by the lack of foreign trade at Canton, were able to maintain their policy regarding opium. Both sides used the other to achieve their ends.

This American and Chinese compatibility would be extremely crucial to future Sino-American relations. They formed benevolent attitudes toward one another that would influence future policies. During the nineteenth century the United States developed a special relationship with China shared by no other foreign country. The Chinese continually looked to the United States to "curb the other barbarians."³⁴ The American Government responded positively to this plea. As had been the case before 1844, their motives were usually to protect and foster American trade with China. Concerning the American position, the motivation for a profitable trade cannot be too strongly emphasized. Although other attitudes towards China influenced the development of American policy, especially with the arrival of missionaries in China, merchants and trade were responsible for creating the basic American attitude toward China. Before 1844 all opinions of China and the Chinese were determined by commercial policy.

III

Chinese teas and silks were American merchants' primary interest in the China trade. Maintaining consistent profits in

³⁴Swisher, Management of American Barbarians, pp. xvi-xvii.

these commodities required very specialized skills. As the China trade expanded, increased competition rendered the commerce more complex. The resident agent's replacement of the supercargo was a direct response to this development. The Canton market was very speculative, as prices fluctuated wildly, often changing daily. Merchant entrepreneurs who necessarily remained at home required professional specialists on the scene to transact business.³⁵ Moreover, as larger numbers entered the China trade, competition stiffened rapidly. By 1820 several resident agents were established at Canton. Gradually every major American merchant engaged in the China trade consigned his vessels to a particular American resident at Canton.³⁶

To keep abreast of the trade, the merchant in the United States had to maintain as frequent communication as possible with his resident agent (and later commission house) at Canton. Although the Canton agent made many of the decisions in filling a cargo, he received major orders from his consignor in the United States concerning what goods to purchase. As the market was so unpredictable, the orders usually listed many alternatives of commodities with maximum prices to be paid for each. The basis on which the merchant composed his orders was the communications he received from Canton. Although there was no regularity in

³⁵Letter, B. & T.C. Hoppin to S. Russell, Jul. 20, 1820, Russell & Co. MSS.

³⁶Kenneth W. Porter, John Jacob Astor, Business Man (2 vols.; Cambridge, 1931), II, 605-06. For information on how the agent established himself, see Letter, Bryant & Sturgis to J.P. Sturgis, May 13, 1818, Bryant & Sturgis MSS.

vessels sailing between the United States and China, the agent at Canton wrote almost daily summaries of market conditions, including information on despatched vessels, volume and types of sales, prices current and prospects for various commodities.³⁷ Whenever a vessel left for the United States, the agent closed his communications and sent them aboard. These summaries were the only tangible evidence by which a merchant could judge the Canton market and its prospects. Although letters took up to six months to reach the United States, successful merchants learned to read conditions at Canton by transactions and trends noted by their agent. Combining these observations with their own commercial skill, they became very adept in the China trade.

In addition to the necessity of frequent communication, there was the necessity for strict confidentiality between a merchant and his agent. Disclosure of inside information could mean the difference of thousands of dollars in profits. So many factors governed the trade that foreknowledge of an important change in any one of them could determine types and amounts of goods to purchase. If such knowledge became common, the competitive edge was lost.³⁸ For this reason seacaptains first delivered letters addressed to the agent or house to whom

³⁷ Every manuscript source consulted is full of these communications. An excellent example (although somewhat late in the period) is Letter, Nye, Parkins & Co. to A.A. Low, Nov. 4, 1843, Low Family MSS.

³⁸ Advices of this nature are in Letters, Perkins & Co. to J. & T.H. Perkins, Sep. 27, 1820, Jun. 25, 1823, Harvard Business School, Baker Library, Perkins & Co. MSS.

their cargoes were consigned. Only when the agent gave permission would the remaining letters be distributed. This practice continued throughout the entire period.³⁹ Such secrecy was essential in a trade that was so speculative and volatile. The China trade allowed for few miscalculations, while it simultaneously called for quick decisions and bold moves. To be successful at Canton, one group of American merchants advised their agent to "get as much knowledge as possible of others business, but keep your own a secret, work prudently & economically, possess yourself as far as possible, with such a knowledge of China goods & the trade generally, as will enable you to decide upon the strength of your own understanding, communicate freely & frequently & above all lose nothing for the want of Industry--"⁴⁰ He was also advised to take care in selecting his Security merchant. A good Hong merchant could communicate tips on the Canton market in terms of what commodities to import and export each season.⁴¹

Unlike other markets, Canton prices were extremely dependent on the volume of vessels trading there each season. A large number of vessels at Canton would keep prices high;

³⁹Letter, J.M. Forbes to J. Bates, Nov. 25, 1835, Forbes MSS.

⁴⁰Letter, B. & T.C. Hoppin to S. Russell, Mar. 6, 1819, Russell & Co. MSS. For similar instructions, see Letter, Bryant & Sturgis to J.P. Sturges, Apr. 7, 1819, Bryant & Sturgis MSS. See also "Memo for T.T. Forbes regarding Canton affairs," written by J.P. Cusing, Mar. 21, 1828, Boston, Museum of the American China Trade, Forbes Family MSS. (These are to be distinguished from the Forbes MSS at Baker Library, Harvard Business School. The latter are papers of the same family, but they constitute a distinct collection.)

⁴¹Letter, E. Carrington & Co. to S. Russell, Oct. 16, 1819, Russell & Co. MSS. Letter, T.T. Forbes to T.H. Perkins, Nov. 1, 1824, Forbes MSS.

correspondingly, every agent desired to have his vessel reach the home market first. Many would therefore buy exports at high prices. This resulted in many vessels arriving in the United States with high-priced merchandise. Having to sell the cargoes at lower prices, many merchants suffered losses. The reverse also occurred,⁴² but no one could predict very far in advance with certainty how much tonnage would appear in a given season. Over the years, the number of vessels engaged in the China trade increased steadily. An average of thirty to forty vessels per season in the early 1820's rose to over sixty vessels per season in the early 1830's.⁴³ This growth precipitated the development of commission houses, which could handle a significantly larger share of business than an individual agent. During the busiest part of the trading season all members of a house worked frantically for weeks at a time to get vessels loaded and despatched. This was only a small part of the trade. The major decisions that would determine profit or loss had occurred much earlier. These centered on when and what to purchase.

Chinese teas were the staple export around which the China trade revolved. In the 1820's the importation of teas

⁴²R.B. Forbes, Remarks on China and the China Trade (Boston, 1844), pp. 29-30. Letter, J.P. Cushing to R.B. Forbes, Jun. 25, 1838, Forbes Family MSS. In this letter Cushing advised Forbes "never under any circumstances to ship when prices are high [at Canton]."

⁴³H.B. Morse, in Chronicles of the East India Company, states the number of American vessels trading at Canton for each year before 1834. But in computing lists of vessels as mentioned in letters and other communications among merchants, the numbers of vessels are larger than Morse claims.

into the United States averaged upwards of one-hundred-thousand chests (each chest was equivalent to eighty pounds avoirdupois) each year. After 1835 the total zoomed to over two-hundred-thousand chests.⁴⁴ American merchants and their vessels also supplied teas from Canton to the Northern European markets of Amsterdam, Rotterdam, Bremen and Hamburg. The tea market was extremely complex, with up to twenty varieties for sale to foreign buyers. There were basically two types of teas, green and black, which came from different plant varieties. Within each type there were many grades from high quality (the first crop) to low quality (the last or usually fourth crop). Green teas, which grew in the coastal central province of Kiangnan (later divided into the two provinces of Kiangsu and Anhwei), did not vary in grade as did the black teas, which came from the southern province of Fukien. The American market overwhelmingly imported green teas, the largest-selling kind of which was Young Hyson (a medium grade). (The Chinese themselves never drank green tea but used it only for medicinal purposes.) On the contrary the European markets, including England, much preferred black teas, usually Souchong and Congo.⁴⁵ The very best teas the Chinese did not sell, but the Hong merchants often

⁴⁴Figures of tea importations are found in "Amounts of Tea Exported from Canton in American Vessels, 1804 to 1839," Merchants' Magazine and Commercial Review, XII (1845), 50.

⁴⁵Descriptions of teas and their marketability are found in: J.P. Cushing's Letterbooks, Bryant & Sturgis MSS; Letter, Bryant, Sturgis & Co. to Bell & Co., May 1839, Bryant & Sturgis MSS; Howard Corning, "Sullivan Dorr, China Trader," Massachusetts Historical Society, Proceedings, LXVII (1941), 160-62; W.S.W. Ruschenberger, A Voyage around the World: Including an Embassy to Muscat and Siam (Philadelphia, 1838), pp. 409-10.

gave the residents canisters of it as presents at Chinese New Year.

One prerequisite to success in the trade was the ability to distinguish qualities of various lots of the leaf. Every house at Canton had at least one tea-taster or inspector. Each cargo of teas that left Canton was a mixture of various kinds, so a tea-taster had to know all the varieties well. The taster often went down to the Tea Hongs themselves to make his choices. Here coolies were at work sorting and packing the teas in chests, which were formed on the spot. There were no scales, as the teas sold by volume. The business of selecting teas also included the ritual of having Tea with the Tea merchant in special apartments over the work area.⁴⁶ Although the American merchants often chose their teas in this manner, the business transactions were made through the Hong merchants. Some American merchants in the 1820's had tried to buy teas directly from the Teamen in the interior where teas were grown. They had lost thousands of dollars in their experiment.⁴⁷

At Canton the tea season began in November with the first shipments allotted to the East India Company. The Company contracted for its teas the previous year, as its charter required it to maintain a year's supply of teas in England as a

⁴⁶Letter, E. Carrington to S. Russell & Co., Jul. 22, 1820, Russell & Co. MSS. For an interesting description of the Tea Hongs, see Tiffany, The Canton Chinese, pp. 111-17.

⁴⁷Some American merchants had advanced money to Teamen in the interior for cheaper teas. After having received some of the shipment, they sent the remainder of the money, only never to see nor hear of the Teamen or their teas again. They lost approximately \$100,000 to \$200,000 in their experiment. Americans did not try it again. Letter, T.T. Forbes to T.H. Perkins, Nov. 1, 1824, Forbes MS.

surplus. Consequently, Company merchants were very regular and systematic in their orders to the Chinese. Their ships were usually loaded and despatched by the end of December. While the Company monopolized the black tea market, Americans were loading and despatching their cargoes of green teas to the United States. Beginning in January, the Americans took over the black tea market as well, loading cargoes for Northern Europe.

"Opening" of the tea season at Canton was the major event of the year for the resident merchants, especially for the Americans.⁴⁸ Most of their vessels arrived from August through late autumn. Unlike the East India Company, which knew long in advance the quantities of teas it would ship, the American commission houses never knew how many consignments to expect each year. As the majority of merchants sending vessels to Canton let their consignee make the specific decisions in fulfilling their order, the houses had an enormous work-load for the next few months. They not only had to choose good cargo of the type desired but try to obtain it at the best price. In the tea market the latter was very tricky, as prices varied according to quality and supply. Tea crops were very dependent on the weather, and supply varied from year to year. The residents never knew until the last moment what actual market conditions would be. Deciding when to buy teas, since the price fluctuated as buyers moved in and out of the market, as well as timing the

⁴⁸Hunter, 'Fan Kwae' at Canton, pp. 94-95.

shipments' arrival home were major problems. No matter how good the quality or how low the cost, with a cargo of tea there was always the risk of its arriving too late only to find a market flooded. The Canton houses also had to decide whether to send a vessel to Europe instead of the United States, where the profit might be larger. Such a decision determined the type of cargo.⁴⁹

Considering the speculative nature of the tea trade, many American merchants engaged in it profited immensely. Success required a specialized knowledge of markets both at Canton and elsewhere plus an intuitive ability in the general mechanics of commerce. With the creation of commission houses, merchants were able to profit from pooling their knowledge and commercial talents. This was as essential in the silk trade as in the tea trade. Silk had been a staple of Western trade with China since the Middle Ages. Produced in the southern and eastern provinces of Kwangtung and Chekiang, raw silk was transported to towns near Canton, where men, women and children wove the thread into various forms of silk fabric.⁵⁰ Foreign merchants preferred silk piece goods to the raw silk. These piece goods included such familiar types as handkerchiefs, satins, crepes and pongees as well as rarer levantines, lutestrings (lustrings) and sarsnets (sarcenets).

⁴⁹ Examples of this type of decision are in: Letter, E. Carrington to S. Russell & Co., Oct. 16, 1819, Russell & Co. MSS; Letter, E. Carrington & Co. to P. W. Snow, Aug. 16, 1819, Russell & Co. MSS; Letter, Perkins & Co. to J. & T.H. Perkins, Mar. 27, 1820, Perkins & Co. MSS.

⁵⁰ Ljungstedt, Historical Sketch of Portugese Settlements in China, p. 284.

Choosing among available silks for the most profitable cargo was a difficult and tricky business. Like teas, prices of silk piece goods rose and declined without warning. In the Canton market a merchant did not have a choice of one dealer's selling a product cheaper than another. Instead he negotiated for merchandise through a Hong merchant, who delivered the article at the market price. The only choice the merchant had was in quality, for which he paid. This system of business was more crucial to the tea trade than the silk trade. Teas, furthermore, constituted the bulk of the American trade from Canton. Although teas and silks constituted roughly the same percentage of American imports from Canton in 1820-21, after that season the percentage of teas increased both in terms of volume and value while silks remained the same and then declined.⁵¹

After 1837 importation of silks from Canton fell off precipitously. By that year the United States was producing some of its own silk. In 1836 a Canton newspaper reprinted an article from the New York American concerning the culture of silk in the United States. The article mentioned companies in Massachusetts, New Jersey, Connecticut and Kentucky with an addendum that the government of Cuba wanted to introduce silk culture to that island. Of the two companies in Massachusetts, the more important was the Northhampton Silk Company. Interestingly, former American residents at Canton formed

⁵¹"Value of Cottons and Silks Imported to China from the United States and Exported from China to the United States," Merchants' Magazine and Commercial Review, XI (1844), 55.

this company.⁵²

These silk manufacturers hoped to accomplish the same about-face in the China trade that the New England cotton textile companies had. Before 1830 the other major import from Canton had been nankins (nankeens). Cotton cloths offered in white, blue, or unbleached (brown), these were much cheaper than silk piece goods. But by the 1830's textile factories in the northeastern United States were producing cotton cloths in a quality superior to Chinese nankins. American merchants at Canton introduced these textiles known as "American domestics," believing that they would do well. At the time the most successful American resident merchant wrote to Boston that American domestics "will eventually supercede the British as well as those manufactured in this Country. . . ." By 1834 these cotton textiles had taken over the Canton market, and all markets west of Cape Horn.⁵³

⁵²Canton Register, IX, 9 (Dec. 6, 1836). The President of the Northampton Silk Co. was a former American consular-agent at Canton in the late 1820's. Many of the directors and stockholders had recently retired from active partnerships at Canton. Their goal was to develop their manufacture of silk to the point of exporting it to China. See various letters in Heard MSS. Four years earlier, in 1832, Russell & Co. had tried to import a machine to weave silk stockings for export to England. Each season large quantities of silk went to England for that purpose. The partners, especially J.M. Forbes, speculated that, by employing Chinese at Canton to weave the silk, the house could export the stockings and sell them much cheaper. Apparently the scheme never became effective. Letter, A. Heard to G. Heard, Jan. 30, 1832, Heard MSS.

⁵³Letter, J.P. Cushing to S. Cabot, Nov. 30, 1830, Samuel Cabot MSS. See also Letter, J. P. Cushing to W. Sturgis, Sep. 25, 1830, Bryant & Sturgis MSS; Letter, J.M. Forbes to Russell & Sturgis, Aug. 13, 1834, Forbes MSS. American merchants had tried to export American cotton goods into the Canton market in the early 1820's, but at that time the textiles did not sell. Their price was too high. Letter, T.T. Forbes to J.M. Robbins, Dec. 20, 1823, Forbes Family MSS.

Although domestics became the major American-manufactured export to Canton, American exports did not balance imports from Canton. After 1820-21 the China trade remained a deficit trade for Americans (except for a few years when exports exceeded imports). The reason was that the Chinese desired little of the merchandise produced or manufactured in the West. Although a great variety of spices, drugs, metals, cloths and woods passed through Canton into China, the quantities were meager. Along with cotton textiles, American vessels brought ginseng, some raw cotton and lead from the United States but little else. In fact domestic American exports constituted only about twenty percent of the total exports American vessels carried to Canton. For the remainder American vessels sailed to Europe for woolens, to the Mediterranean for quicksilver and metals, to India for raw cotton, to the East Indies for spices and drugs, to Manila for rice. Notwithstanding this far-flung search for articles to trade at Canton, the Americans could not balance their demand for teas and silks with other merchandise. Other China goods such as cassia (a substitute for cinnamon), China-ware, rattans and fireworks were also in demand in the United States. Consequently, the value of imports of Canton to the United States exceeded American exports (domestic and foreign) by as much as six million dollars in one year.⁵⁴

⁵⁴"Value of Exports from the United States into China Direct; and Imports from China, 1821-1841," Merchants' Magazine and Commercial Review, XI (1844), 55. For a description of articles in the China trade, see U.S., Congress, House, Committee on Foreign Affairs, China Trade, H. Doc. 248, 26th Cong., 1st Sess., 1839-40, and Ljungstedt, Historical Sketch of Portuguese Settlements in China, pp. 292-323.

There was one more factor, perhaps the most crucial one, that made this deficit trade operate to the great profit for many Americans. The tremendous importation of opium into China more than offset the deficit that occurred in the legal trade. Although the British country or private traders were the primary shippers in the opium trade, the American residents also traded in opium from Turkey and from India. Profits from this illegal branch of the China trade complemented the profits from the trade in teas and silks to enable commission houses to flourish and American merchants to make fortunes in a few years.

Resident merchants at Canton also faced the same problems in selling their exports as in buying Chinese articles. When a vessel arrived at Canton, up to six months from the origin of its cargo, market conditions could easily differ from the shipper's anticipation in preparing the cargo. The house to which the shipment was consigned then had the task of getting maximum profits from the Chinese market. From the late 1820's until the demise of the "Canton system," a great many American and European merchants traded specie or bills of credit instead of merchandise. Resident merchants therefore became a combination of banker and trader to satisfy American and European demand for teas. Of all the American residents at Canton, those engaged with the house of Russell & Co. were consistently the most successful in all the above facets of the speculative Canton trade. Russell & Co., in fact, was the leading American house in the China trade for most of the nineteenth century.

IV

Russell & Co. of Canton⁵⁵ began as the Canton branch of a group of Providence merchants in international trade. Edward C. Carrington, who had been the American Consular-agent at Canton before the War of 1812, joined with Cyrus Butler, Benjamin Hoppin and Thomas C. Hoppin to adventure in cargoes to China. As more American merchants were establishing resident agents at Canton, in 1818 this group contracted with Samuel Russell of Middletown, Connecticut, to be their agent at Canton. Russell arrived in the spring of 1819, hired a clerk, and formed Samuel Russell & Co. His agency did commission business for his Providence partners, and he invested in ventures on his own. The Hong merchants Houqua and Kingqua secured the majority of vessels consigned to Russell.⁵⁶

At that point in the China trade conditions were very unstable. American merchants, in the midst of the post-war economic expansion, transacted an increasing share of their trade on credit. The use of credit also traveled to Canton, but the Chinese merchants still preferred to deal for cash. With the depression that followed the Panic of 1819 the Chinese resisted even further the substitution of credit for specie. Many of them had their own debts to pay. On the other side,

⁵⁵At present there is no history of Russell & Co. extant. Robert Bennet Forbes about 1878 undertook to write one and corresponded with as many partners and former partners of the house as he could to collect all the information possible. He never wrote the book, however, and persuaded William C. Hunter, a former partner and author of a book on China, to undertake the project. The papers of those merchants in Russell & Co. and of the house itself are now scattered.

⁵⁶Agreement of Partnership for Samuel Russell & Co., Dec. 26, 1818, Forbes Family MSS.

the depression in the United States made merchants in foreign commerce even more dependent on credit. They had generally overextended themselves and hoped to recoup their losses through more trade. As a result, at Canton Russell experienced problems in procuring teas to fill the ships to Providence.⁵⁷ Shortly thereafter, E. Carrington & Co. decided to disengage from the Canton trade. In May 1823 they dissolved their connection with the Hoppins and Russell.⁵⁸ Both of the latter wished to remain in the trade. But Carrington and Butler had supplied most of the vessels and the capital in the venture.

To remain at Canton, Russell formed a co-partnership with Phillip Ammidon, the agent for Brown & Ives, the largest Providence mercantile house in the China trade. Russell and Ammidon agreed to this connection on the advice of John Perkins Cushing of Perkins & Co. at Canton. Cushing for a long time had been the most respected and most successful American merchant at Canton. Since Perkins & Co. did no commission business, Cushing offered to give them his contacts for trade in India. A large number of India merchants profited in the Canton trade of Indian cotton and Indian opium. Many of them preferred to consign their commerce to American agents instead of Parsee or British agents.⁵⁹ Cushing therefore opened the door to a vast potential trade for Russell and Ammidon. He also advanced them

⁵⁷ Letter, S. Russell to E. Carrington, Dec. 7, 1821, Russell & Co. MSS.

⁵⁸ Letter, B. & T.C. Hoppin to S. Russell, May 1823, Russell & Co. MSS.

⁵⁹ Letter, W.H. Low to S. Russell, May 1831, Russell & Co. MSS.

capital on which to build their base. Thus in January 1824 began Russell & Co. of Canton. Russell and Ammidon were to share the profits equally, with Russell remaining at Canton and Ammidon drumming in India.

Ammidon was very anxious to leave Canton. He had first come to China as Brown & Ives' agent in 1814, if not earlier. Having returned to the United States in 1820, he wrote: "I hope never to go to Canton again."⁶⁰ But in September 1822 he embarked for the Celestial Empire once again. The partnership with Russell allowed him the opportunity to get away from Canton. Actually the formation of Russell & Co. not only accommodated the wishes of both partners, but it also was an auspicious foundation on which to build a profitable business. Brown & Ives possessed a large share of the China market, and until 1831 they remained Russell & Co.'s major consignor. On the other hand the Indian business in cotton and opium was immensely valuable. In following years this was a primary factor in the growth of Russell & Co. The house managed continually to give special treatment to Indian merchants. As the trade in cotton and opium expanded, a vast portion of its volume went to Canton consigned to Russell & Co.⁶¹

In November 1826 Russell and Ammidon contracted to extend their partnership beyond the expected expiration in December

⁶⁰Letter, P. Ammidon to S. Russell & Co., Nov. 14, 1820, Russell & Co. MSS.

⁶¹Russell & Co. and the merchants in India accepted bills that would not necessarily be accepted elsewhere. Letter, W.H. Low to S. Russell, Jan. 1832, Russell & Co. MSS.

1827 to December 1831. The new agreement allowed Ammidon to return to the United States for a two-year period. In 1828 he would relieve Russell, who recently had spent a year at home and married. Once in the United States, Ammidon discovered a multitude of excuses that prevented his return to Canton in 1828. He finally contracted with a Salem merchant to replace him. William Henry Low, who had been at Canton for two years in 1815-17 as agent for Minturn & Champlain of New York, would receive one-fifth of the profits until he would enter the house as a partner in 1832. Two years later Ammidon contracted with another former participant in the India and China trades, Capt. Augustine Heard of Ipswich, Massachusetts, to be his replacement in the Brown & Ives consignments. During all this time Samuel Russell, still at Canton, anxiously awaited the arrival of his partner to relieve him. When Low finally appeared in Ammidon's place, Russell accepted him but retaliated against Ammidon with a new contract of partnership including only himself, Low and Heard.⁶²

Although he notified Ammidon of the new concern to begin in January 1831, Russell neglected to tell him of the windfall of business that had just come to Russell & Co. by misfortune. In August 1829 Thomas T. Forbes, resident manager of Perkins & Co., along with his purser Samuel Monson perished in a monsoon storm near Macao. John Perkins Cushing, who had been the chief of Perkins & Co. for fifteen years, had left Canton in the

⁶² Agreement of Partnership for Russell & Co., Jan. 1, 1831, Russell & Co. MSS.

spring of 1828. He had planned to retire from the trade with his young cousin Forbes to replace him. With Forbes' and Monson's deaths there were no members of Perkins & Co. resident at Canton. In preparation for such a circumstance Forbes had left a letter instructing Samuel Russell to take over the business of Perkins & Co. The value of this business totalled almost three million dollars.⁶³

Perkins & Co.'s first establishment had netted over one and a half million dollars in seventeen years. Emphraim Bumstead, a member of the house of J. & T.H. Perkins in Boston, had sailed to Canton in 1803 as a partner to manage the Perkins' China trade. Bumstead fell ill after only a few months' residence, so his seventeen-year-old clerk took over active management of the business. Cushing, a nephew of the Perkins brothers, officially became a partner two years later.⁶⁴ Perhaps the most able American merchant ever to reside at Canton, Cushing turned every investment he made into a profit for the partners. The commercial skill his partners in Boston possessed complemented

⁶³Before he died T.T. Forbes had drawn up current accounts to reach this estimated figure of their worth. Letter, T.T. Forbes to J.P. Cushing, Jul. 10, 1829, Bryant & Sturgis MSS. For accounts of Forbes' death, see R.B. Forbes, Personal Reminiscences (Boston, 1878), pp. 128-30, and Carl Seaberg and Stanley Paterson, Merchant Prince of Boston: Colonel T.H. Perkins, 1764-1854 (Cambridge, 1971), pp. 368-70.

⁶⁴Letter, Perkins, Burling & Co. to J.P. Cushing, Apr. 1, 1806, in Lloyd V. Briggs, History and Genealogy of the Cabot Family, 1475-1927 (2 vols.; Boston, 1927), II, 529. In this letter T.H. Perkins also admonished Cushing: "It is y'r duty to warn the Chinese against the wiles of our Countrymen." Seaberg and Paterson, Merchant Prince of Boston, pp. 156-66.

Cushing's talent to the immense profit of all. Even during the Embargo, when many merchants in the China trade failed or at least rechanneled their investments elsewhere, Perkins & Co. increased their profits.⁶⁵

By 1820 Perkins & Co., which invested in the China trade to Europe as well as to the United States, had grown to assume a virtual monopoly over the European quarter of the trade.⁶⁶ In 1821 Cushing advised a correspondent of the Perkins' concern in London not to accept consignments in freight on Perkins vessels, as "it may happen that circumstances may induce us to send the vessels elsewhere without coming further than Lintin or Chuenpee [.] [I]n a case there was freight on bd. [board] for others it would embarrass us very much, [T]he compensation is no object. . . ." The fear of embarrassment was an oblique reference to the opium trade. As in other spheres of the Canton trade Cushing reaped rich profits from opium. He had imported Turkish opium from Smyrna as early as 1810 and in the 1820's had invested in cargoes of Indian opium.⁶⁷

Throughout the 1820's more business went through Perkins & Co. than any other American agent or house. In 1823, when

⁶⁵Letter, J. & T.H. Perkins to Perkins & Co., May 13, 1807, Massachusetts Historical Society, J. & T.H. Perkins Letterbooks. Seaberg and Paterson, Merchant Prince of Boston, pp. 179, 189.

⁶⁶Letter, Perkins & Co. to J. & T.H. Perkins, Feb. 6, 1820, Perkins & Co. MSS.

⁶⁷Letter, Perkins & Co. to F.W. Paine, Jan. 31, 1821, Perkins & Co. MSS. Letter, J.P. Cushing to T.H. Perkins, 1810, Forbes Family MSS.

Cushing offered Russell and Ammidon his contacts in India, he was not making much of a sacrifice. Perkins & Co. had so many sources of trade and profit they did not need consignments. In fact they considered consignment business a bother. Unlike the other American establishments at Canton in the period, Cushing and his house were a world-wide mercantile enterprise. James and Thomas Handasyd Perkins were at the top of a pyramid-structure that had agents in virtually every major port. For the most part related by blood or marriage, the "Boston Concern" had two major houses, one at Boston which they managed and one at Canton which Cushing operated. This enabled the Perkinses to have a large number of vessels engaged in a trade that plied between the United States and Canton but involved Southeast Asia, India, the Mediterranean, Europe, Spanish America and the Northwest Coast. Combined with the Perkinses in this venture was the house of Bryant, Sturgis & Co., investors more than merchants. They usually financed ventures to Canton in conjunction with the Perkinses.⁶⁸

In 1827 Cushing, now forty years old, retired from active participation in the China trade. He left Canton in April 1828

⁶⁸The bulk of letters to Perkins & Co. in the Perkins & Co. MSS are from Bryant & Sturgis and T.H. Perkins. Their friendship and business connection is obvious in the number of joint ventures. Bryant & Sturgis had an agent, Sturgis' nephew James Perkins Sturgis, in China also. But he conferred with Cushing and handled primarily Bryant & Sturgis' Northwest trade.

with plans for young Forbes to replace him. Cushing's total profits were close to a million dollars. Forbes himself had profits totalling almost two-hundred-thousand dollars. He and Cushing would have equal shares in the proposed establishment.⁶⁹ Cushing would remain a partner in Boston but planned to limit himself to investments. Just as he was resuming his business, word arrived from China of Forbes' fatal shipwreck. At the time he was in Europe overseeing the preparation of cargoes bound for Canton.⁷⁰ Cushing hurried on to Canton himself to settle financial affairs. At Canton he carried out Forbes' instructions to merge with Russell & Co., but he insisted that the house take in another partner who had his approval. This partner was to receive the consignments of all Perkins & Co.'s business. Cushing had in mind Forbes' younger brother Robert Bennet for the position. Forbes, a seacaptain, preferred to remain in his present job of managing a storeship at an Outer Anchorage. Cushing then settled on Augustine Heard as the designated partner. As a further part of the agreement, the youngest Forbes brother John Murray, sixteen years old, was to be a purser for Russell & Co. with the intent of a future partnership. In return Russell & Co. received all the business of Perkins & Co. and Bryant, Sturgis & Co.⁷¹ In March 1831 Cushing,

⁶⁹Letters, J.P. Cushing to T.T. Forbes, Nov. 23, 1828; J.P. Cushing to T.H. Perkins, Jan. 19, 1829; T.T. Forbes to J.P. Cushing, Jul. 10, 1829, Bryant & Sturgis MSS.

⁷⁰Cushing was in Europe buying a French and a Dutch ship to trade from Canton to France and Holland for his own profit but under their own national colors. Letter, J.P. Cushing to Perkins & Co., Apr. 15, 1830. Extract of Letter, J.P. Cushing to J. Bates, Jul. 10, 1831, Bryant & Sturgis MSS.

⁷¹Letter, J.P. Cushing to S. Cabot, Nov. 18, 1830, Samuel Cabot MSS. Cushing left accounts with Russell & Co. for Perkins & Co. worth \$61,810.49 and for himself worth \$60,458.23. See Trial Balances, Bryant & Sturgis MSS.

accompanied by Samuel Russell, sailed for Boston.

Immediately the volume of Russell & Co.'s business surged upwards. The following years were increasingly hectic for the partners. All the work fell into the hands of only two men at Canton, namely Low and Heard. Not only did they have the added consignments of Perkins & Co.'s business, but the Canton trade itself was expanding. At the end of 1832 Heard wrote to Samuel Russell that another partner was necessary. Another worry for the Canton partners was the fear that Russell & Co. was gaining the reputation as the private consignee of Perkins & Co. A partner besides John Murray Forbes would visibly help to dissuade other consignors from viewing Russell & Co. as a private adjunct of Perkins & Co.⁷² At this time a major share of the house's business was through Europe and India, a great part of which was financed by some portion of the "Boston Concern." Along with the Perkins business had come a special relationship with Baring Brothers & Co. of London, Europe's greatest bankers. (One of the Baring partners had married a Sturgis.) Their financial backing gave enormous stability to Russell & Co., especially in terms of credit.

Soon after Heard wrote to Russell suggesting partners be increased, Low fell ill with a respiratory malaise and went down to Macao, where the air was reputedly better. This development required Heard to manage Russell & Co. alone at Canton.

⁷²Letter, W.H. Low to S. Russell, Oct. 8, 1831, Russell & Co. MSS. Letter, A. Heard to S. Russell, Dec. 13, 1832, Heard MSS.

Low steadily deteriorated at Macao and so he decided to leave with his family to return home. Hoping to recover at sea, he died at the Cape of Good Hope. At Canton Heard's health also faltered from overwork. In 1834 new partners did enter the house, relieving Heard. Joseph C. Coolidge came from Boston to join John C. Green, a former master and agent for New York merchants at Canton. The other partner was John Murray Forbes. Coolidge's erratic personality often invited criticism of his abilities as a merchant. John Forbes described him as "too wishy-washy, wild, & untactful."⁷³ Green was his opposite but lacked personability. He was an excellent organizer and administrator, however, and a stern taskmaster. The former master now became chief of the house and instilled order into its operation, which had suffered from an overload of work and a lack of adequate personnel to keep good records, etc. Business was now conducted on a more impersonal level with decisions based on profit and loss. Under Green's stewardship the house became more efficient and garnered an even larger share of the trade. At the beginning of the 1835 season John Forbes bragged that only one house, namely Jardine, Matheson & Co., had more vessels in port than Russell & Co. Green continued to head the house and insisted on the continuation of his methods, even chiding

⁷³Letter, J.M. Forbes to A. Heard, Dec. 26, 1834, Heard MSS. Coolidge, married to a granddaughter of Thomas Jefferson, was never liked at Russell & Co. The partners despatched him to drum in India and Europe and then forced him out in 1839. He left with \$120,000 in profits. Although he was a charter partner of A. Heard & Co., he was soon forced out of that house also.

John Forbes on his loose practices in extending credit.⁷⁴

By 1838 Green was ready to retire, having accumulated a profit of three-hundred-thousand dollars. In 1837 the Chinese had decided to crack down on the opium trade. This action bore ominous predictions of at least a financial crisis. Green, himself a major trader in opium, fortunately had earlier decided that Russell & Co. would no longer accept consignments of the drug. When the crisis did arise in 1839, now with political overtones as well as financial, Russell & Co. was untarnished in Chinese eyes. During the Opium War the house, with Robert Bennet Forbes and Warren Delano its successive chiefs, did an enormous trade. The house's profits netted about two-hundred-thousand dollars, a year in commissions.⁷⁵ Due to its financial position during this period, Russell & Co. exercised a tacit leadership over the American community at Canton. In effect its actions constituted American policy since no other house disputed its power. No house was in any position to do so. Traditionally, the merchants dictated to the American Consul, himself a merchant, what he should do. In the 1830's they naturally turned toward Russell & Co. for leadership.

⁷⁴Letter, J.M. Forbes to A. Heard, Aug. 29, 1835, Heard MSS, and Letter, J.M. Forbes to J. Bates, Nov. 25, 1835, Forbes MSS. Green chided Forbes in Letter, Russell & Co. to J.M. Forbes, Nov. 26, 1836, Forbes MSS. See also S. Russell to A. Heard, Nov. 22, 1835 Heard MSS.

⁷⁵Letter, R.B. Forbes to R.S. Forbes, Sep. 1839, Forbes Family MSS. J.M. Forbes retired from the house with \$160,000 in profits. R.B. Forbes by autumn 1839, having been with the house for one year, had made \$65,000 in profits.

Russell & Co.'s financial and commercial position by the late 1830's was overwhelmingly ahead of its American competitors and even many of the British houses. Certainly the inclusion of the Perkins business in 1831 was the major factor in the house's growth. As part of this accession came another primary impetus to the expansion and stability of Russell & Co. This was the trade, investments, influence and advice of Houqua. Although Houqua was a Hong merchant, he adventured heavily in the foreign trade. He had traded through Perkins & Co. from their early days at Canton, although just when or how the arrangement began cannot be determined.⁷⁶ When Cushing merged Perkins & Co. into Russell & Co., he handed Houqua's account over to Augustine Heard to handle as part of the Perkins business. From then on Houqua's connection with Russell & Co. remained an important source of profit for the house. After 1833 Houqua retired from general business at Canton. He had been chief Security merchant for the East India Co. and after the dissolution of its monopoly, he wished to be released from the trials and duties of membership in the Co-hong. (He was then worth twenty-six million dollars.) Consequently Houqua confined his business to investments through Russell & Co. He ventured in his own teas, silks and all the other major

⁷⁶ Houqua invested through Perkins & Co. in Boston as early as 1808. Letter, Perkins, Burling & Co. to Perkins & Co., Aug. 11, 1808, in Briggs, History of the Cabot Family, II, 537. The Hoppins were selling Houqua's teas in 1819, as mentioned in their letters to S. Russell & Co., Russell & Co. MSS. Merchants in the United States attempted to procure more investments from Chinese merchants. Letter, A. Russell to S. Russell, Jun. 26, 1830, Russell & Co. MSS.

articles of the China trade (except opium) to the United States, Europe and India.⁷⁷

Houqua's account with Russell & Co. remained secret throughout. This was a condition of Cushing's giving it to the house. The only person who was aware of it was the partner with whom Houqua dealt. After Heard, John Murray Forbes became Houqua's special agent. His account was hidden under the name of the partner and later under the general name of the house. Although Abbot Low and Russell Sturgis also acted for Houqua, the old Chinese merchant remained a special friend of the Forbes brothers (John Murray and Robert Bennet), even overshadowing his former friendship with John Perkins Cushing. The Forbeses were his agents in the United States, not only receiving his consignments but also loans and advice on the trade.⁷⁸ Houqua helped Russell & Co. in the same way, offering them credit at an extremely low interest rate. His investments, especially to England, retained for them patronage and contacts that increased the range of consignors. In 1836 John Forbes reported that the house had received fourteen thousand dollars in commissions from Houqua's account alone. Forbes con-

⁷⁷ Reminiscences of J.M. Forbes, ed. by Sarah Forbes Hughes (3 vols.; Boston, 1902), I, 141. Hunter, 'Fan Kwae' at Canton, pp. 48-49. Helen Auger, Tall Ships to Cathay (Garden City, 1951), pp. 81-82.

⁷⁸ Letter, A. Heard to Bryant, Sturgis & Co., Feb. 25, 1834, Heard MSS. Letter, Houqua (written by A. Heard) to R.B. Forbes, Oct. 10, 1834, Forbes MSS. Letter, Houqua (written by A. Heard) to J.P. Cushing, Oct. 10, 1834, Forbes MSS. R.B. Forbes reconfirmed Houqua's preference for the Forbes brothers when he returned to Canton in 1838. Letter, R.B. Forbes to S. Russell, Oct. 31, 1839, Russell & Co. MSS.

cluded, "He is worth more to us than any 2 other houses on our Books."⁷⁹

Through the financial difficulties of 1837 and the political crisis of 1839-40 Houqua remained a staunch friend of Russell & Co. and Americans in general. He corresponded regularly with Americans who had left Canton, offering advice and financial help if necessary. The most famous example of his generosity was his clearing his books of an enormous debt owed by the American Consul. In failing health, this merchant could return home.⁸⁰ Of course Houqua's actions were an exception, not the rule. But he was the most important Chinese merchant at Canton. His special relationship with the American residents helped to reinforce the Co-hong's bias for Americans throughout the period. The history of Americans at Canton before 1844 was in large part the history of Russell & Co. and Houqua.

⁷⁹ Letters, J.M. Forbes to A. Heard, Jan. 26, 1836 and Oct. 31, 1836, Heard MSS.

⁸⁰ Houqua's honesty and generosity were lauded in an article concerning the history of Russell & Co. in the Boston Sunday Globe, Jun. 20, 1908, in Forbes Family MSS. See also Letter, Houqua (written by J.M. Forbes) to J.P. Cushing, Apr. 23, 1833, Forbes MSS. Letter, Houqua (written by J.M. Forbes) to A. Heard, Apr. 6, 1836, Heard MSS. The story about the consul is very common in the literature of this period, although the American is never named. Deduction makes the merchant to be Peter W. Snow, American consul at Canton from 1836 to 1842.

CHAPTER IV

AMERICAN TRADE AT CANTON, 1815-1834

In October 1818 a major commercial house in the China trade, Bryant & Sturgis of Boston, remarked to its resident agent at Canton that "the consumption of China produce is yearly increasing both in this country & in Europe, nearly the whole of which except the British Dominions receive their supply from us."¹ During 1818 alone, forty-four American vessels² anchored at Whampoa with cargo for the Canton market. Totalling over fifteen thousand tons burthen, these vessels surpassed any previous year's number of American vessels engaged in the China trade. Such a surge was partially a result of the general growth of American foreign commerce after 1815. Merchants in the China trade at the end of the war immediately had despatched vessels loaded with full cargoes to Canton. For them the future seemed to hold a trade more

¹Letter, Bryant & Sturgis to J.P. Sturgis, Oct. 21, 1818, Harvard Business School, Baker Library, Bryant & Sturgis MSS.

²This number of vessels is from H.B. Morse, The Chronicles of the East India Company Trading to China, 1635-1834 (5 vols.; Cambridge, 1926), III, 331. Other numbers of American vessels quoted in this chapter are also from the same source, unless noted. Other sources give varying figures regarding American shipping at Canton at various times. I have also composed a compendium of American shipping for each year at Canton. My totals for each year consistently show more American vessels at Canton than claimed by Morse.

profitable than ever before. After 1815 all American commerce, foreign and domestic, prospered and expanded. But within a few years this commercial bubble burst, as the United States slid into a serious economic depression. Even as American merchants in 1818 described the future of the China trade in glowing terms, signs of impending economic troubles had appeared. The major foreshadowing was a decline of available sources of specie.³ Since 1800, although furs, sandalwood and beche-de-mer had entered the trade, the primary American export to Canton had become gold and silver bullion.

In 1819 the American economy fell into dire circumstances. Banks closed their doors, currency became worthless, businessmen went bankrupt, and farmers lost their land as the entire country suffered a convulsion never before experienced. As a result of the Panic of 1819, the China trade declined drastically. Just five months after forecasting tremendous growth in the China trade, Bryant & Sturgis wrote to its agent at Canton of the "stagnated state" of the American economy and its deleterious effect on all foreign trade. As merchants in the United States were finding dollars (Spanish bullion) impossible to procure, all of them would have to curtail adventures to Canton. In October, Providence merchants in the China trade reflected worse circumstances.⁴ As the

³Carl Seaberg and Stanley Paterson, Merchant Prince of Boston: Colonel T.H. Perkins, 1764-1854 (Cambridge, 1971), p. 285.

⁴Letter, Bryant & Sturgis to J.P. Sturgis, Mar. 12, 1819, Bryant & Sturgis MSS. Letter, E. Carrington & Co. to P.W. Snow, Oct. 15, 1819, Library of Congress, Russell & Co. MSS.

trading season passed, the depression only increased the economic losses merchants had been suffering. Communications from Bryant & Sturgis in 1820 revealed that house's frustration. Economic conditions in the China trade were still declining, "although everyone was inclined to think they had reached their lowest depression sometime ago." At that point the partners knew of no vessels destined to sail to Canton.⁵ The number of American vessels at Canton had dropped from forty-four in 1817-18 to twenty-five in 1819-20. By 1820-21 the impact of the depression, a world-wide phenomenon, reached Canton. In turn the Chinese were forced into an economic retrenchment that included a decreased demand for foreign imports. Of course such a step only impeded any further chance for economic recovery in American commerce. Perkins & Co., the chief American mercantile establishment at Canton, concluded in February 1821: "We do not from present appearances think the China Trade worth pursuing & we should be very willing to relinquish it entirely."⁶

Perkins & Co. did not give up its China trade but hung on as economic conditions gradually improved in follow-

⁵Letter, Bryant & Sturgis to J.P. Sturgis, Mar. 11, 1820, Bryant & Sturgis MSS. Other letters from Bryant & Sturgis during 1820 continue to emphasize depressive economic conditions. Other mercantile houses also express this in communications to their Canton agents. Letters, J. & T.H. Perkins to Perkins & Co., 1820, Harvard Business School, Baker Library, Perkins & Co. MSS; E. Carrington & Co. to S. Russell & Co. and B. & T.H. Hoppin to S. Russell & Co., 1820, Russell & Co. MSS.

⁶Letter, Perkins & Co. to F.W. Paine, Feb. 5, 1821, Perkins & Co. MSS.

ing seasons. While waiting out the commercial depression, this house and the other Americans at Canton faced a more immediate crisis. The Americans became embroiled with the Chinese authorities in a legal dispute, which demonstrated the attitude with which Americans perceived their role at Canton and in the China trade. This crisis forced the merchants to define their position openly. Once defined, this attitude governed their approach in conducting trade thereafter. The dispute arose in September 1821 over Francis Terranovia, a seaman on the American ship "Emily," and his involvement in the death by drowning of a Chinese woman.

Terranovia himself denied that he was in any way responsible for the woman's death. In a sworn deposition, the seaman claimed that he had wished to purchase fruit from a woman selling it from a small boat alongside the "Emily". He stated that he "gave safe into her hands an earthen pot which she received." Terranovia testified he then saw her have trouble controlling her boat and subsequently fall overboard and drown. In the three days following the incident on September 23, American Consul Benjamin C. Wilcocks received sworn depositions from over thirty American and British captains and seamen who purported to have witnessed the woman's death. An overwhelming majority of them agreed with Terranovia's statement that the woman

did indeed fall overboard. However, several men created a stir by avowing under oath that they had heard various witnesses immediately after the incident aver that they had seen an earthenware jar knock the woman off the boat. The alleged witnesses later denied having made such statements.⁷

From the depositions gathered by Consul Wilcocks, the woman's death would seem to have been her own fault. But the Chinese viewed the incident differently. The local authorities entered the affair on September 24, when the dead woman's husband informed the P'an-yü (local magistrate) in a petition that a foreign seaman had thrown a jar at his wife, wounding her and causing her to drown. This petition was the crux of the affair, since the man claimed that the seaman had hit the woman with the jar. The Chinese authorities never waived from this interpretation of the incident. They naturally were inclined to believe the statements of the deceased's family, since familial ties were one of the foundations of Chinese society. Other Chinese who professed to have witnessed the event corroborated the foreign seaman's involvement. The P'an-yü

⁷ All depositions were witnessed by two Americans. Terranovia's statement and the others are in U.S., Department of State, Consular Despatches: Canton, B.C. Wilcocks, Nov. 1, 1821. From the depositions Terranovia would appear to have been innocent, although he never stated how he gave the jar to the woman. That the jar was thrown and hit the woman, as the Chinese claimed, is not completely ruled out by the statements given Wilcocks. Whether Terranovia threw the jar or not was the crux of the whole accusation.

reported these facts to the governor-general, who in turn replied: "It appears that the woman was first wounded, & afterwards fell into the water, & was drowned--But in this way still, the fact is, that her death was caused by throwing the jar, & the case should be brought under the law of "Killing in an Affray."⁸ He therefore demanded that the foreign seaman Falan-se-szu-t'e-la-na-fei-ya (Francis Terranovia) be delivered up for trial.

Once the Chinese decided the law "Killing in an Affray" had jurisdiction in the incident, in their eyes there could no longer be any dispute over the circumstances of the death. That the jar had hit the woman and that the jar came from Terranovia's hands (they firmly believed this to be the truth) made him a participant in the woman's death. According to the Chinese system of justice his conduct was reprehensible and he must be punished. Such an attitude pointed up the fundamental and gaping differences between traditional Chinese and Western concepts of law and justice. The basic foundation of Chinese society was the achievement of harmony through adherence to Confucian morality. Law was subordinate to morality, in that the Chinese viewed it merely as a punitive factor. The scholar-gentry class, the elite in the Chinese social structure,

⁸ Governor-general Yuan's edict to P'an-yü Wang is in Consular Despatches: Canton, B.C. Wilcocks, Dec. 12, 1821. "Killing in an Affray" actually was one type of accidental homicide. The other was killing purely by accident, for which the penalty was a fine payable to the deceased's family. But the Chinese generally lumped all accidental homicides into the former category.

believed their society required a legal system only to punish those who refused to live by Confucian codes of conduct. Consequently, the Chinese did not revere law in the abstract sense. The Chinese legal system was fluid. Their Emperor, the Son of Heaven, whose conduct was the highest standard of moral conduct, had the law at his disposal to aid him in administering the Celestial Empire. Laws therefore changed from dynasty to dynasty without causing an outrage. In the nineteenth century Westerners did not understand the position of law in Chinese society and the basis of that society's lack of respect for the abstract value of law.

Correlated to the Chinese attitude toward law was their attitude toward justice. Even though their legal system was a fluid one, it did contain a criminal code complete with delineated punishments for various crimes. For instance, premeditated murder was punishable by beheading, whereas homicide in self-defense was justifiable. Between these categories was accidental homicide.⁹ Confucian morality stressed the concept of social responsibility, beginning with familial relationships and ending with the ruler's responsibility for his subjects. This concept made a person involved in another person's death responsible for that death, even if it was an accident. (Naturally social responsibility did not preclude self-defense.) As a result, people accused of accidental homicide were virtually always judged guilty, and therefore subject to the sen-

⁹H.B. Morse and H.F. Macnair, Far Eastern International Relations (Boston, 1931), p. 72.

tence of death by strangulation. Unlike Western societies' emphasis on maintaining the uprightness of law, the Chinese placed much greater importance on the maintenance of morality through proper personal conduct and social responsibility. Their system of justice only existed to punish those whose conduct proved immoral (in opposition to standards of Confucius and the Son of Heaven or Emperor).¹⁰

Accordingly, the Chinese believed their system of law and justice extended throughout the Celestial Empire and over all persons therein, including foreigners. Therefore the local authorities in demanding the surrender of Terranovia felt they acted properly. In their minds they had no alternative choice. The Americans did not readily agree, but neither were they united in their response to the demand that Terranovia be handed over to the Chinese. The official representative of the United States, Consul Wilcocks, removed himself from any participation in determining policy in the affair. A resident merchant himself, Wilcocks limited his actions to taking depositions from the Americans and British who claimed to have any pertinent information. He believed that, even though he was consul for the United States, he had no jurisdiction in this type of matter. He did ask for the opinions of other American resident merchants and supercargoes, the results of which he

¹⁰This is only a brief explanation of Chinese law and justice. Its significance is the fundamental difference from Western concepts and the failure of both Chinese and Americans in this affair to recognize that fact. John King Fairbank, The United States and China (3rd ed.; Cambridge, 1972), pp. 105-10, and Morse and Macnair, Far Eastern International Relations, pp. 70-71.

dutifully reported to the Secretary of State. Of the other Americans at Canton in 1821, there were three groups, namely shipmasters, supercargoes and resident merchants. The masters, led by Capt. William S. Cowpland of the ship "Emily," believed stoutly that the Americans should protect Terranovia in any way necessary. On the other hand, the supercargoes and resident merchants, all of whom had a greater stake in maintaining good relations with the Chinese, were less opposed to acquiescence to Chinese demands.

To cope with the incident and maintain a united stand, the Americans formed a committee of fifteen members, of five masters, five supercargoes and five merchants. The merchants on the committee included the most influential Americans at Canton in 1821: John Perkins Cushing, Samuel Russell, James Perkins Sturgis, Nicholas S. Ogden and David W.C. Olyphant.¹¹ These men in fact determined American policy throughout the whole affair. Consul Wilcocks was not a committee member nor did he attend any of its meetings. He was merely the means of communication between the committee and the Chinese authorities. No official American representative, therefore, was involved in this affair which would determine an American's life and future American trade with China.

¹¹ Membership of the committee, along with the general feelings of the various groups, are in Consular Despatches: Canton, B.C. Wilcocks, Nov. 1, 1821. The most influential American at Canton was Cushing, who had resided there since 1804. The other four were agents for the most successful American merchants in the China trade: Russell for E. Carrington & Co. of Providence, Sturgis for Bryant & Sturgis of Boston, Ogden for John Jacob Astor of New York, and Olyphant for Thomas H. Smith of New York.

After a few meetings, on September 28, the committee agreed on a response to the Chinese demand for Terranovia. The Americans insisted that the matter be settled at a fair and open trial for the accused. When the Chinese authorities immediately acceded to hold such a trial and admit testimony in defense of Terranovia, the committee were very pleased with themselves. They did not realize that the Chinese assumed that the Americans had conceded Terranovia's guilt in the committee's willingness to submit him for Chinese trial. For within the Chinese system a trial was merely a ritual at which the guilt of the accused was confirmed and his sentence proclaimed. The authorities did not mind allowing testimony for the defendant, they just listened and summarily dismissed it as irrelevant. Such actions were not the outgrowth of hatred of Americans or of foreigners. The Chinese were acting in accordance with their judicial system.

On October 6, 1821 a trial was held aboard the Emily. In attendance were the An-ch'a-szu (provincial judge) and his assistants, the Kwang-chiu-fu (chief magistrate of Canton), district magistrates, the Hong merchants,¹² and numerous Lin-

¹²The Hong merchants were present because they were the official means of communication between the government and foreigners. In this affair the Hong merchants generally supported American statements and offered to the P'an-yü the view that Terranovia might be innocent. They were severely castigated for this, since the Governor-general had stated differently. They were also criticized for not forcing the Americans to decide more speedily to submit Terranovia for trial. Government officials always blamed the merchants for actions of foreigners. Copies of the Hong merchants' statements and messages are in Consular Despatches: Canton, B.C. Wilcocks, Dec. 12, 1821.

guists. All the Americans, except Consul Wilcocks and Nicholas Ogden, also witnessed the proceedings.¹³ After the presentation of evidence, the An-ch'a-szu pronounced Terranovia guilty and sentenced him to the prescribed death by strangulation. Having expected a trial by Western standards, the Americans were outraged and felt betrayed by the Chinese who had pledged to conduct a fair trial. Their response was an angry refusal to give up Terranovia.¹⁴ Completely unfamiliar with Western concepts of justice, the Chinese were as shocked by the Americans' outrage over the results of the trial as were the Americans by the trial itself. The Governor-general, responsible to the Imperial Court for the successful completion of this matter, could not countenance the refusal of "barbarians" to abide by Imperial law. To persuade the Americans to reconsider their decision to protect Terranovia, the Governor-general on October 8 declared an embargo on all trade with Americans at Canton.

Initially the Americans remained steadfast in their determination not to allow the Chinese to force them to give up Terranovia. But their interest in trade soon overcame any other consideration. This interest necessarily predisposed

¹³A list of those at the trial is in Consular Despatches: Canton, B.C. Wilcocks, Dec. 12, 1821.

¹⁴The Americans had expected the Chinese would "make it out an accident & exile him /Terranovia/ to his native land." Letter, Perkins & Co. to Capt. C.F. Magee, Oct. 2, 1821. (This statement would have been written by Cushing.) For Americans' reaction to the verdict and sentence, see enclosure in Consular Despatches: Canton, B.C. Wilcocks, Nov. 1, 1821.

them toward a conciliatory attitude toward the Chinese. Before the trial the American merchants at Canton had emphasized to Capt. Cowpland and the other masters the advisability and necessity of pursuing actions least objectionable to the Chinese (yet honorable for themselves).¹⁵ Furthermore, American merchants, unlike other foreign merchants abroad, traditionally followed a policy of obeying the laws of the country in which they traded and resided. Such a policy was actually a corollary to the importance American merchants put on their trade. It also reflected a practical acknowledgment of the lack of a strong navy to support them. Although protecting Terranovia satisfied their sense of honor, such a stand hardly promoted American relations with the Chinese. The embargo on their trade reminded the American merchants once again of the necessity to abide by the principle of non-resistance. American adherence to this principle was a practical assessment of the reality of the Americans' situation in China.

Although one historian had argued that he "regretted. . . .that the inevitable issue between the Middle Kingdom and the Occident, free intercourse between the two on a basis of mutual equality could not have been forced by the United States at this time. . . .,"¹⁶ this was not possible. Considering the

¹⁵Letter, Committee to Capt. W.S. Cowpland, Oct. 5, 1821, in Consular Despatches: Canton, B.C. Wilcocks, Nov. 1, 1821.

¹⁶Kenneth S. Latourette, "The Story of the Early Relations between the United States and China, 1784-1844," Transactions of the Connecticut Academy of Arts and Sciences, Vol. XXII, (New Haven, 1917, pp. 62-63.

size of the American community in 1821 (fifteen residents at most), the complete lack of armed support, and their consuming interest in a successful trade, Americans had no alternative to the course of action they chose. Given the importance of the trade to Americans at Canton, their decision to respect Chinese law was neither surprising nor culpable. Consul Wilcocks best stated the American position: "As to resisting the Constituted authorities. . . , I declared it was improper in the extreme and could only be productive of great mischief."¹⁷

On October 19 the consul, in a note to the Chinese, disowned all responsibility in the affair because of his lack of any judicial powers. Shortly thereafter the committee restated their unwillingness to surrender Terranovia. But they also intimated to the Chinese that no American would resist the removal of Terranovia from the "Emily." The Chinese allowed the Americans to "save face," and without ceremony they boarded the "Emily" and took Terranovia away. By October 28 the affair was over. Governor-general Yuan declared in an edict that the American trade was again open. He praised the obedience to the laws of the Celestial Empire of the American "Chief" (consul) who had "on the whole, behaved respectfully, & submissively."¹⁸ In the meantime Terranovia had died by strangulation.

¹⁷Consular Despatches: Canton, B.C. Wilcocks, Nov. 1, 1821.

¹⁸Both Wilcocks' disavowal and Governor-general Yuan's edict are in Consular Despatches: Canton, B.C. Wilcocks, Nov. 1, 1821.

As soon as the embargo was lifted at Canton, the Americans resumed their trade and quickly forgot the whole affair.¹⁹ The ease with which the Americans at Canton dismissed Terranova and the incident demonstrated the importance they placed on their trade with the Chinese. Still facing the merchants was the problem of depressed commercial conditions in the Canton market. Actually in the United States the economic situation was moving toward recovery. By the summer of 1822 Boston merchants in the China trade pointed toward new economic and commercial energy in Europe as an auspicious sign. But their agents at Canton did not view the situation in the same terms. In China these men still bemoaned a depressed trade with no prospect of improvement, as "almost every article usually brought by our Countrymen is higher than usual & there is not one article that can be shipped at present prices with any prospect of advantage."²⁰ The major problem was an overabundance of adventurers and a surplus of American vessels at Canton.

With the return of commercial prosperity in the United

¹⁹In all manuscript sources very little reference to the Terranova affair is made by American merchants at Canton. Cushing's only comment to his Boston partners was: "We addressed you last per Adonis since which the American trade has been suspended 'till a few days past in consequence of the difficulty which has occurred with the Emily & which has been settled by the Chinese authorities taking the man out of the ship & executing him." Letter, Perkins & Co. to J. & T.H. Perkins, Oct. 31, 1821, Perkins & Co. MSS.

²⁰Letter, Bryant & Sturgis to J.P. Sturgis & Co., Aug. 2, 1822, Bryant & Sturgis MSS. Letter, Perkins & Co. to J. & T.H. Perkins, Dec. 15, 1822, Perkins & Co. MSS.

States, American merchants surged into the China trade. Unlike other sectors of foreign trade, the trade to Canton was still underdeveloped. Anyone able to purchase a share of an adventure to Canton had some chance of reaping profit. This branch of foreign trade was not very old, its growth having burgeoned only in 1815. The only setback had been the Panic of 1819, but that depression had affected all commerce. So in 1822-23 many merchants looked to the China trade as one with possibilities of unlimited growth and profit. In 1824-25 forty-two American vessels traded at Canton. But American agents already established at Canton complained of decreasing profits. The new men flooding into the trade displayed an overzealous desire for profit and a complete lack of business sense in the Canton market. Unaware of the subtleties involved in transactions with the Chinese, these men irritated the resident merchants. Purchasing teas became "like tooth chewing", since the intruders did "not pretend to ascertain what the quality of the teas was" nor even to settle prices, but take them almost sight unseen at whatever rates may be exacted. This is placing the Trade on a miserable footing as it enables the Chinese to do just as they please being completely in their power." The residents believed that as long as these new adventurers could make a profit they would continue to inundate the Canton market.²¹

²¹Letter, T.T. Forbes to T.H. Perkins, Nov. 1, 1824, Harvard Business School, Baker Library, Forbes MSS. As early as fall 1823 Cushing complained of numerous merchants at Canton hurting the trade. He saw no end to them as long as they profited. Letter, Perkins & Co. to J. & T.H. Perkins & Sons, Oct. 29, 1823, Perkins & Co. MSS.

Although to many merchants the limits of the China trade appeared infinite, such growth could not continue unimpeded. Too much of this trade operated on unsound credit with inadequate capital reserves. The use of credit in the China trade had developed since the 1790's, when the American government had instituted a commercial policy beneficial to American foreign trade. Merchants could delay the payment of duties on their imports up to two years, while they stored the imported articles in bonded government warehouses. Such measures allowed merchants in the China trade to speculate heavily in teas, as they continually postponed paying their customs duties. (These duties often exceeded the cost of the teas at Canton.) This system operated successfully and profitably until 1826, when the government demanded payment from several commercial houses whose debts had become enormous. Most affected by the government's action was T.H. Smith & Co. of New York, a leading establishment in the American China trade. Smith consequently declared bankruptcy, the result of which was a chain reaction that touched most merchants in the trade. One after another, houses in New York, Boston and Philadelphia had to stop payment. Not surprisingly, those most affected in 1826 were merchants who recently had entered the China trade. Although the older houses suffered setbacks, they survived.²² The debacle of 1826 led to a reorganization

²²Barrett, Walter [Joseph A. Scoville], The Old Merchants of New York City (New York, 1873), pp. 33, 37, 87-92.

in the China trade, especially in the establishments at Canton.

Actually in contradiction to all their complaints and dire warnings of financial losses, resident agents who had been at Canton since the end of the War had profited consistently. One young American who clerked at Perkins & Co. managed to notice this in spite of the pessimism that characterized his superior's communications to the United States. Writing to a friend in 1825, he remarked that "notwithstanding all that was determined upon by the croakers in Canton the voyages from China have turned out well last year."²³ For Perkins & Co. and other resident agents, the same conclusion seemed to be true every year. After 1826 these merchants developed their establishments into commission houses and organized the trade into a specialized and tightly-structured business. The four major houses that later dominated the American China trade all traced their origins back to 1826. For these merchants the economic disruption of that year was beneficial, as it forced out of the trade those merchants whose operations were financially unstable. The China trade, which never fulfilled the potential Americans constantly attributed to it, was very successful for a limited number of merchants who were knowledgeable of the unique facets of the "Canton system" and skilled in dealing with them.

²³Letter, T.T. Forbes to S. Dorr, Nov. 6, 1825, Forbes MSS.

II

Within several years after the reorganization of 1826, the American commission houses at Canton were doing well. Economic conditions in the United States by 1830-31 had improved until one merchant could comment that "the country was probably never in a more prosperous condition. . . ." Another echoed the same optimism by writing that "every thing in the way of business in this country is now going on 'swimmingly'. . . ." ²⁴ As a rule commercial developments at Canton reflected the economic situation of the United States. But American merchants at Canton could not merely wait for the trade to improve. They also worked to create their own success in the China trade. The commission houses that replaced the resident agents were independent establishments, no longer in partnership with houses in the United States. These houses sought to increase their profits, but to do so they had to expand their trade.

In the 1820's the Americans in the China trade at Canton faced a major problem. Trade between Canton and the United States could not be expanded much further because of the limited number of suitable American imports and the limited American consumption of Chinese exports. The depression following the Panic of 1819 had made this fact evident. Americans were also

²⁴Letters, T. Wigglesworth to A. Heard, Sep. 11, 1830 and May 14, 1831; W. Sturgis to A. Heard, Sep. 22, 1833, Harvard Business School, Baker Library, Heard MSS.

aware of both a collapsing demand for and a dwindling supply of furs and sandalwood, the major articles imported by Americans from outside the United States. In order to expand their trade, therefore, Americans had to search elsewhere for other goods to become part of their trade at Canton. The idea of venturing to other ports throughout the world was not a novel one, for American seacaptains had long sailed all over the world in their voyages to and from East India. During the 1820's Americans at Canton merely systematized the former global voyages into shorter and more regular ventures. These voyages between ports in South America, the East Indies, Europe and Canton would both increase sources of imports to China and destinations for exports from China. The financial debacle of 1826 catalyzed this process, as it forced the remaining agents and the new commission houses to become more efficient. In so doing, the houses sent their own agents abroad to direct various segments of the growing and complex Canton trade. Ports chosen for expanding the trade were naturally those which American masters had long included as potential stops in their search for cargoes.

As in all developments in the American China trade before 1830, the man who took the lead in expanding the trade was John Perkins Cushing of Perkins & Co. (Russell & Co., successor of Perkins & Co., continued this leadership in the China trade throughout the nineteenth century.) In the early 1820's, when trade between the United States and Canton was suffering the effects of depression, Cushing decided to send vessels to

ports in South America. This was a logical choice, as what the trade required to improve was an influx of specie. For years the specie used to buy teas and silks at Canton consisted of Spanish dollars. From the sixteenth to the eighteenth century Spanish galleons had supplied the Canton market with dollars from silver mines in Spanish colonies in South America. After the Americans entered the China trade, they too began to stop in their global voyages at various ports in Spanish America for dollars. The Chinese always preferred specie, especially Spanish dollars, above any other legitimate import.²⁵

By 1820 Spanish galleons no longer visited Canton. Their operations restricted by the Chinese to the port of Amoy, the Spanish quit the China trade. Instead, they concentrated their galleons in a trading route between San Blas (Mexico) and Manila. Beginning in 1811, South American colonies began to achieve independence from the Spanish Empire. As Spanish energies became absorbed in internal dissension, their imperial trading system declined. In 1821 the Spanish government laid a heavy duty on the export of specie from Manila. Cushing, aware of the growing dearth of specie and its value to the trade, decided to send his own vessels to South America instead of getting it indirectly from Manila or waiting indefinitely for American vessels to arrive. In April 1820 he despatched three vessels to ports on the West Coast of South America.²⁶

²⁵The Spanish formed the Royal Spanish Philippine Company to trade between South American colonies and the Far East, the majority of such trade to go through Manila. W.E. Cheong, "Trade and Finance in China, 1874-1834," Business History, VII, 1 (January 1965), 39.

²⁶Two vessels were owned by the "Boston Concern" and the third by Edward Carrington and Samuel Wetmore of Providence.

He loaded the vessels with China silks and nankins, exports formerly supplied Spain's colonies by the galleons. Cushing's captains had orders to sail first to the Chilean ports of Coquimbo and Valparaiso and then to Peruvian ports if they were open, while the supercargo had "orders to return the proceeds in Gold, & Silver bullion or dollars as maybe [sic] most advantageous." Strife and hostilities were still rife in Chile and Peru, but such prospects did not trouble Cushing. In writing to his Boston partners for insurance on the vessels bound for South America, he claimed that "there appears a very favorable chance of doing something handsome there & with but little risk, the Royalists as well as the Patriots suffer American vessels. . .to trade at their ports."²⁷

Cushing's optimism began to dim when, after fifteen months, no word of the vessels had reached Canton. In June 1821 he again wrote to Boston concerning the South American ventures, but this time he fretted they might not end well. "It is quite time that some of the ships that went from here last season should be back. We fear that Embargoes, Impress-

(Carrington consigned trade to Perkins & Co. as well as S. Russell & Co., even though he was a major partner in the latter house.) Samuel Wetmore's nephew William S. Wetmore began his career as E. Carrington & Co.'s agent at Valparaiso in the 1820's. In 1833 he went to Canton and founded Wetmore & Co., one of the four major American houses at Canton. His major partner was his cousin Samuel Wetmore, jr.

²⁷ Letters, Perkins & Co. to J. & T.H. Perkins, Apr. 17 and Apr. 20, 1820, Perkins & Co. MSS.

ment of men, or bad markets detained them."²⁸ Within a few months the vessels did return to Canton, and Cushing, characterized by his usual understatement, announced that the ventures had terminated "very fairly." The voyages, he wrote, had resulted in "a benefit of 25 a 30 per C. [cent]" which is much more than we apprehend that can be calculated upon in any other quarter."²⁹ Perkins & Co. immediately despatched another vessel to the West Coast of South America. Seeing Cushing's success, other American merchants at Canton joined in such ventures.

Throughout the 1820's and 1830's American vessels from Canton regularly sailed to the major ports of South America's West Coast. These ports included Valparaiso and Coquimbo (Chile), Callao (Peru), Mazatlan and San Blas (Mexico). Cargoes from Canton consisted primarily of silks and satins. Returning to Canton, the same vessels brought the much-desired silver dollars. By this branch of trade the American merchants at Canton maintained their commercial position in spite of the impact of the economic depression. Although Americans had brought Spanish dollars to the Canton market since 1800, Cushing made the procurement of specie part of the functions of

²⁸In the same letter Cushing added that should the South American voyages make "tolerable" returns, he would "be strongly inclined" to repeat the adventure. Letter, Perkins & Co. to J. & T.H. Perkins, Jun. 25, 1821, Perkins & Co. MSS.

²⁹Letter, Perkins & Co. to J. & T.H. Perkins, Sep. 19, 1821, Perkins & Co. MSS.

his house at Canton. Such a move made him (and other residents who followed his lead) more independent and efficient in the tea and silk markets. By having specie on hand at all times instead of waiting for vessels that might or might not have dollars on board, he could move into the Canton market at any point to purchase exports of the quality and at the price he desired. (At this point the Hong merchants still demanded and received immediate payment in specie.)

Beginning around 1830, bills of exchange gradually replaced specie as the medium of purchase at Canton. By then the volume of foreign trade in China had increased beyond the available supply of specie or Spanish dollars. Merchants still had to keep a stockpile of dollars in their vaults to back up the bills drawn on their houses, but the use of bills greatly facilitated commercial transactions. The diminishing need for Spanish dollars did not seem to have the same impact on American ventures to South America.³⁰ By the 1830's American merchants had re-established the trade to West Coast ports in

³⁰Cheong, in "Trade and Finance in China," argues the importance of American importation of Spanish dollars from South America. Americans used dollars to buy teas and silks from the Chinese, who in turn used them to buy opium from the private British traders. Cheong argues that by 1826 South American revolutions forced this American trade to decline. A look at Consular Returns on American shipping at the port of Valparaiso, a major West Coast port, does not bear this out. American vessels from the United States increased in number after 1826 and those from Canton remained static. Consular Despatches: Valparaiso, "Consular Returns on American Vessels arriving at & departing from the Port of Valparaiso, Chile." Michael Greenberg, in British Trade and the Opening of China, 1800-42 (Cambridge, 1951), p. 162, claims Americans stopped importing dollars in 1826-27 due to the economic debacle that occurred that season in the American China trade.

China satins and silks.³¹ The demand in Chile, Peru, and Mexico for silks continued to grow and made such ventures profitable to American merchants. Although the total number of American ventures between Canton and South America each season remained low, the trade justified the major American houses at Canton establishing their own agents at each of the West Coast ports to oversee the markets.³²

While American merchants at Canton reached out to South America to expand their trade, they also looked to ports in the East Indies. Since the 1780's Salem seacaptains regularly visited numerous islands in their East India trade. On these voyages the most common stop was one of the ports of the Netherlands East Indies, which offered several excellent harbors where coffee, spices, rice, and tin could be purchased.³³ The major port among the islands was Batavia (Djakarta) at the tip of Java on the Strait of Sunda. A lovely city in the Dutch

³¹ Although American merchants at Canton sent vessels on South American ventures, they did not own the vessels. As commissions agents, they could not own vessels. Merchants in the United States owned the vessels but the Americans at Canton directed the operations and informed the merchant-owners at home of the results. The Canton houses profited through commissions on the ventures. During the 1830's the majority of West Coast trade went through Wetmore & Co., because of Wetmore's contacts from his years as a successful agent in Valparaiso and Lima.

³² English private traders also experimented during the 1830's in ventures to the West Coast. But they "were too pre-occupied with opium and the newly-freed trade with England to undertake more than a casual correspondents. . . ." Greenberg, British Trade and the Opening of China, p. 94.

³³ Consular Despatches: Batavia, J. Shillaber, Dec. 1825.

tradition, Batavia lay "in a low and obscure situation, intersected with canals, . . . and shaded with tamarind, and other beautiful trees." Its population was a mixture of Dutch, Chinese and Javanese.³⁴ The primary exports were coffee and sugar. An independent trade based on these exports had developed between Java and the United States. American merchants at Canton, however, were interested in other East Indian products.

In 1820 John P. Cushing suggested to his partners that "it generally would be advantageous to have direct ships which were bound here [Canton] touch at Batavia & invest part of their funds in tin which could be had. . . [cheaply]." He also included the articles of rattans and birds' nests, all of which were profitable imports at Canton.³⁵ For centuries the Chinese had carried on a trade with the East Indies, where they procured drugs, spices and foodstuffs. Especially during the Ming Dynasty, Chinese adventurers sailed their junks all through the Indian Ocean in search of trade. From this foreign trade, settlements of Chinese had sprung up in East Indian ports. In the seventeenth century the Ch'ing Emperors closed off this outside travel. Although Chinese traders still ventured to

³⁴ [Silas Holbrook], Sketches, by a Traveller (Boston, 1830), p. 37. Holbrook described the Chinese at Batavia as "brisk, cheerful, and industrious" in opposition to the Javanese, whom he characterized as "torpid, indolent, and sullen."

³⁵ Letter, Perkins & Co. to J. & T.H. Perkins, Mar. 11, 1820, Perkins & Co. MSS. Cushing also sought to develop trade with other ports in the Dutch East Indies and establish a regular run between Canton and Batavia. Letter, Perkins & Co. to F.W. Paine, Apr. 20, 1820, Perkins & Co. MSS.

the East Indies from Canton, their number was not large. Chinese merchants at Canton were pleased to see the Americans resume the import of East Indian produce to China. They even recommended various articles to the Americans to import into the Canton market.³⁶ Cushing explored the possibility of contracting with the Dutch authorities at Batavia to establish a regular vessel to sail between Canton and Java. He was willing to put an American vessel under the Dutch flag in order to monopolize the trade in China good to the Dutch population in the East Indies.³⁷

Cushing did not limit his efforts to developing a trade with Batavia. He also looked eastward to the Philippines. Unlike the East Indies, the Philippine market was largely unexplored by American traders. What little in the way of adventuring that had been tried had failed. The Europeans had a monopoly on trade at Manila which the Americans could not seem to break.³⁸ Such circumstances only intrigued Cushing. Not disturbed by the fact that other Americans had failed to exploit the Manila market, in October 1821 he sent one of his most trusted captains on an exploring voyage to Manila, where "the Spaniards had some considerable trade some time since, but whether it is continued at the

³⁶Letter, Perkins & Co. to Addison & Co., Nov. 3, 1821, Perkins & Co. MSS. Addison & Co. was located at Batavia.

³⁷Letter, Perkins & Co. to Robert Addison & Edward Perkins, Feb. 17, 1821, Perkins & Co. MSS.

³⁸Consular Despatches: Manila, A. Stuart, May 30 and Nov. 26, 1817. Stuart, who was American Consular-agent as Spain only recognized an American consul in 1835, was the only American resident at Manila until 1818. That year an American, Peter Dobell, arrived to reside at Russian consul.

present time or not we cannot learn." Cushing had very precise sailing orders for Capt. Magee: "Obtain a possible list of the articles generally taken to Soloo & other considerable places of trade, quantities saleable, & prices obtained, & the prices of the articles which are taken in return."³⁹

Apparently Capt. Magee returned with optimistic reports on commercial conditions at Manila. By the early months of 1823, Perkins & Co. was advising its captains of the advantages of the Manila market over Canton. The government had recently put into effect new Entrepot Regulations which included extremely low duties on foreign imports and exports. Cushing concluded that shipping to Manila rather than Canton could be more profitable, because the foreign vessels would escape the high customs duties levied on foreign trade in China.⁴⁰ He further speculated that Chinese junks from "the Eastern part of the Empire" would also resort to Manila to trade "as soon as the Chinese are aware of the great facilities which the late Regulations adopted by the Manila Govt. will afford them." These junks could transport back to the eastern provinces of China foreign merchandise brought to Manila for Chinese con-

³⁹ Instructions, Perkins & Co. to Capt. C.F. Magee, Oct. 2, 1821, Perkins & Co. MSS.

⁴⁰ Instructions, Perkins & Co. to Capt. F.W. Commerford, Feb. 25, 1823, Perkins & Co. MSS. Cushing stated the difference on duties on camblots, which at Canton were eighteen dollars per piece whereas at Manila thirty to forty cents per piece. Duties on ginseng at Canton were sixty dollars per picul and one dollar per picul at Manila. The Manila trade would never replace the Canton trade though, since not enough junks from China sailed there to transport the goods. In 1820 Consular-agent Stuart wrote of the government's encouragement of foreign trade at Manila. Consular Despatches: Manila, Apr. 20, 1820.

sumption. This commerce would not replace American trade at Canton. Instead, it would expand that trade by satisfying the demands for foreign articles in China's eastern provinces while simultaneously bypassing the high commercial duties imposed on those articles at Canton.⁴¹

Those same Entrepot Regulations were of even greater benefit to the American trade in that all restrictions on the export of rice from the Philippines were removed. American merchants did not immediately recognize the impact this factor could have on their China trade. The commercial laws of the "Canton system" laid heavy duties on all imported articles with one exception. Rice could be imported without restriction. Before long, the word spread and many of the vessels despatched to China stopped at Manila for a cargo of rice to carry up the Pearl River to Whampoa.⁴² American vessels also procured rice at other ports throughout Southeast Asia, Batavia and Singapore being the two other major ports of supply. After 1826 the commission houses at Canton developed their own trade in rice between Manila and Canton, even sending empty vessels to Manila if necessary. They began in the 1830's to store the rice at one of the various Outer Anchorages in the mouth of the Pearl River. Often when an American vessel reached the

⁴¹Instructions, Perkins & Co. to Capt. E.W. Commerford, Feb. 25, 1823, and Letter, Perkins & Co. to W.F. Paine, Jul. 29, 1823, Perkins & Co. MSS. Paine, a cousin of Cushing, was with him at Canton in 1806 and then managed Perkins & Co. business at Isle de France. In 1822 he became chief of the major commercial house at Batavia, A. L. Forestier & Co.

⁴²Letter, T.H. Perkins to J.P. Cushing, Jan. 15, 1825, Massachusetts Historical Society, Samuel Cabot MSS.

China coast, it would stop at the storage island to transship its cargo for a load of rice. While the vessel continued up to Whampoa thus freed from any duties, the vessel's inward cargo was smuggled up to Canton. The rice was also loaded into vessels arriving in ballast to be sold upriver.

As a result of the trade in rice, American commerce to Manila greatly expanded in the 1820's. When Cushing first sent vessels to Manila, he dealt with Spanish commission agents already established there. Other Americans who followed Cushing's lead also traded at Manila through the Spanish. But in 1824 Cushing sent his clerk and cousin Thomas T. Forbes over to Manila to organize the affairs of Perkins & Co.'s trade. Forbes remained there over a year overseeing trade in foreign articles and rice to China.⁴³ The business was so profitable that the decision was made to establish a permanent and independent house at Manila to replace the Spanish as agents of Perkins & Co. In 1826 the Boston partners of the "Boston Concern" despatched Henry Parkman Sturgis, cousin of Cushing and Forbes and nephew of James Perkins Sturgis at Canton, to form the house. Joined by George R. Russell, Sturgis founded Russell & Sturgis, which became the pre-eminent American commercial establishment at Manila during the nineteenth century.⁴⁴

⁴³Forbes sent almost daily despatches to Cushing from Manila. Letterbooks of T.T. Forbes, Forbes MSS and Forbes Family MSS in the Museum of the American China Trade, Boston.

⁴⁴George R. Russell, no relation of Samuel Russell, nevertheless was a nephew of Samuel Russell's partner Philip Ammidon. Russell & Sturgis was so successful at Manila, that the partners in 1834 established a branch at Canton. New partners John W. Perit and Russell Sturgis, brother to Henry P. Sturgis, managed the Canton house called Russell, Sturgis & Co. The latter did not do well and in 1840 merged with Russell & Co. The Manila

Consequent to the growth of American trade from Manila to Canton, an American trade between Manila and the United States appeared. Although the majority of American vessels which anchored at Manila in 1830's went to Canton, a large number sailed directly back to the United States with cargoes of hemp, sugar and indigo.⁴⁵ Also the Manila market provided an alternative to the Canton market. If American merchants at Canton could not fill a cargo profitably, or only partially, they could despatch the vessel to Manila. At the same time the export trade at Manila was increasing, the Philippines became a market for American manufactures, especially textiles. American merchants began selling cotton cloths, known as domestics, in the early 1830's. Unbleached domestics, a brownish color and a rather coarse texture, were the most popular. By 1835 the major market for American domestics was Canton, where they successfully competed with British-manufactured cotton cloths. The Chinese even preferred American domestics to their own nankins. Introduced simultaneously at Manila, the domestics proved very successful there also.⁴⁶

Overall American trade at Manila throughout the 1830's and 1840's remained an export trade which, furthermore, was an integral part of the China trade. An overwhelming majority

branch continued doing well. Before 1844 the only other American house at Manila was Peele, Hubbell & Co. connected primarily with Salem merchants.

⁴⁵Consular Despatches: Manila, A.H.P. Edwards, Jan. 27, 1833

⁴⁶In his annual report on American commerce at Manila, Consul Edwards estimated the annual consumption of unbleached domestics at two million pieces. Consular Despatches: Manila, A.H.P. Edwards, Dec. 31, 1834.

of American shipping at Manila during these years listed Canton as either port of origin or port of destination. Usually the vessels were on their way to Canton, having brought a cargo of domestics and specie (or bills), which they exchanged totally or partially for rice. The amount of exports from Manila amounted to roughly a million dollars annually.⁴⁷

American trade at Manila was the major beneficiary of the growing China trade in the 1830's. Primary reasons included its proximity to Canton and its lax commercial regulations. The inception of carrying rice to Canton, though, also resulted in increased American trade at Batavia. Although Perkins & Co. and other Americans had traded at Batavia for tin long before 1830, they only began transporting rice after 1826. In that year the Netherlands Trading Company obtained a virtual monopoly of commerce in Java. This monopoly only affected the American trade in coffee and sugar.⁴⁸ The Dutch were not as interested in restricting rice and tin which then became the major American exports. American vessels, moreover, represented a large share of the carrying trade to and from Batavia. They were second in number to Dutch vessels. This partially was the result of preferential treatment given Americans by the Dutch, who sought to use them against the

⁴⁷"Consular Returns for American Vessels arriving at & departing from the Port of Manila," Consular Despatches: Manila. The value of exports consistently was double or even triple that of imports.

⁴⁸At its inception in 1826 the Company was not to have monopolistic privileges, but by 1835 it had an effective monopoly over coffee and sugar at Batavia. Consular Despatches: Batavia, J. Shillaber, Feb. 27, 1826 and O.M. Roberts, Dec. 1835.

British. The latter, rivals of the Dutch, hoped to obtain possession of the East Indies. From their nearby colony at Singapore, the British repeatedly supported native uprisings in Java.⁴⁹ American trade at Batavia never amounted to the volume or value as that at Manila. But both were important, as was the trade to South America, in enabling American trade to China in the 1820's and 1830's to survive and expand. American merchants nevertheless left no potential market untouched. The last and most important links of the chain of ports in the expanding American China trade in this period were the markets of Europe, both on the Continent and in England.

III

During the Napoleonic Wars, American shipmasters stopped at various ports in Europe as part of the China trade. In the early 1800's these vessels ventured to Europe in search for cargoes to carry to East India or Canton. Although European metals and quicksilver proved most salable, just as often Americans sold exports (especially provisions such as flour) in Europe in return for specie. Before the War of 1812, European ports provided the major source of specie inasmuch as Spanish galleons still transported much of the gold and silver

⁴⁹Consular Despatches: Batavia, J. Shillaber, Apr. 6, 1826 and QM. Roberts, Dec. 1836. American trade at Singapore which only began in 1834 when the British removed restrictions, before 1844 never ranked with that at Batavia and Manila. English private traders instead employed Singapore for rice in the same way Americans used Manila. They also transshipped cargoes there to bypass the monopoly of the East India Company. Greenberg, British Trade and the Opening of China, pp. 97-98.

from their South American colonies back to Spain. The most successful American merchants in the China trade, such as Thomas H. Perkins and John J. Astor, sent their vessels back and forth to Europe to procure metals, food stuffs, sundries and specie for the Canton trade.⁵⁰ During the war this branch of the American China trade virtually halted as all American shipping suffered a decline.

After the war ended, the same Americans who had participated in the China trade before 1812 resumed their ventures. These men were joined by many other American merchants anxious to share in the profits of the postwar economic and commercial boom. The resulting problems forced the older merchants to make some changes in their operations. Their problems now concerned selling China exports as well as the continuous task of procuring imports for Canton. Those merchants who before 1812 had sought imports in Europe began in 1816-17 sending their Canton teas and silks there to sell. Although prohibited from entering English markets because of the monopoly of the East India Company, Americans were very effective in taking over the markets of Continental Europe. Major ports for American-exported China teas and silks included the northern European cities of Hamburg, Bremen, Amsterdam, Rotterdam, and Antwerp. (China exports did not seem to appeal to the Mediterranean area, where no one drank tea.) The bulk of this

⁵⁰Kenneth W. Porter, John Jacob Astor, Business Man (2 vols.; Cambridge, 1931), II, 598. Seaberg and Paterson, Merchant Prince of Boston, pp. 155-56.

expansion of the American China trade to Europe occurred in the early 1820's. Spurred by a faster recovery in Europe after the Panic of 1819, the development of this trade was also aided by the decline of Portugese and Dutch merchants in the China trade.⁵¹ In effect, the Americans replaced the Dutch in supplying teas and silks to Continental Europe. American merchants did not attribute their success merely to chance, although the fact that they competed successfully after 1815 with the Portugese and Dutch contributed to a swifter decline in the latters' trade at Canton.⁵²

Until the late 1820's, when trade between Canton and the United States improved, the trade in teas and silks to Europe constituted a major share of profits for American merchants at Canton. Although these men worried that the depression would seriously impede their ventures to Northern Europe, they discovered that most of their cargoes sold successfully.⁵³

⁵¹Letter, Perkins & Co. to J. & T.H. Perkins, Feb. 25, 1820; Letter, Perkins & Co. to J.B. Gossler & Co., May 1, 1820, Perkins & Co. MSS.

⁵²Cushing claimed that the "Teas which they [the Portugese] take are of such infamous quality that they will not interfere with those which are of prime quality." Letter, Perkins & Co. to J. & T.H. Perkins, Jan. 24, 1821, Perkins & Co. MSS. Letter, Parish & Co. to S. Russell & Co., Nov. 6, 1821, Russell & Co. MSS.

⁵³Predictions of dire results and change of opinion concerning European markets were voiced both by Perkins & Co. and S. Russell & Co. Letters, Perkins & Co. to S. Williams, Nov. 9, 1821; Perkins & Co. to J. & T.H. Perkins, Apr. 3 & Oct. 10, 1822, Perkins & Co. MSS. Letters, E. Carrington & Co. to S. Russell & Co., Jun. 6, 1821; Parish & Co. to S. Russell & Co., Mar. 28, 1821; J.B. Gossler & Co. to S. Russell & Co., Jun. 14, 1821. Before 1826 there were only two American houses at Canton, Perkins & Co. and S Russell & Co.

While sending China exports to the Continent, Perkins & Co. was also moving into the English markets. The house could not interfere with the East India Company's monopoly in teas and silks, but Cushing had discovered the possibility of importing English-manufactured woolen and cotton cloths to Canton in American vessels and consigned to American merchants. Aided by the world-wide network of agents of the Perkins Family or "Boston Concern," Cushing by 1820 had contacts with English merchants willing to send English woolens to Canton through Perkins & Co.⁵⁴ These woolens, usually known as Long Ells to describe the length in which they were sold, composed roughly one-half of the import trade at Canton of the East India Company. When Company agents at Canton saw American merchants selling English Long Ells, they were "all up in arms." Cushing did not doubt that the Company would try to force Americans out of carrying woolens, but such a prospect did not alarm him.⁵⁵ Within a few months other American merchants joined Perkins & Co. in importing English textiles to Canton. These men also found the trade in woolens and cottons very profitable.⁵⁶

⁵⁴Cushing's cousin Frederick W. Paine, nephew of James Perkins, was the "Boston Concern's" agent in London. Letter, Perkins & Co. to C. Everett, Sep. 26, 1820, Perkins & Co. MSS.

⁵⁵Letter, Perkins & Co. to F.W. Paine, Nov. 15, 1820. Perkins & Co. MSS. Cushing kept detailed statistics on Company trade at Canton. Letter, Perkins & Co. to J. & T.H. Perkins, Oct. 25, 1820, Perkins & Co. MSS.

⁵⁶Letter, Perkins & Co. to J. & T.H. Perkins, Jan. 21, 1821, Perkins & Co. MSS.

Although Perkins & Co. and its successor Russell & Co. transacted the largest share of imports from England and exports to Northern Europe, American merchants at Canton refused to be threatened by the East India Company. Thus began an intense rivalry between the Company and American merchants that ended only with the dissolution of the Company's charter in 1834. Americans' successful competition with the Company was partially responsible for the failure of Company Directors to renew its charter in Parliament.

Actually the East India Company had complained about American merchants and their trade before 1820. Immediately after the war, when Americans began shipping teas to Continental European ports, the Company took note. Its Court of Directors justly feared that such teas would be smuggled into England and sold at a lower price than Company teas.⁵⁷ The introduction of British woolens and cottons in 1820 at Canton through American merchants precipitated a major threat to the Company's trade. Willing and able to sell English manufactures at lower prices than those imported by the East India Company, the Americans returned profits on all their cargoes. Throughout the 1820's American trade at Canton consistently outranked that of the Company. In fact, during the decade Company trade decreased while American trade increased. By 1827 Company Directors reported that American trade annually averaged almost four-hundred-thousand pounds sterling more than their own.

⁵⁷ Niles' Weekly Register, XII, 13 (May 24, 1817), 208. The Company also complained of Americans carrying nankins to southern Europe and the West Indies (illegally). Morse, Chronicles of the East India Company, III, 181-82.

American importation of English manufactures, especially woollens, accounted for the major share of growth in American commerce at Canton in the 1820's. The cause of this growth was the willingness of manufacturers and private merchants in England to ship their goods to China consigned to American merchants.⁵⁸ Without such co-operation American trade would certainly have seriously declined in the 1820's.

Of American merchants at Canton involved in the importation of English manufactures, the most successful was Perkins & Co.⁵⁹ In 1825-26, aware of the profits being made in British woollens at Canton, John P. Cushing decided to expand his house's trade in such imports. Having already despatched Thomas T. Forbes to Manila, Cushing directed Perkins & Co. vessels in England be sent to Manila with English manufactures. Forbes reported that such goods were in demand throughout the Islands. He also mentioned that other American merchants besides the Perkins concern were becoming interested in selling English goods in the Manila market. The most likely American speculators were Thomas H. Smith of New York and Alexander Hubbell, one of the founders of Peele, Hubbell & Co. of Manila. Forbes was not worried that this competition would hurt Perkins & Co. business,

⁵⁸ Foster Rhea Dulles, The Old China Trade (Boston and New York, 1930), pp. 115-16. Morse, Chronicles of the East India Company, IV, 4-5, 105-06. Niles' Weekly Register, XVI, 26 (Aug. 28, 1819), 439, states that American trade to China was equal to British trade in amount of dollars and tonnage employed.

⁵⁹ Although manuscript sources are not extant for all American merchants in the China trade, one can deduce that others besides Perkins & Co. dealt in British manufactures. Still Perkins & Co. was the most successful, since most other major merchants either failed or sold their business in 1826.

since the demand at Manila for English goods was so large as to allow profit for everyone.⁶⁰

Because of the co-operation given American merchants by English manufacturers and merchants, the East India Company could not prevent the expanding American trade in English goods. This was especially true in a market like Manila, where Company ships did not even appear. American merchants nevertheless remained very conscious of Company trade at Canton. These men knew that a large share of their profits in the China trade were made at the expense of the Company.⁶¹ They were very sensitive to the statistics of volume and value of trade, of their own and of the Company, for each season at Canton. In 1825 Americans became incensed over what they considered a major threat to their home markets by the Company. Aware of the Directors in London having sent out extra ships to Canton with orders to carry teas to Canada, Americans were certain these cargoes were destined to be smuggled into the United States from Canada. The East India Company supplied all tea to Canada, still a possession of England in the 1820's. But Americans at Canton concluded that Canadians could not possibly consume all the extra tea being shipped there since, as one American reasoned, a great percentage of Canadians were

⁶⁰Letters, T.T. Forbes to S. Williams, Dec. 29, 1825, and T.T. Forbes to J. & T.H. Perkins & Sons, Jan. 1, 1826, Forbes MSS.

⁶¹Of the average value of American imports to China during the period 1821-39 (\$2,400,000), about \$2,000,000 represented foreign merchandise. U.S., Congress, House, Committee on Foreign Affairs, China Trade, H. Doc. 248, 26th Cong., 1st. sess., 1839-40.

"not tea-drinkers, being the descendents of Frenchmen."⁶²

The threat proved to be imaginary, as teas smuggled from Canada did not seem to materialize in American markets and the affair was not mentioned again at Canton.

In 1828 the East India Company did actively interfere in American trade at Canton. By then Americans had begun to prosper at Canton in a constantly growing trade. The American merchants increasingly transacted business through the Outside Merchants as well as Hong merchants. Part of the reason was the primary attention some of the Hongsgave to East India Company business over that of the American merchants. Gradually the Outside merchants had begun trading in articles legally restricted to the monopoly of the Co-hong. Usually they operated under the cover of a Hong, which allowed the Outside merchants to transact business "legally." The Hong merchants protected the Outside men in return for a share of their profits. American merchants had discovered that often more profitable trade was obtainable through the Outside men, who received very little business from the East India Company.

Suddenly irritated by the increasing business of the Outside merchants, the Hong merchants decided in March 1828 to suppress them. All they need do was to resume enforcement of their legal monopoly by refusing to cover transactions of the Outside men with the names of their Hongsg. The East India

⁶²From Letter, C.H. Hall, Jan 18, 1826, in U.S., Congress, Senate, Committee on Finances, (Documents of Finances of U.S., laid before the Senate), S. Doc. 31, 19th Cong., 1st sess., 1826. Consul John R. Thomson also notified the State Department of the belief that the Company planned to smuggle teas into the United States from Canada. Consular Despatches: Canton, J.R. Thomson, Feb. 4, 1825.

Company supported such a move with delight, because suppression of the Outside men would cut off the major buyers of American-imported English manufactures. American merchants at Canton were outraged by the action of the Hong merchants. Consequently they petitioned the Hoppo and Governor-general to complain of the action of the Co-hong and to ask for the creation of a new Hong, the sole purpose of which would be to secure the American trade. This Hong would be composed of the ousted Outside merchants. Governor-general Li immediately replied in the negative, restating the laws of the "Canton system" which forbade trade in teas and silks with anyone but the Hong merchants.⁶³ Unable to have their Hong, the American pressured the existing Hong merchants to reconsider their attitude toward the Outside men. Ultimately American merchants and Hong merchants compromised. In July the Governor-general handed down another edict in which he specifically named the categories of articles to be handled by the Co-hong and by the Outside men. Although the Co-hong retained its basic monopoly in teas, silks and nankins, the Outside men now were allowed to deal in silk piece goods. Americans predominately purchased silk piece goods rather than raw silk. The Outside men, furthermore, once again would trade through the various Hongs, which still would secure all foreign vessels. This edict in fact favored American

⁶³ Communications between foreigners and Chinese officials still perfunctorily went through the Hong merchants. Morse, Chronicles of the East India Company, IV, 170-71. Morse quotes part of the Americans' petition to the governor-general. His edict in reply is in the Canton Register, May 17, 1828. In this paper the Americans' Chinese names are used.

trade, as the Chinese government now sanctioned a business that formerly had been carried on undercover and illegally.⁶⁴

American merchants at Canton were extremely pleased with the results of the whole affair. They also gloated over the East India Company, which they had blamed from the beginning of the crisis as the instigators of the Hong merchants' actions. The Americans firmly believed that the Company had persuaded the Co-hong to suppress the Outside men in retaliation against the profitable American trade in English manufactures. At the same time they petitioned the Governor-general complaining of the Co-hong's actions, one of the Americans David W.C. Olyphant wrote to the Company's Committee of Superintendents blaming the Company for a "misconceived apprehension of its power" and asking for an explanation. None was forthcoming, since the Company had not begun the affair, although the Committee wholeheartedly supported the efforts of the Co-hong against the Outside men.⁶⁵ The Americans never wavered from the belief that the Company was responsible for the crisis, but they concluded that "fortunately for us their efforts were successfully opposed." Moreover, the final settlement was actually beneficial to American trade, in that the governor-general's edict of July would "probably prevent them [the Company] from

⁶⁴Liang Chia-pin, Kwang-tung-shih-san-hang-kao (An Examination of the Thirteen Hongs at Canton) (Taipei, Taiwan, 1961), pp. 108-09.

⁶⁵Morse, Chronicles of the East India Company, IV, 168-73.

again annoying us."⁶⁶

After 1828 American trade in textiles between Canton and England gradually became a vital part of the American China trade. The sale of English manufactures constituted the primary legitimate import of Americans at Canton, until the introduction of American domestics (cotton cloths) in the mid-1830's. Particularly involved in this branch of trade during the 1830's were the major American commission houses of Russell & Co., Wetmore & Co. and Olyphant & Co. Because of the absorption of all Perkins & Co. business in 1830-31, Russell & Co. became the largest and wealthiest American house at Canton. Only the East India Company itself handled more trade than Russell & Co. and the other American houses to profit as they did. By its charter the Company retained a monopoly over all exports from England to Canton. This monopoly, in prohibiting other English merchants from dealing in manufactures, effectively limited competition to the benefit of Americans. The Company's monopolistic charter also predisposed its Directors to be conservative in trade, since the Company could not risk failure. It therefore operated in terms of fixed prices and amounts. Consequently, American merchants were able to trade on better terms than the Company and yet not fear any threat of competition from other English merchants. For that reason the Americans, although they ridiculed the Company's arrogance and stuffiness, were

⁶⁶William S. Wood, Sketches of China with Illustrations from Original Drawings (Philadelphia, 1830), pp. 63-64. An American Merchant, Remarks on British Relations and Intercourse with China (London, 1834), in Chinese Repository, III, 9 (January 1835), 408.

quite aware of the profit the Company allowed them. In the 1830's, as English merchants, manufacturers and financiers increasingly campaigned for the dissolution of the East India Company, the Americans strongly supported the Company.⁶⁷

Paralleling the expansion of commercial ties between English manufacturers and American merchants at Canton was the growth of financial ties between American merchants and English bankers or financiers. These ties resulted from a change in the financial basis of the Canton trade. Beginning in the late 1820's, American merchants replaced their use of specie with bills of exchange. Because of the convergence of a growing shortage of available specie, an expanding domestic and foreign commerce and an increasing use of credit in trade, banking facilities became extremely important to merchants. Within the United States, merchants utilized bills of exchange from the Bank of the United States and other state banks. But abroad bills drawn on banks in Boston and New York carried relatively little value. American merchants engaged in foreign commerce therefore looked for banking connections in London, which in the nineteenth century was the financial center of the world.⁶⁸

⁶⁷ Extract of Letter, W.H. Low to S. Low, summer 1830, in The China Trade Postbag of the Seth Low Family of Salem and New York, 1829-1873, ed. by Elma Loines (Manchester, Maine, 1955), p. 37.

⁶⁸ Samuel Eliot Morrison, Maritime History of Massachusetts (Boston and New York, 1925), pp. 168-69. Emory R. Johnson, et. al., History of Domestic and Foreign Commerce of the United States (2 vols.; Washington, 1945), p. 131.

American merchants at Canton had used bills of exchange as early as 1810 but without success. They therefore used specie, especially since it gave them a favorable position in the Canton trade. But, as the expansion of trade outstripped supplies of specie in the late 1820's, Americans turned to bills on London to finance their trade.⁶⁹ (Even with the importation of English manufactures in American vessels, the American China trade was a deficit trade with exports from China consistently higher than imports.) This system of bills operated successfully because of the English private traders at Canton, who required a means of remitting their increasing profits from the opium trade back to England. These merchants bought up American bills on London, giving them the specie (Chinese silver or sycee) which they received in payment for opium. In turn American merchants paid for their teas and silks with the sycee, while the English merchants remitted the bills to London for collection. In this way both groups profited in their separate branches of the China trade.⁷⁰ Besides the general use of bills on London, each American house developed ties with a financial house in London for credit purposes. The most significant of such connections was that between Russell & Co. of Canton and Baring Brothers & Co. of London. This finan-

⁶⁹Morse, Chronicles of the East India Company, III, 141, IV, 330. Morse and Macnair, Far Eastern International Relations, p. 67.

⁷⁰For a discussion of the English side of this, see Greenberg, British Trade and the Opening of China, pp. 162-65.

cial tie was one of the factors that allowed Russell & Co. to expand into the most important American commercial establishment at Canton. The house, furthermore, had the services of one of the partners of Baring Brothers as its own special agent. Joshus Bates, before he joined the London house, had married into the Sturgis branch of the "Boston Concern" and therefore became related to many members of Russell & Co.⁷¹

Through Bates and Baring Brothers, Russell & Co. in the 1830's developed an even larger trade with England. Bates provided information on English markets and connections with English manufacturers. The financial house provided credit for American merchants to finance the commercial ventures undertaken by Russell & Co. After the dissolution of the East India Company's monopoly in 1834, Baring Brothers also advanced credit to Chinese merchants for investment. These Hong merchants in turn sent cargoes of teas and silks to England consigned to Bates and his partners. Throughout all these transactions Russell & Co. profited as consignee of the cargoes sent to Canton.⁷² By the mid-1830's the American house had expanded its connections with English merchants and manufacturers so much

⁷¹Joshua Bates married Lucretia Sturgis, first-cousin of William Sturgis of Bryant & Sturgis. Bryant & Sturgis were intimately connected with J. & T.H. Perkins in Boston and with Perkins & Co. in Canton. The same was true for Russell & Co. in the 1830's.

⁷²Letter, A. Heard to S. Russell, May 8, 1834, Heard MSS. Letter, T.H. Cabot to S. Cabot, Oct. 31, 1834, Samuel Cabot MSS. Letter, J.M. Forbes to J. Bates, Nov. 25, 1835, Forbes MSS.

that Russell & Co. partners began to feel that their house's business in England was more important than its American business.⁷³ The growth of Russell & Co.'s business in England to this level was based on the house's financial ties with the Barings. (This connection was another residual benefit the house received from John P. Cushing and Perkins & Co.) No other American house at Canton in the 1830's was able to achieve the volume and value of trade handled by Russell & Co.

In 1837 Russell & Co. was still the second largest trading establishment at Canton. This standing was quite an accomplishment, especially since the status of the British trade had changed. Four years earlier, in 1833, Parliament had voted against renewing the East India Company's charter. Instead Parliament threw the English China trade open to private traders. This vote had been a victory for the proponents of free trade in England, namely the industrialists of the North and Midlands. These men, aware of Americans' profits in the importation of British woolens and cottons to Canton, began lobbying for free trade as early as 1829. Their position was bolstered by the number of private British traders already established at Canton. These latter merchants, restricted to the trade between India and Canton (i.e. the opium trade), had been anxious to expand into trade to England.⁷⁴ The amount of profits

⁷³Letter, A. Heard to S. Russell, Dec. 15, 1835, Heard MSS. Letter, G. Wildes & Co. to S. Russell, Jul. 6, 1836, Heard MSS. Letters, Perkins & Co. to S. Russell, Apr. 27, 1832; J. Coolidge to S. Russell, Jun. 29, 1833, J.C. Green to S. Russell, Dec. 13, 1834, Russell & Co. MSS.

⁷⁴Private traders had already begun making inroads into the home trade by sending Canton goods to Singapore, where the cargoes were transshipped aboard vessels for London. Greenberg, British Trade and the Opening of China, pp. 97-99.

they were amassing convinced English industrialists of the rationality of opening the China trade to everyone. While "free traders" campaigned against the East India Company's monopoly, the Company could not defend itself effectively. It could not combat American competition and its other spheres of operations were in financial difficulty. By 1831-32 the question had already been decided in England against the Company.⁷⁵

Immediately after the end of the Company's monopoly in 1834, the business of private English houses expanded. Jardine, Matheson & Co., previously the largest of the private traders in the India-to-Canton trade, maintained its position of leadership. The house quickly replaced the Company as the largest mercantile establishment at Canton. But Russell & Co. was not far behind. This house could never overtake Jardine, Matheson & Co., because the Americans never conducted as large an opium trade as did the English. The opium trade, furthermore, at this time began to be an issue in the China trade. Before 1834, when the private traders were subject to the power of the East India Company, the opium trade remained rather submerged. But with the end of the Company's charter, the private houses gained ascendancy at Canton. The British merchants in these houses, unlike the East India Company and the American merchants, were not content with the "Canton system." Having rid the China trade of one monopoly, these Englishmen also wished to do away with another, the Co-Hong.⁷⁶

⁷⁵Greenberg, British Trade and the Opening of China, pp. 175-84.

⁷⁶Greenberg, British Trade and the Opening of China, p. 179.

In 1834 they actively began to pursue this goal.

IV

On April 21, 1834 the East India Company's charter officially ended at Canton. From that day all British trade was thrown open to private merchants, of whom there were now five major houses and assorted "unattached" traders.⁷⁷ To replace the authority the Company formerly had exercised over English trade at Canton, the British government despatched Lord Napier as Chief Superintendent of Trade. His duties, as representative of the British government at Canton, were both commercial and political. Lord Napier was not only to oversee all aspects of English trade at Canton, but also he was to treat with the Chinese government on any matter that concerned China and Great Britain. In Lord Napier's view this latter function included putting the trade between the two countries on an equal basis. On this point he fully represented the desires of the free traders and industrialists in England and especially the private English merchants at Canton. The latter group had been pressuring the East India Company's Select Committee at Canton since 1829-30 to force the Chinese to change the regulations and restrictions of the "Canton system."

⁷⁷ John Forbes ranked the major British houses in terms of volume of business at end of 1834: Jardine, Matheson & Co.; Turner & Co.; Dent & Co.; Whiteman & Co.; Fox, Rawson & Co. Letter, J.M. Forbes to J.P. Cushing, Dec. 22, 1834, Forbes MSS. The most important "unattached" merchants were Thomas Beale and James Innes.

In 1829 the Company had to cope with the problem of an increasing number of insolvent Hong merchants. By 1829 only three Hong merchants (Houqua, Pwankhequa and Gouqua) were not either deeply in debt or bankrupt. Since the Company spread its business across all the Hong, their financial state was an important matter of concern to the Select Committee. It followed the usual course and petitioned the governor-general to correct the situation, namely to appoint new Hong merchants to supplement those in financial difficulty. The Committee also decided that an opportunity now existed because of the Hoppo's death, to petition for some changes in Chinese commercial regulations. These included the abolition or mitigation of the Cumshaw duty and an extension of the privilege of trading with the Outside merchants. The private British merchants and the Indian Parsee merchants addressed similar memorials to the governor-general in support of the Company. Fortified by such support, the Company expanded its demands to include the diminution of all port duties, the abolition of the security function of the Hong merchants, and the relaxation of the Cohong's shared liability for Hong debts. To give force to their demands, the Company kept all English vessels away from Whampoa and thereby embargoed English trade at Canton.⁷⁸

Governor-general Li was not receptive to the Company's petitions. But after several communications, the governor-general relented on the major problem of insolvent Hong mer-

⁷⁸Morse, Chronicles of the East India Company, IV, 199-205.

chants and promised the addition of new appointments to the Co-hong. Having attained their primary goal, the Committee backed off and announced the resumption of trade in February 1830.⁷⁹ Although the situation seemed on the exterior to return to normal conditions dictated by the "Canton system," underneath the English merchants at Canton began to chafe at Chinese restrictions. Neither the Chinese nor their system had changed, but the British were not as willing to obey them. This feeling was especially expressed by the private merchants, whose number yearly increased at Canton. Trading almost entirely in Indian opium and raw cotton, these men had been operating an illegal trade for years. Furthermore, they were relative newcomers to the Canton trade and, having never really operated within the "Canton system," had no vested interest in its continuance. The private merchants also did not care for the position of inferiority in which the Chinese cast them. As Englishmen, they felt at least equal to the Chinese and trade between the two countries should reflect this equality. There was also the growing American trade in English manufactures, a trade from which the private merchants were prohibited. These men felt frustrated by the East India Company's conservatism and willingness to compromise

⁷⁹ Morse, Chronicles of the East India Company, IV, 219-21. Because of this affair the Company did not go up to Canton for the trading season of 1829 until February 1830 (instead of October). The Select Committee would have resumed trade earlier but for internal dissension.

with the Chinese.⁸⁰

In 1830 the British faced more problems with the Chinese at Canton. In October, when Company agents returned to Canton from Macao to open the trading season, they discovered that three Parsees had murdered a Dutch shipmaster. A jury of foreign residents ruled that the man's death "was caused by blows inflicted by three Parsees in an affray." Immediately the governor-general ordered an investigation by the Nan-hai hsien (district magistrate). To preclude interference, the Company shipped the Parsees off to Bombay. This action did not please the Chinese authorities, who simultaneously became incensed over the fact that one of the Select Committee had brought his wife up to the Canton Factories. Added to this flagrant violation of Chinese law was the use of sedan chairs at Canton by British merchants.⁸¹ Foreigners were expressly forbidden either to keep foreign women in their Factories or to ride sedan chairs. The Chinese, furthermore, never had relaxed the enforcement of these regulations whatsoever. Governor-general Li severely chastised the Company for these actions and demanded that it co-operate in a Chinese inquest of the homicide and send the woman away from Canton. Thus began another war of communications among the English

⁸⁰Greenberg, British Trade and the Opening of China, pp. 176-79. This book is based on the extensive manuscripts of Jardine, Matheson & Co., the largest and most important private house at Canton before 1844.

⁸¹Morse, Chronicles of the East India Company, IV, 231-35.

Company, the Governor-general and the Hong merchants.

While the British and Chinese quarrelled, William H. Low, the tai-pan or chief partner of Russell & Co., decided to bring his wife and niece up to Canton. Apparently the Hong merchants led him to believe that the officials could be pressured into allowing the women to remain. According to Mouqua, the other Hong merchants would "shutty eye and shutty ear."⁸² So Abigail Low and her niece Harriet Low became the first American women to visit Canton. According to Harriet, they caused quite a sensation among the American residents there. To avoid being accused of ill-manners, every gentleman had to call upon the ladies. But Harriet found the Chinese more amusing. She described a walk they took one evening around the Factories. When the Chinese discovered foreign ladies were in the streets, "lights were called for, that the China men might look at us. They kindled up fires in an instant to behold our fair faces, and we had quite a rabble around us. . . , though they were all perfectly civil, and made no noise, but only showed a little curiosity. . . ."⁸³

Just as in the case of the Englishwoman, the authorities discovered the presence of the Lows and did not countenance

⁸²In Helen Auger, Tall Ships to Cathay (Garden City, 1951), p. 51. Just why Low chose to bring his family to Canton at this time cannot be determined. Auger concludes the action was a "show of solidarity" from the most powerful rival of the Company. But the action could also be seen as part of that rivalry, in that if the Company could bring women to Canton, Low would show that Russell & Co. could too. Low does not mention the matter in the house's papers.

⁸³Diary of H. Low, Nov. 27, 1830, Library of Congress, Low Family MSS.

their residence at Canton. Immediately they demanded that the American ladies leave. The authorities further threatened Russell & Co. with an embargo "if one Low did not immediately remove his family to Macao."⁸⁴ This was an extremely effective ploy. As Harriet Low noted, although somewhat hyperbolically, "Had they stopped the American trade in general, they would have had all the gallant youths fighting for us at the city gates, but they only stopped that of our house." The other American houses in this case were not about to be sympathetic to the plight of Russell & Co.'s ladies. As in all things, trade ranked above everything else, and the Chinese were very aware of this fact. The Americans, furthermore, had no naval vessels or marines close-by to call upon for help. (Recently the English had called up a hundred soldiers to guard their Factories.) Consequently, Harriet and her Aunt Abigail returned to Macao to end "the woman pidgeon business." The young lady eruditely concluded in her diary: "The Chinese are very cunning and know well what they are about."⁸⁵

Concerning the Company's problems, the matter dragged on through 1831. From disagreements over the Parsees, women and sedan chairs, the argument gradually focused again on the "Canton system" in general. The Company demanded that Chinese restrictions on trade be relaxed, but by this time everyone at Canton knew of the mounting pressure on Parliament not to renew

⁸⁴In Diary of H. Low, Nov. 15, 1830, Low Family MSS. This entry was made at Canton, while later ones were made at Macao after she returned from her escapade at Canton.

⁸⁵Diary of H. Low, Jan. 8, 1831, Low Family MSS.

the Company's charter. Although the private merchants were once again dissatisfied that the Select Committee did not take a harsher stand against the Chinese, they bided their time. The Company continued its policy on the same basis it had for centuries, that is, a policy of give-and-take. Until the 1830's such an approach had been effective in maintaining a profitable trade and a stable relationship with the Chinese.⁸⁶ But now such policy was criticized both by the private merchants and by the Americans. The latter residents characterized the Company's actions "in this unpleasant business" as neither "firm or judicious." This was especially true, since Americans felt the Company had been the one to force the issue.⁸⁷

During the years 1832 and 1833 trade at Canton continued, although all merchants anticipated the imminent change in the English trade. In 1834, as the charter of East India Company expired, the new Chief Superintendent and the Commissioners of Trade were expected to arrive from England. Reporting on the demise of the Company at Canton, American Consul to Batavia John Shillaber analyzed the implications of the appointment of a Superintendent of Trade. The most significant aspect of the new mission was that the Chief Superintendent and his Commis-

⁸⁶ Letter, A. Heard to S. Russell, Jul. 28, 1834, Russell & Co. MSS.

⁸⁷ Morse, Chronicles of the East India Company, IV, 293-305, 245. Morse quotes from many of the communications of the Company and the governor-general. In effect the Chinese compromised by: allowing foreign merchants to stay at Canton until all vessels were despatched; acknowledging Hong merchants' investments abroad; allowing foreigners to have servants in the Factories. All of these had been in practice, but now they were legally sanctioned. Foreign women and fire-arms were still prohibited from the Factories and all transactions still had to pass through the Hong.

sioners would be representatives of the British government, instead of a trading company. Consequently, the Superintendent would "probably assume and maintain higher grounds for the discussions that may occur with the Chinese authorities, . . . and thus difficulties will be influenced more by the spirit of assumed right and national honour," Shillaber surmised that "the Commissioners will feel safe in the protection of their Government; and national feelings will go with them--" The English Commissioners had been given political and judicial powers over all Englishmen at Canton, including merchants, masters and sailors. Implicit in their powers was the determination not to subject any English citizen to Chinese law. Shillaber correctly concluded: "This position of affairs must lead to collisions between the two parties and eventually bring some important position to an issue."⁸⁸ Although actual hostilities were five years away, the negotiations begun in 1834 between the English and Chinese were the origin of the protracted dispute.

William John Lord Napier, Chief Superintendent of British Trade at Canton, arrived at Macao on July 15, 1834. From the time of his arrival in China, Lord Napier managed to flaunt the conventions of the "Canton system." A sincere but determined person, Napier did not intend to antagonize the Chinese but

⁸⁸Letter, R.B. Forbes to T.H. Perkins, Jan. 29, 1832, Forbes MSS. Consular Despatches: Batavia, J. Shillaber, Jan. 29, 1832. Shillaber had been at Canton in 1831 and on his return to Batavia he reported the situation in China.

neither did he intend to compromise his position and his orders. Instead of waiting for a chop from Chinese officials to proceed to Canton, Napier immediately sailed up to Whampoa. He furthermore travelled openly, aboard a British frigate, up the Outer Passage of the Pearl River through the Bogue. The Hong merchants, who traveled to Macao to welcome him and inform him of Chinese customs and regulations, discovered he had already left for Canton.

At Canton Lord Napier, residing at the English establishment of Jardine, Matheson & Co., undertook to execute his instructions to announce himself to the governor-general by letter. Napier made his greatest mistake in this instance by literally following his orders, that is, "he sent a letter. . . not a petition, to the Viceroy."⁸⁹ Within the "Canton system" the Chinese had a formal procedure for communications between foreigners and officials. Foreigners memorialized the governor-general (or viceroy) through petitions, not letters. Furthermore, they sent their petitions to the Hong merchants, who then gave them to the officials. Napier insisted that his communication bear the Chinese character for letter, not petition, and that an aide of the governor-general receive it directly. He felt that such actions were only consistent with his position as a British official. The governor-general naturally could not accept the "letter," not only because it bore an improper character but also if he did so, he would be recognizing Napier's

⁸⁹Consular Despatches: Canton, J. Shillaber, Apr. 20, 1834. Canton had no American consul and Shillaber hoped to procure the job.

position.⁹⁰ Until then the Chinese did not recognize any official from foreign countries. They in fact dealt through consuls, but only as tai-pans or head men. The Chinese treated foreign consuls (or the East India Company's Select Committee) as spokesmen for the merchants of their respective nationalities. To communicate through one person was practical, but that person carried no special rank with the Chinese and certainly no political overtones.

By the end of July, Lord Napier and governor-general Lu settled into a stalemate, with a flurry of demands and refusals passing back and forth. One of the American residents vacationing at Macao tersely commented on the situation: "I observe that Lord Napier has commenced the warfare of negotiation, which for what I can see, may be continued very harmlessly, as long as his patience lasts, the Chinese being at their old Game--& consequently quite at home--"⁹¹ The next move by the Chinese was to threaten the English with a stoppage of trade. Governor-general Lu ordered Napier to return to Macao, where he would be anyway, and await word from Peking. If he should not wish to go, the Chinese would stop their trade. Such an order aroused Napier's stubbornness. He did not leave and in mid-August the Chinese halted all trade with the English.

⁹⁰Chang Hsin-pao, Commissioner Lin and the Opium War (Cambridge, 1964), pp. 51-62. Maurice Collis, Foreign Mud: the Opium Imbroglia at Canton in the 1830's and the Anglo-Chinese War (New York, 1946), pp. 108-21.

⁹¹Letter, A.A. Low to A. Heard, Jul. 29, 1834, Heard MSS.

Napier at this point announced: "Now there are two things to be considered--the honour of His Majesty's Commission, and the interest of the merchants. I conceive my duty to be to sustain them both, but not one at the expense of the other."⁹² This statement was extremely significant, since the King's honor became a stake. Of course an Englishman could not compromise on this point. John Shillaber's earlier predictions began to be realized. Napier sent a despatch to the British frigates outside the Bogue to come up to Whampoa and send their marines up to Canton.⁹³ The frigates' commanders obeyed their orders, but in the process had to fight their way past Chinese forts at the Bogue.

Throughout the affair so far, the Americans maintained a rather nonchalant attitude. Convinced that neither side actually desired hostilities, they assumed that eventually both sides would compromise as had always happened before. Even the embargo on British trade did not dismay the Americans, since they believed this would not last long either. August was one of the less busy months at Canton in terms of volume of trade. Most vessels had not yet arrived. John Murray Forbes confided to Russell & Co.'s English agent, Joshua Bates, that in three months, when business would increase and "the trade will be of so much importance" to the Chinese, "they will find

⁹²From a despatch of Lord Napier, Aug. 17, 1834, in Collis, Foreign Mud, p. 131.

⁹³Chang, Commissioner Lin and the Opium War, pp. 56-58. Napier, who stayed at the house of Jardine, Matheson & Co., followed their advice. Collis, Foreign Mud, pp. 146-47.

some excuse for discontinuing it [the embargo].⁹⁴ But Forbes hastened to add that "still it is impossible to calculate how long Chinese diplomacy & obstinancy may hold out even in opposition to their interest." Americans would also stand to profit from the stoppage of British trade, as English merchants would probably transship their cargoes to American vessels for the trip up to Whampoa.⁹⁴

After forcing their way to Whampoa in early September, the British frigates stopped and awaited further orders from Lord Napier. While the Superintendent did nothing, the Chinese demanded that both he and the frigates sail downriver. On one hand they offered to open the trade if the ships left and on the other hand they blockaded the river above Whampoa with junks loaded with stones. Napier, who appeared to have won some concessions by ordering the frigates to Whampoa, now suddenly vacillated. The Americans were happy he did not call up the marines, "for nothing but mischief could result from it." But they were unhappy that Napier did not make some counter-demands and offers in response to the governor-general. After all, he had caused the trade to be interrupted and a Hong merchant Sunshing to be imprisoned, and for what reason? Napier had gained nothing.⁹⁵ By September 13 the question had become

⁹⁴Letters, J.M. Forbes to Bryant, Sturgis & Co., Aug. 11 and Aug. 19, 1834, Forbes MSS. Letter, J. M. Forbes to J. Bates, Aug. 19, 1834, Forbes MSS. Letter, W. Peele to N. Kinsman, Sep. 24, 1834, Salem, Essex Institute, Kinsman Family MSS. (Peele was writing from Manila, which accounts for the later date.)

⁹⁵Letters, J.C. Green to A. Heard, Sep. 12 and 13, 1834, Heard MSS. Sunshing was imprisoned since he was Security merchants for the ship on which Napier came up to Canton.

"whether he shall embark on the frigate at Whampoa or Chuenpee." The Americans had become impatient, since Napier apparently had retreated: "The procrastination of a settlement is working infinite mischief against all of us."⁹⁶

By September 24 Lord Napier yielded to Chinese demands and embarked for Macao. He had become ill with fever at Canton and hoped to reach the Portugese settlement and his family shortly. Although the English had sought American support for Napier's policy by claiming that merchants of both nations had similar interests, American residents were not sad to see Napier leave. They were more interested in resuming trade, for their vessels had begun to arrive in increasing numbers.⁹⁷ American merchants concluded that "the ill success of his Napier's attempted intimidation proves that the fears of the Chinese have been calculated upon too much--" Houqua also interpreted the affair in this manner. In writing to his old friend John P. Cushing, he explained that Napier "knew nothing of our customs

⁹⁶Letter, J.C. Green to A. Heard, Sep. 14, 1834, Heard MSS. The Americans had their own incident during the Napier Affair. Joseph Coolidge, with A.A. Low and T. Handasyd Cabot, rowed down to Whampoa to get Russell & Co.'s mail from a vessel. On their way back they were fired on by Chinese who took the Americans to be British. Letter, T.H. Cabot to E. Cabot, Oct. 28, 1834, Samuel Cabot MSS.

⁹⁷Canton Register, Sep. 23, 1834. An editorial reported the Americans' incident with the comment that the editor could not understand why the Americans had not protested to the Chinese. The editorial concluded: "It seems to show that any hostilities between Great Britain and China will probably involve of necessity all foreigners." Letter, J.C. Green to A. Heard, Sep. 25, 1834, Heard MSS. Letter, W. Peele to N. Kinsman, Oct. 25, 1834, Kinsman Family MSS.

& was not fortunate in his advisors [i.e. Jardine and his partners]--He order'd his vessels of war to commit certain outrages with the expectations of thereby intimidating our Governmt but was at last compelled to yield every point. . . ."98

After the affair ended, John Forbes stated in another letter to Bates that the British had better do like the Americans and other merchants, that is, appoint a consul to negotiate "as the other consuls have done for so long with the Hong merchants." He postulated that the only alternative was "to force" the Chinese to sign a commercial treaty.⁹⁹ The English private traders had reached the same conclusion about the necessity of a commercial treaty.. Unlike Forbes though, they were willing to use force to get it. Led by William Jardine, Thomas Dent and James Innes, the "Scotch faction" in December 1834 addressed a petition to the King of England. These merchants asked that a Minister Plenipotentiary escorted by ships, guns and men be sent out to Canton to negotiate a commercial treaty. The private merchants were anxious "to maintain the honor our country" and "a safe and uninterrupted commerce with China."¹⁰⁰

⁹⁸Letter, J.M. Forbes to J. Bates, Sep. 30, 1834, Forbes MSS. Letter, Houqua to J.P. Cushing (written by A. Heard), Oct. 10, 1834, Forbes MSS. A sad ending to this affair was the death of Lord Napier. Ill with fever when he left Canton, he was forced by the Chinese to return to Macao through the Inner Passage. This route was significantly longer and when he reached Macao, he was near death.

⁹⁹Letter, J.M. Forbes to J. Bates, Sep. 30, 1834, Forbes MSS.

¹⁰⁰Letter, J.M. Forbes to J.P. Cusing, Dec. 22, 1834, Forbes MSS. The petition is in Chinese Repository, III, 8 (December 1834), 352.

American merchants' attention returned to their trade after the Napier Affair. The 1834-35 season was a very prosperous one for the Americans. They continued the extensive commercial network they had constructed in the 1820's. But the China trade would never quite be the same. The demise of the East India Company and the rise of the private British merchants had irrevocably changed the fundamental attitudes on which British trade at Canton operated. Although Lord Napier had failed, others would follow. Furthermore, the ascendance of the private traders had also encouraged them to flaunt the formerly submerged opium trade. American merchants had also become involved in the opium trade, although to a smaller extent than the English. The Chinese, in seeking to maintain the "Canton system" of trade, could not afford to allow such an illegal trade to continue unabated.

CHAPTER V

OPIUM: THE AMERICAN CONNECTION

Opium (Ya-p'ien or Yang-yen) first appeared in China as a medicine, beneficial for its analgesic and soporific qualities. Although the opium poppy was indigenous to China, Turkish and Arab traders imported the drug as early as the fourth century.¹ At first the drug was swallowed raw. Not until the seventeenth century did the Chinese smoke opium, which they crudely mixed with tobacco. Starting in Taiwan, the habit quickly spread through the southern Chinese provinces of Kwangtung and Fukien. The Chinese soon discovered refining processes which permitted its use without any additives such as tobacco. Within a few decades the demand for opium in southern China made importation of the drug quite profitable. Detecting such opportunities at Canton, European traders entered into the opium trade. Although the Portugese apparently were the first Westerners to import opium into China, beginning in the late eighteenth century they faced

¹The Chinese had several terms for opium, most of which could be translated as dirt or tobacco as well as opium (yen-t'u and ta-yen). Opium was also known by terms which connoted a foreign origin of the drug (Yang-yen or foreign tobacco and yang-yao or foreign drug). The most common term became the Chinese transliteration ya-p'ien (untranslatable). This term replaced all others, especially after 1840.

stiff competition from the English.² Both the Portugese and the English obtained the drug from their colonies in India. The Portugese dealt primarily in opium produced in the central regions of India. Known in the trade as Malwa, this opium passed through the Portugese ports of Goa and Damao (or Daman) on the northwestern coast of India.

In the 1770's the English East India Co. began shipping opium to China.³ By this time the Company was deeply involved, both commercially and territorially, with Britain's colonization in India. Quickly perceiving the profitability of trading opium at Canton, the Company's Court of Directors procured from the British Government a monopoly over the production and manufacture of opium in the province of Bengal. Patna and Benares, the varieties of opium produced in Bengal, proved far superior to Portugese Malwa. Company-imported opium soon undersold Portugese imports of the drug and gained a reputation for its high quality. The British emerged by 1800 as the major importers of opium to China.

Before 1800 the East India Co. shipped opium as a legit-

²Numerous authors have dealt with the opium question, especially in its effects on relations between Britain and China. One of the best is Chang Hsin-pao, Commissioner Lin and the Opium War (New York, 1970). He has a very concise discussion of the origin of the opium trade, pp. 16-19. See also Michael Greenberg, British Trade and the Opening of China, 1800-1842 (Cambridge, 1951), Chap. V.

³For the best discussion of the East India Company's role in the opium trade, see H.B. Morse, The Chronicles of the East India Company Trading to China, 1635-1834 (5 vols., Cambridge, 1926).

imate commodity in its China trade, although under Chinese law the drug was contraband. As early as 1729 the Imperial government had promulgated numerous edicts prohibiting the importation of opium, but local officials had been notoriously lax in enforcing the edicts. In 1800 the Chia-Ch'ing Emperor forbade both the importation of opium and its domestic cultivation. The Emperor's vigorous enforcement of these restrictions prompted the East India Company to examine its role in the opium traffic. Fearing reprisals against its legitimate trade, the Company decided to stop importing opium into China. Subsequently, Company ships were barred from carrying the drug. However, the East India Co. did not completely sever its connections with opium. Actually, its actions fostered an expansion of the opium trade. The investments and profits involved in its monopoly of producing the drug in India convinced Company Directors of the economic inadvisability in giving up this enterprise. Consequently, the Company retained its interest in Indian opium and permitted private English merchants to ship it to Canton. The Company sold its Patna and Benares at auction in Calcutta to private traders who then transported it to China in ships licensed by the Company. To ensure its monopoly, the Court of Directors restricted the private merchants to trading only in Company opium.⁴

Despite Imperial interdiction, the opium trade in China thrived because of the connivance of local authorities. These

⁴Greenberg, British Trade and the Opening of China, p. 109.

officials overlooked the illegal aspects of the trade in return for financial enrichment. (This practice plagued all attempts by the Imperial government to restrict the opium trade throughout the nineteenth century.) Hong merchants themselves did not deal in the drug, although they continued to secure foreign vessels that carried opium. Instead, foreign merchants sold their opium to Chinese buyers through Chinese commission agents, whose business consisted solely of acting as middle-men in the opium trade. The actual transactions occurred at Whampoa, including open transshipment of the contraband from foreign vessels to Chinese lighters.

Besides the English and Portugese, other foreigners--chiefly Americans--engaged in the opium trade. Although the English dominated the opium trade in China, American participation in the trade was substantial.⁵ Within a few years after American traders entered China, they included opium among the cargoes they shipped to Canton. Prohibited from procuring the drug in India,⁶ Americans utilized the other

⁵The best discussion of the American trade in opium is Jacques M. Downes, "American Merchants and the China Opium Trade, 1800-1840," Business History Review, XLII, 4 (Winter 1968), 418-442. See also Charles C. Stelle, "American Trade in Opium to China, Prior to 1820," Pacific Historical Review, IX, 4 (December 1940), 425-444, and "American Trade in Opium to China, 1821-39," Pacific Historical Review, X, 5 (March 1941), 57-74.

⁶Jay's Treaty, concluded between the United States and England in 1795, expressly prohibited American vessels from trade between ports in British territories and ports outside the United States. This stipulation was not removed until after 1815.

major source of opium,--the Levantine region of Turkey. Americans either bought it directly at the Levant's major port of Smyrna (Izmir) or obtained it indirectly through brokers in Europe and England. Merchants in Philadelphia and Baltimore were the first Americans to trade earnestly in opium to China.⁷ Most prominent among merchants in this early trade were two Philadelphia brothers, James S. and Benjamin C. Wilcocks. As early as 1804 or 1805, B.C. Wilcocks arrived at Canton, where he remained until 1829. He handled the actual business transactions while his brother James traveled as supercargo on vessels which bought opium at Smyrna and transported it to Canton.⁸ Stephen Girard of Philadelphia and Willings & Francis of Baltimore also speculated in the opium trade during its earliest years. Their profits quickly attracted the attention of J. & T.H. Perkins of Boston.

From the time Americans began dealing in Turkish opium, they possessed a virtual monopoly in that variety of the drug.⁹

⁷Downs, "American Merchants and the Opium Trade," pp. 421-22. Although Baltimore merchants were involved in the earliest years of the opium trade, they were no longer in it after the early 1820's. The port's role in the American China trade was negligible. During the period 1815-44 there is no record of an American merchant from Baltimore residing at Canton.

⁸Both Wilcocks brothers, although actively engaged in the opium trade, served as American consuls. Benjamin C. Wilcocks was consul at Canton, 1814-22, while James S. Wilcocks was consul at Mexico City, 1822-33.

⁹There were various qualities of Turkey opium and the buyer had to be careful to watch what he was buying. "Good quality, is moderately soft or pliable, of a reddish brown when broken, and free from leaves and other impurities. . .there is a spurious opium of little value, is mixed with sand and small stones which it will not do to take--" Letter, Perkins & Co. to R.B. Forbes, Feb. 28, 1828, Boston, Museum of the American China Trade, Forbes Family MSS.

The East India Company's regulation of Indian opium precluded any competition in the opium market for American imports from Smyrna. In 1800, when Company Directors decided to put the transport of Bengal opium into the hands of private traders, they also prohibited those traders from dealing in any opium not produced by the Company. Since the Company simultaneously banned opium on its own ships, no British traders could handle Turkish opium.¹⁰ Consequently, American merchants had the market to themselves, and they exploited their advantage.

By June 1807, the East India Company's Select Committee at Canton complained to the Court of Directors in London about the infiltration of the Americans. The Select Committee's hands were tied, however, because of the Chinese prohibition on the importation of opium. Any attempt to force the Americans out of the trade would necessarily call attention to English involvement. In response Chinese officials would have to enforce the Imperial edicts vigorously, and, according to the Select Committee, "thus counteract the principle object . . . [the Court of Directors] appears to have in view, namely to maintain the favorable sale in China of the produce of Bengal." Although the Company could do nothing to thwart American importation of Turkey opium, the Select Committee concluded that "we do conceive the speculations of the Americans are likely permanently to interfere with the Interests of the Hon'ble Company."¹¹ In terms of quality, Patna and Benares opium were

¹⁰Downs, "American Merchants and the Opium Trade," p. 423.

¹¹From a letter from the Select Committee at Canton to the Secret Committee of the Court of Directors in London, in Morse, Chronicles of the East India Company, III, 72-73. The underlined words were transmitted in code, Jun. 24. 1807.

vastly superior to Turkey opium. The latter had a more pungent and bitter flavor. Opium from Turkey always sold at a lower price in China than Indian opium, but there was enough demand for both. Supplies of Bengal opium at Canton generally determined the price and profits of Turkish.

Americans engaged in the opium trade profited until 1807, but during the Embargo and the War of 1812 their trade fluctuated like all branches of the China trade. Throughout this period some Americans, especially those residents at Canton, were able to profit from opium. But overall, the opium trade before 1815 was a rather haphazard one with little organization. After the war the American trade in opium underwent changes. More merchants speculated in the drug than before 1807. Unlike them, however, these men put a much larger share of resources into their operations. Besides the Wilcocks brothers, Stephen Girard and the Perkins brothers, the major shippers of opium now included John Jacob Astor of New York, Joseph Peabody of Salem, John Donnell of Baltimore, and Bryant & Sturgis of Boston.¹² As with every other branch of the American China trade, the Perkins establishment forged a careful organization to exploit the opium trade. As a result, the "Boston Concern" garnered the major share of American trade in Turkish opium.

From Boston the Perkins brothers despatched George Perkins to Smyrna and Frederick W. Paine to Leghorn (Livorno)

¹²Downs, "American Merchants and the Opium Trade," pp. 424-26.

as agents for procuring opium. Paine's task was to purchase opium from around Europe and transship it at Leghorn for Canton. He also oversaw the sale of cargoes on Perkins' vessels sent to Europe.¹³ John Perkins Cushing at Canton managed the sale of opium. Cushing enjoyed the advice of Houqua, who recommended what quantities should be sent and at what time the market would best absorb opium. J. & T.H. Perkins and Perkins & Co., furthermore, did not limit their operations to Turkish opium. Through their connections with financial houses in London they bought Bengal opium in England for the Canton market. To bypass British restrictions they shipped this opium to China via the United States.¹⁴ Besides exploiting all available sources of the drug, the "Boston Concern" searched for new ones. This search proved most fruitful in the Persian Gulf area.¹⁵ Already familiar to American traders who ventured to Muscat for raisins, the Persian Gulf produced opium similar to that from Turkey. Persian opium, cheapest of all

¹³Letter, J. & T.H. Perkins to F.W. Paine, Mar. 15, 1817, Massachusetts Historical Society, Letterbooks of J. & T.H. Perkins. Carl Seaberg and Stanley Paterson, Merchant Prince of Boston: Colonel T.H. Perkins, 1764-1854 (Cambridge, 1871), pp. 266-67. Opium was imported into Europe for use as the popular drug laudanum.

¹⁴Letters, J. & T.H. Perkins to F.W. Paine, Mar. 15, 1817, J. & T.H. Perkins to S. Williams, Mar. 21, 1817, Letterbooks of J. & T.H. Perkins.

¹⁵Letter, J. & T.H. Perkins to E.A. Newton, Sep. 8, 1817, Letterbooks of J. & T.H. Perkins. In the 1830's American merchants also experimented with Egyptian opium as a supplement to Turkey opium. Like Persian opium, it was inferior to Turkey, but could be used as an additive. Letter, J.M. Forbes to Bryant & Sturgis, Oct. 8, 1834, Harvard Business School, Baker Library, Forbes MSS.

imported opium, never sold well in an unadulterated state at Canton. But it did prove useful as an additive to Turkish opium.

American activity in the opium trade after 1815 increasingly agitated the East India Co. at Canton. The Select Committee felt that "the importation of any quantity of Turkey Opium cannot fail to have a material effect on the price ^{of} all opium⁷ in the China market."¹⁶ In the first trading seasons after the end of the war, the Committee watched as the total quantities of Bengal opium bought at Canton declined while sales of Malwa and Turkey increased. The cause of the drop in Bengal opium was its higher price, for which British merchants at Canton were responsible. They had combined during the war, when little opium other than Bengal was imported to China, to raise the price per chest. By 1817 the Chinese had turned to the cheaper though inferior Malwa and Turkey opium.¹⁷ The Company, although it did not actually trade in opium itself, became apprehensive lest its profits in the production of opium falter. John Perkins Cushing astutely realized that Company Directors would not remain idle. In a letter to his cousin at Leghorn, he wrote: "We know very well the jealousy of the East India Co. & their readiness to make sacrifices to destroy all interference."¹⁸

¹⁶Morse, Chronicles of the East India Company, III, 238.

¹⁷Morse, Chronicles of the East India Company, III, 339.

¹⁸Letter, Perkins & Co. to F.W. Paine, Mar. 24, 1818, Harvard Business School, Baker Library, Perkins & Co. MSS.

In 1818 the Company decided to take direct action to bolster sales of Bengal opium. Members of the Select Committee advised Company officials in India to double the production and manufacture of the drug to increase its supply at Canton. The price of Bengal would then drop to a more reasonable level and regain its Chinese customers. According to most observers, a larger importation of Bengal opium would concomitantly limit sales and prices of inferior varieties of the drug, especially Turkey. A reduction in value meant less profits which, the Company predicted, would drive a lot of American speculators out of the trade.¹⁹ Cushing, however, made a practice of buying into a speculation when everyone else was leaving it. When merchants in the opium trade predicted losses on Turkey, Cushing advised the Perkinses to ship cargoes of the drug to China. The drug would be cheaper to buy, since "few persons will be inclined to meddle with it." He concluded that, contrary to the opinions of most speculators, Turkey did not necessarily interfere with Bengal "except in a very trifling degree." His reason was that the two types of opium were preferred in different regions of China. Whereas most southern Chinese preferred Bengal or Malwa opium, those in the northern provinces "required a stronger description" of the drug. In those regions, Cushing predicted, there would always be a

¹⁹This matter was discussed in a number of letters among various administrative branches of the Company in London, Calcutta and Canton. Morse, Chronicles of the East India Company, III, 338-39.

market for Turkish opium.²⁰

Except for the "Boston Concern" and a few others who maintained carefully organized operations, American merchants who speculated in opium dropped the trade around 1820. Rumors of a decline in the value of Turkey resulting from the East India Company's interference in the trade persuaded some Americans to invest in other commodities. Though the Company could brag that its policy was successful, other factors had a significant impact on the American opium trade. Increasingly rigorous Chinese enforcement of Imperial edicts against opium and the Panic of 1819 limited the trade as much perhaps as Company manipulation of the market. The Panic and ensuing depression caused a decline in the entire American China trade and also had adverse effects on commerce in opium. Most merchants did not have the resources to remain competitive in all branches of the trade, much less such a volatile one. The margin of profit on opium, up to this point, had been rather small because of the competitive nature of the trade. Even those merchants whose commercial enterprises suffered few severe setbacks in the depression had difficulty making profits in opium. The drug sold for higher prices in Europe and at Smyrna after 1821, but prices at Canton did not always correspond. Supplies on the market there were sufficient to allow

²⁰Letters, Perkins & Co. to F.W. Paine, Mar. 23 & Mar. 29, 1820; Perkins & Co. to J. & T.H. Perkins, Mar. 27, 1820, Perkins & Co. MSS.

Chinese buyers to refuse price increases in opium.²¹

While economic conditions were hurting many American merchants in the opium trade, the Chinese tightened their prohibitions on the drug. After the Emperor's edict of 1800, which banned all cultivation and importation of opium,²² officials in the Imperial government had reiterated his proclamations. Yet edicts issued by the Hoppo and the governor-general had little effect, as no one enforced them strictly. Again in 1810 and 1811 the Chia-ch'ing Emperor stressed his opposition to the drug and urged his officials to increase their efforts to enforce Imperial regulations. Shortly thereafter the Emperor discovered that some of his own bodyguards had become addicted to opium. He then commanded authorities to punish publicly all addicts and any officials who connived in the illegal trade. As the Emperor's concern with the opium trade increased, local enforcement of Chinese laws against the trade grew more rigorous. American participation in the trade after the War of 1812 developed against this background. As a result several American vessels with the contraband

²¹Problems in the Canton market for Turkey opium did not bother Cushing. He noticed "a growing demand for it in Java where it will not be out of the way for vessels that have it to stop & take the chance of a market." Letter, Perkins & Co. to J. & T.H. Perkins, Feb. 20, 1821, Perkins & Co. MSS.

²²For a list of Imperial edicts concerning the opium trade in the period 1729-1839, see Chang, Commissioner Lin and the Opium War, pp. 219-21.

aboard met with difficulties from local Mandarins. One of the vessels belonged to Benjamin C. Wilcocks, the recently appointed American consul at Canton. In 1817 the Co-Hong sent a letter, through Consul Wilcocks, to the President of the United States. The Hong merchants asked him to inform the merchants of his honorable country "that Opium the dirt used in smoking is an article the Celestial Empire prohibits by an order from the Son of Heaven, and hereafter, most positively, they must not buy it and bring it to Canton." Local authorities responsible for the opium trade sought to stop foreign importation of the drug by appealing to foreign authorities to exert pressure on the merchants in the China trade. This letter, although signed by members of the Co-Hong, actually emanated from the governor-general.²³

Included in the letter was a statement of the consequences to be suffered by a foreign vessel caught carrying opium. Hong merchants would "not dare to be security for the said ship" and would "assuredly report it fully to the Great Officers of the Government." All trade of the vessel would be totally prohibited. In 1821 two American vessels caught

²³The matter arose in 1817 when Consul Wilcocks complained to the authorities of an attack by pirates on the American vessel "Wabash." Only in the process of capturing the pirates did the Chinese discover that a large part of the "Wabash's" cargo was opium. For the letter and Wilcocks' report on the matter, see U.S., Department of State, Consular Despatches: Canton, B.C. Wilcocks, Sep. 22, 1817. The reaction of the authorities to the "Wabash" matter scared at least one house, and probably the most important one, into hesitating before importing any further opium into China. Letter, J. & T.H. Perkins to Woodman & Offley, Feb. 11, 1818, T.H. Perkins Extracts.

with cargoes of opium felt the weight of the governor-general's decrees. Authorities forbade first the "Robinson" and then the "Emily" from returning to Canton and confiscated half of the "Emily's" cargo.²⁴ Following the banishment of these ships (along with three English ships), the governor-general declared that each Hong merchant would have to sign a bond in which he claimed there was no opium aboard the foreign vessel he secured. Implicit in such a directive was the necessity for foreign merchants' willingness to guarantee the absence of opium on their vessels to the Security Merchant. American merchants consented to give the necessary guarantee to allow the Hong merchants to sign the bond. But the Select Committee of the East India Company, which controlled all British trade, refused to participate in this maneuver. The Committee argued that, since no Company ship was allowed to carry opium, to give such a guarantee was unnecessary. In response, local Mandarins agreed with the Committee's assertion and, persuaded by bribes, disregarded the bonds. But the governor-general demanded that the British accede to the regulations.²⁵

²⁴The "Emily," on which Francis Terranovia was a seaman, became involved in the dispute over opium almost simultaneously with the entanglement over Terranovia and the death of the Chinese woman. Although Tyler Dennett in Americans in Eastern Asia (New York, 1929), p. 121, tries to connect the Terranovia affair with the opium problem, the evidence does not seem to support such an analysis. The judicial dispute concerning Terranovia had nothing to do with the new Chinese attack on opium. The opium dispute concerned Puqua, Security merchant for the "Emily" (as well as the "Wabash").

²⁵Morse, Chronicles of the East India Company, IV, 14-18.

He too finally relented in early 1822 on the requirement for Company ships. However, developments within the opium trade made the issue of bonds irrelevant.

In November 1821, when the five foreign vessels had been ordered to leave Whampoa and the bond was instituted, the Emperor demoted the official rank of the leading Hong merchant Houqua. The reason was his failure to prevent the importation of opium. In response to obvious moves to place the responsibility for the opium trade on their shoulders, the Hong merchants decided to have nothing more to do with the drug. Their connection to the trade even in 1821 was an indirect one, as they themselves did not deal in opium. But they had continued to secure foreign vessels at Whampoa known to carry opium, thereby allowing the vessels to open their hatches for trade. The demotion of Houqua and the creation of the bonding system persuaded the entire Co-Hong of the dangers of remaining even indirectly involved in the opium trade. Therefore, they publicly declined to secure any foreign vessel that might have opium on board.²⁶ This decision of the Hong merchants inaugurated an entirely new phase of the opium trade in China.

II

Following the vigorous strictures placed by the authorities on the foreign vessels and the Hong merchants, foreigners

²⁶Greenberg, British Trade and the Opening of China, p. 110. The author states 1820, but the date was 1821.

engaged in the opium trade at Canton realized they could not continue their illegal operations at Whampoa. English and American opium traders had used the Whampoa Anchorage since 1815. The port of Macao, although much safer for transactions in the illegal trade, was closed to all but Portugese opium vessels. This exclusion on the part of the Portugese was a competitive measure aimed at aiding the importation of Malwa over Bengal opium.²⁷ For five years the traders at Whampoa managed to keep the opium trade moving rather successfully. But the Anchorage was too close to Canton, as an increasing number of incidents from 1817 to 1821 indicated. Governor-general Yuan's decree concerning bonds in November 1821 precipitated the removal of the opium trade to an Outer Anchorage. The Imperial government claimed it had no jurisdiction outside the Pearl River. This move resulted in more efficient operation of the opium trade. A further consequence was a rapid growth in both quantity and value of opium imported to China by the English and Americans.

Forced to leave Whampoa, foreigners chose the island of Lintin as the center of the opium trade. Lintin (Ling-ting or Solitary Nail) lay alone in the middle of the mouth of the Pearl River about twenty miles northeast of Macao. The dis-

²⁷ Legally the Chinese had restricted all Portugese trade in China to Macao. The Portugese, furthermore, supposedly were the only Westerners who could trade at Macao. But the Portugese only enforced this when they pleased and the Chinese never did. Before 1815 the center of the opium trade was Macao, with the English merchants transacting their business with Portugese partners.

tance from Lintin to Hong Kong, to the southeast, was roughly the same. Here the trade found fewer risks, but the move necessitated a new system of storing the opium. Most of the vessels that brought the drug also carried legitimate cargo, which had to go upriver to Whampoa. Foreigners had to devise facilities for receiving the opium once it was unloaded. The answer was the receiving ship, floating hulks that provided a base for all transactions involved in the trade and yet could be moved. With the trade at Lintin, opium could now be sold all during the year instead of being limited to the trading seasons at Whampoa. But during the summer season of southwest monsoons, Lintin like Whampoa was unsafe. In those months the receiving ships would be taken to the shielded anchorages of Kapsingmoon, Kapsuimoon and Hong Kong. The trade could continue there unimpeded.

Receiving ships had been used in the opium trade before the crisis of 1821. Their obvious advantage was that they allowed a merchant to hold the drug until the market reached prices he desired. Supercargoes in charge of opium consignments aboard vessels could not always afford to wait for better market conditions. Resident merchants early discovered the extra profits they could reap by avoiding time limitations on their sales.²⁸ They could also handle larger consignments for the same reason. Before the mid-1820's there

²⁸Stelle, "American Trade in Opium to China, 1821-39," pp. 61-62. Downs, "American Merchants and the Opium Trade," p. 424.

were not many American resident merchants at Canton. Of these there were only a few who had more than one or two vessels in port at any given time. Those who did began utilizing various vessels as storeships for opium. Most successful in this endeavor was the Perkins establishment.

Cushing had begun "keeping a vessel on the spot" as early as 1818.²⁹ In residence since 1803, Cushing knew every segment of the operation of the Canton system. Employing a storeship just as the American trade in Turkey opium was expanding, the Perkinses grasped a large share of the business. Even when the market in Turkey declined, Perkins & Co. did not worry about sales, as Cushing could wait. Cushing's storeship remained anchored at Whampoa. Perkins & Co. could hold large shipments of the drug and gradually release small quantities into the market. When circumstances in November 1821 convinced foreigners to move their trade in opium from Whampoa, Cushing ordered the captain of his storeship to sail down to Lintin. Perkins & Co. merely resumed its trade in opium at the new anchorage. At the time Cushing, and presumably the other Americans at Canton, believed the disruption in the opium trade to be merely temporary. But the length of the enforced restrictions at Whampoa did not really matter to Cushing; "since it [opium] can be sold deliverable at Lintin & Macao the business will no doubt be carried on in this way as extensively

²⁹Letter, J. & T.H. Perkins to F.W. Paine, Mar. 24, 1818, Letterbooks of J. & T.H. Perkins.

as ever."³⁰

Although storing and selling opium at the Outer Anchorages seemed to offer the best alternative to Whampoa, foreigners in the trade considered moving their operations to another port. The English private traders briefly examined the ports of Singapore and Manila as anchorages for receiving ships. Fast, light boats would ply to and from China to sell the drug. Vicissitudes of distance and especially weather persuaded the English against using these ports.³¹ Cushing also looked elsewhere, namely to the port of Batavia in Java. Like the English, Cushing never viewed Batavia as a substitute for Lintin. But he integrated the opium trade to Java with the China trade, so that Batavia always provided an alternative market for opium as well as other articles. Perkins & Co. maintained vessels which constantly plied between Canton and Batavia to keep the agents at both ports informed of market conditions. Cushing used Manila in the same way. Especially attractive at Manila was its proximity to the southeastern provinces of China, where great quantities of opium were consumed. The Chinese buyers would "find it as quite as convenient to go to Manilla [sic] for their supplies as to come" to Lintin. These dealers would also "avoid the

³⁰ Letter, Perkins & Co. to Capt. F.W. Commerford, Nov. 16, 1821, Letters, Perkins & Co. to J. & T.H. Perkins, Nov. 17 and Nov. 23, 1821, Perkins & Co. MSS. With the move to Lintin, Cushing feared unknowing captains might have their vessels seized. As a precaution he told his Boston partners that in all despatches the word gum should be substituted for opium.

³¹ Greenberg, British Trade and the Opening of China, pp. 123-25.

heavy exactions which they are subjected to by the Mandarins.

. . ."³² Although Manila did not overshadow Lintin in the opium trade, like Batavia the port became important in the overall American China trade. Throughout the history of the American trade in opium, the drug never assumed the paramount role in the American trade that it occupied in British trade with China.³³

By the mid-1820's Cushing's management made the "Boston Concern" the primary American speculators in opium. In January 1825 Thomas Handasyd Perkins, the paterfamilias of the Perkins commercial establishment, wrote to his nephew at Canton that "we have no powerful competitors" in the opium trade. "If the calculations we have made. . .as to the quantity of Opium. . .is correct, you will compleatly [sic] control the market." The market Perkins mentioned was in Turkey opium.³⁴ But at the very time Perkins wrote to Cushing other

³²Letters, Perkins & Co. to E. Perkins, Jun. 5, 1821, Perkins & Co. to J. & T.H. Perkins, Sep. 10, 1822, Perkins & Co. to Addison & Co., Feb. 25, 1823, Perkins & Co. to T.H. Perkins, Feb. 27, 1823, Perkins & Co. MSS.

³³The later American trade in opium to Batavia, Manila and even Singapore can be seen from "Consular Returns for American Vessels arriving at & departing from the Port of _____," enclosed in Consular Despatches: Batavia, Manila, Singapore. These Returns only begin around 1834. American trade in opium to Singapore began in spring 1830, Letter, A.L. Johnston & Co. to J.R. Latimer, Apr. 10, 1830, Library of Congress, Latimer Family MSS.

³⁴Letter, T.H. Perkins to J.P. Cushing, Jan. 15, 1825, Massachusetts Historical Society, Samuel Cabot MSS. By this time American trade in opium at Smyrna had grown to allow the establishment of four commercial houses at the Turkish port: Woodman & Offley, Perkins Brothers, Langdon & Co., and Issaverdes, Stith & Co. (Stith was a former supercargo in the China trade.) Downs, "Americans and the Opium Trade," p. 423 (footnote).

American speculators were beginning to forge into the trade in Indian opium. In the few years after the trade settled at Lintin, the quantities of Indian opium imported to China rose steadily. The greater ease in procuring the drug at Lintin made possible larger sales to the Chinese. During this same period English merchants began importing Malwa as well as Bengal opium. The East India Company sought unsuccessfully to restrict the English to Company Bengal. By the end of the 1820's the English bought Malwa at Bombay without opposition.³⁵ While Indian opium imports increased, American residents at Canton followed the English into the Calcutta and Bombay markets.

These Americans acted primarily as commission agents and for the most part did not themselves speculate in the drug. Their major consignors in fact were native Indian or Parsee merchants. The Parsees preferred transacting business through American agents who offered them cheaper rates and better service than other Parsee or English agents. By 1830 two American establishments at Canton had garnered the majority of the American opium trade, both in Turkey and India. Although other American residents at Canton in the 1830's also dealt in opium, they never matched the volume and profits of Russell & Co. and John R. Latimer. These two concerns amassed their consign-

³⁵English trade in Malwa was carried on under the name of Portugese merchants from the port of Damao to bypass Company restrictions. The Company finally allowed Malwa to be transported through Bombay for a transit fee. Greenberg, British Trade and the Opening of China, pp. 124-30.

ments through the death or failure of most major American speculators during the 1820's.³⁶ Actually by the late 1820's the only Americans left from former years of the trade were the "Boston Concern," including the Perkinses and Bryant & Sturgis, and Benjamin C. Wilcocks. Because of the limited demand for Turkey opium the only source open to further speculation had become India.

Russell & Co. and John R. Latimer ventured into the opium trade at about the same time. Both, furthermore, were beneficiaries of the opium business which other American residents had already developed. Latimer invaded the trade through B.C. Wilcocks, who had pioneered the American opium trade (both in Turkey and India) at Canton. Before he joined Wilcocks, Latimer had been a supercargo and then resident agent for Smith & Nicoll of New York. Although he was the house's "exclusive agent," Latimer looked after Wilcocks' business when the latter traveled to India in 1824 to drum for opium consignments. When Smith & Nicoll were forced out of business in November 1825, Latimer joined Wilcocks who planned to depart China shortly for good. He did so in 1827 and consigned his business to Latimer. Wilcocks had dealt almost exclusively in opium and ginseng. Within a year Latimer was very successful, trading more in opium than in ginseng. His correspondents

³⁶ By 1830 John Donnell and Stephen Girard, two of the original merchants in the American opium trade had died. Edward Thompson of Philadelphia and Thomas H. Smith of New York had failed. Edward Carrington failed in 1834. Downs, "American Merchants and the Opium Trade," pp. 435-38.

were predominately Parsees in Bombay and Calcutta, although he still received opium consignments from Wilcocks and other merchants in Philadelphia.³⁷ Latimer and Wilcocks had copied Cushing's use of a receiving ship in their opium trade.

Owned by Latimer, Wilcocks, Matthew C. Ralston (a Philadelphia merchant who speculated in ginseng and opium) and Capt. Phillipps (who managed the vessel), the bark "Samarang" stored opium not only consigned to Latimer but also to Thomas Beale and Magniac & Co.³⁸ Both of the latter were English merchants in the opium trade at Canton. They found it cheaper to rent space for their opium aboard a receiving ship than own one themselves. By the early 1830's Latimer's opium business had grown beyond the space of his own receiving ship. He himself rented space aboard the "Lintin," owned by Robert Bennet Forbes, and the "Jamesina," owned by the English herchant William Jardine. Latimer gained such a reputation in the Indian opium trade that his main competitor Russell & Co. offered him a full partnership in 1833.³⁹ He refused on account of his declining health and returned to the United States in 1834 with a fortune.

By 1834 Russell & Co. had become the leading American consignee in the opium trade (as well as in all other trade to

³⁷Latimer's major correspondents in India were in Bombay: Mottichand Armechand, Jamsetjee Jejeebhoy & Co. and Hormuzee Dorabjee (all wealthy Parsees). Letterbook to India, Latimer Family MSS.

³⁸Letter, T. Beale to J.R. Latimer, Nov. 17, 1818, Latimer Family MSS.

³⁹Letter, S. Russell to J.R. Latimer, Apr. 14, 1833, Latimer Family MSS.

Canton). The largest share of opium consignments before 1830 came from the "Boston Concern." Samuel Russell, who founded Russell & Co. in 1824, had dealt in Turkey opium earlier as the resident agent of Edward Carrington of Providence. He began trafficking in Indian opium in 1824. As Russell was negotiating a partnership with Philip Ammidon in late 1823, John P. Cushing offered the prospective house his help in procuring commission business in Calcutta and Bombay. Cushing, who had become a close friend of Russell, was responsible for Russell's finalizing the partnership. Immediately Ammidon, armed with "powerful letters to their numerous correspondents in India" from Cushing and Houqua, ventured to India to drum for the new house. The exact reasons why Cushing in effect gave up a very lucrative branch of his business can only be speculated. He already was aware of the decision of his uncles James and Thomas H. Perkins to begin the process of retiring from business.⁴⁰ Cushing had resided at Canton for twenty years and, with the major partners in Boston retiring, he wished to leave. He respected and trusted Russell as the second-best American merchant at Canton.⁴¹ When Cushing retired from active participation in the China trade in 1828, he turned the remainder of Perkins & Co.'s opium business over to

⁴⁰Letter, P. Ammidon to his brother, Dec. 27, 1823, Library of Congress, Russell & Co. MSS. J. & T.H. Perkins began to retire by turning over their concerns to a new establishment of J. & T.H. Perkins & Sons, see Seaberg and Paterson, Merchant Prince of Boston, p. 300.

⁴¹"Memo for T.T. Forbes regarding Canton affairs, written by J.P. Cushing," Mar. 21, 1828, Forbes Family MSS.

Russell & Co. With Cushing's consignments the house gained the leading American position in the opium trade.

During the 1830's Russell & Co. expanded its opium business even further. After 1831 trade in Indian opium experienced another general surge. In that year East India Company authorities in India dropped their restrictions on private English traders carrying only Bengal opium. Immediately the volume of imported Malwa opium, which the Chinese now preferred to Patna and Benares (Bengal), mushroomed. This action benefited the Americans as well as the English. Russell & Co. partners at Canton felt their business had expanded enough to warrant their own receiving ship and their own agent at Bombay to handle consignments. By the end of 1833 the house had achieved both. Previously, Russell & Co. had rented space on the receiving ship "Lintin" from its owner Bennet Forbes. The use of Forbes' ship had been arranged when Cushing left his opium business to the house. In ensuing years Russell & Co. had combined with John R. Latimer and William Jardine to sell their opium for them. As both of the latter stored their opium aboard the "Lintin," Russell & Co. observed the profits the house was forfeiting. The partners managed to buy the "Lintin" and put their own captain in charge.⁴²

⁴²William H. Low, chief of Russell & Co., outlined the house's connection with Latimer and Jardine in Letter, W.H. Low to S. Russell, Oct. 8, 1831, Russell & Co. MSS. For the negotiations between Russell & Co. and Bennet Forbes over the bark "Lintin," see Letters, W.H. Low to S. Russell, Jan. 8, 1832, Russell & Co. MSS. A. Heard to S. Russell, Feb. 14, 1832, Harvard Business School, Baker Library, Heard MSS, R.B. Forbes to Russell & Co., Jan. 29, 1832 and R.B. Forbes to T.H. Perkins, jr., Feb. 10, 1833, Forbes MSS.

At the same time Russell & Co. was eager to increase its business in the booming trade of Malwa opium. The partners decided to stabilize and expand their connections with merchants in the Malwa market at Bombay. This port appeared to be where the future of the opium trade lay. Russell & Co., with the agreement and encouragement of Houqua and a prominent Parsee merchant, despatched Joseph Coolidge to Bombay in the summer of 1833 to oversee the house's business in Malwa opium. He hoped to displace some of the consignments going to Russell & Co.'s major English competitors.⁴³

Although the boom in Malwa opium in the early 1830's was welcome to all merchants engaged in the trade, it had the adverse effect of flooding China with Indian opium. In China the price of both Bengal and Malwa dropped drastically. The only solution was to increase markets and the efficiency in supplying those markets. Jardine, Matheson & Co., the major English house at Canton, took the lead in expanding the opium trade outside the Canton area. In autumn 1832 that house despatched two small schooners, the "Sylph" and the "Jamesina," along the southeast China coast. The purpose of the vessels, opium clippers, was to transport opium obtained in India directly to Chinese dealers in coastal towns. These vessels' voyages were very profitable. There had been attempts previous to this one to establish a coastal trade in the drug. Almost ten years

⁴³Letters, W.H. Low to S. Russell, Jun. 23 & Jul. 26, 1832, and Jun. 29, 1833, Russell & Co. MSS.

earlier, in 1823, Yrissari & Co., an Anglo-Spanish house in which James Matheson was a junior partner, had despatched the brig "San Sebastian" up the coast as far as Chin-dhew (Ch'uan-chou) with orders to open a trade in opium there.⁴⁴ The voyage was successful and was repeated. Soon rivals in the opium trade despatched vessels on coastal voyages.

Cushing carefully watched the development of the coastal trade in terms of its benefit for Perkins & Co. He wrote back to Boston that the attempt of the English "has succeeded we understand much beyond their expectations. . . . They are said to have had well rect [receipt] at all the places they visited. . . ." Cushing proposed that the Perkins send out "a small swift vessel" for the American trade. He argued that "with one of our swiftest sailing American vessels of an easy draft of water which would allow them to work close to the Coast & Islands we have no doubt the operation would be done in one-third of the time that has been required & by enabling those concerned to calculate the time with correctness they would be enabled to make their arrangements with the purchasers at the different ports without risk of disappointing them as to time & when confidence is once established there is no knowing to what extent the business may be carried."⁴⁵

Eventually the competition in the English coastal trade cut into the profits realized by its originators. American ob-

⁴⁴Greenberg, British Trade and the Opening of China, pp. 137-38.

⁴⁵Letter, Perkins & Co. to J. & T.H. Perkins & Sons, Nov. 23, 1823, Perkins & Co. MSS.

servers also claimed other reasons for its failure "were owing. . .to bad management & mainly to the circumstance of the Chinese being so firmly fixed in their old habits as to prefer getting the Opium thro' their accustomed channels altho' they are obliged to pay much higher for it." Although many of the English discontinued their ventures along the Coast, a few of them tried to maintain their efforts on a small scale. Aware that the coastal trade had "as yet come to nothing," the Americans were not able to effect Cushing's ideas. But Perkins & Co. continued to predict that continued restrictive policies in the area around Canton would expand the coastal trade. This expansion did not occur until after 1831, but even earlier Cushing aided the efforts of a few English merchants by allowing them, for a price, the use of Perkins & Co.'s vessels and crews to deliver the opium.⁴⁶ When the increased volume of Indian opium flooded Canton in the early 1830's, these English merchants merely stepped up their operations. Within a few years American and English opium clippers visited the coastal ports of Amoy, Chinchew, Foochow, and Ningpo regularly. One of Jardine's clippers even ventured

⁴⁶Perkins & Co. observed that the only opium profitable along the coast was Indian opium, as the Chinese in that region did not like Turkish. In the 1820's Americans primarily dealt in Turkish, although Perkins & Co. did have consignments from India. Barred from trading in India, Cushing planned for his opium clippers to procure transshipped opium at Batavia from Portuguese vessels out of Damao. Letter, T.T. Forbes to T.H. Perkins, Nov. 1, 1824, Forbes MSS. Bennet Forbes was one of the captains despatched by Cushing to serve English merchants along the coast. Letter, J.P. Cushing to R.B. Forbes, Jan. 19, 1827, Forbes Family MSS.

as far north as Shanghai and Tientsin.⁴⁷

With the removal of the East India Company's monopolistic charter in 1834, the opium trade expanded even further. Jardine, Matheson & Co., the largest mercantile establishment at Canton, had stationed a receiving ship on the coast and kept another vessel "constantly employed between the station and Lintin, to supply the first with opium and such other cargo as happens to be in demand." The largest American house, Russell & Co., viewed this expanded growth as damaging competition. The house had neither the vessels nor the capital to invest in the opium trade in terms comparable with the private English merchants. John C. Green, now chief of the house, commented on the coastal trade: "We of course could not touch this business if we wanted. . . ." Although his house still retained its consignments in Turkish opium, its market in Bombay fell to Parsee merchants. In 1834 the Parsees, many of whom formerly consigned their shipments to American houses, now operated through other Parsees who recently had established houses at Canton. This change also hurt Russell & Co.'s profits from their receiving ship, as the Parsees set up one of

⁴⁷ Many of the ports along the coast used by English merchants in trading opium came out of the voyage of the East India Company's sloop-of-war "Lord Amherst" in 1831. The President of the Select Committee at Canton had commissioned this voyage to ascertain "how far the northern Ports of this Empire may gradually be opened to British Commerce. . . ." On board as interpreter was Rev. Charles Gutzlaff, a missionary who understood several dialects of Chinese. (In later years Gutzlaff traveled aboard the opium clippers and distributed biblical tracts to the opium dealers.) Morse, Chronicles of the East India Company, IV, 330-34. S. Wells Williams, "Recollections of China Prior to 1840," Royal Asiatic Society Journal (China Branch), VIII (February 21, 1874), 16.

their own.⁴⁸ The Parsees, furthermore, moved into the coastal trade with clippers and station ships. Russell & Co., in order not to lose all its trade in Indian opium, decided to procure a clipper for its own use on the coast. The partners sought more advances from correspondents in the United States. With such advances the house could expand its opium business at Calcutta and Bombay.⁴⁹ Although Russell & Co. was able to sustain its profits in the opium trade, the vast growth of the English and Parsee trade in the mid-1830's overshadowed its own opium traffic.

Until this point in the sale of opium the foreign merchants had been able to profit handsomely because of the connivance of local Chinese authorities at Canton. These men profited as much from the opium trade as did the foreigners. Chinese opium dealers at Canton had formed an association, which was responsible for paying off the officials to allow the trade to continue. Many of the local officials even trafficked in the drug themselves. The tremendous monetary rewards to be reaped from the trade persuaded virtually all Chinese officials in the area to overlook restrictions and even the Emperor's edicts prohibiting foreign importation of opium. In the early decades of the nineteenth century such

⁴⁸Letter, J.C. Green to S. Russell, Dec. 13, 1834, Russell & Co. MSS. Letter, J.M. Forbes to Baring Bros. & Co., Sep. 30, 1834, Russell & Co. MSS. Letter, A. Heard to S. Russell, May 31, 1834, Russell & Co. MSS.

⁴⁹Letter, J. Coolidge to S. Russell, Jan. 4, 1836, Russell & Co. MSS. Letter, S. Russell to A. Heard, Mar. 17, 1836, Heard MSS. Downs, "American Merchants and the Opium Trade," p. 440.

corruption was becoming wide-spread throughout the Chinese Empire. The Ch'ing Dynasty, after reigning almost two hundred years, was experiencing a general decline, as venality increasingly permeated its administrative structure. Therefore officials at Canton gave lip-service to Imperial orders concerning opium but rarely made more than a show at enforcing them.⁵⁰

In return for their laxity, local officials demanded payments. Chinese opium dealers and their foreign suppliers were "expected to maintain a proper degree of secrecy in their mode of carrying on their trade." The system of trade devised at Lintin after 1821 satisfied this stipulation. Foreign vessels remained outside the Empire and the dealers themselves purchased the drug at the receiving ships. Orders were sent down from Canton and picked up by "smug boats," known to the Chinese as scrambling dragons (p'a-lung) or fast crabs (k'uai-hsieh). "These boats, of a peculiar build, were of great length and beam, the latter increasing rather disproportionately abaft to give quarters to brokers' agents who always went with them. The crews numbered from sixty to seventy men, . . . The armament was one large gun in the bows, swivels, spears, and flint-lock muskets purchased from foreign vessels." On the receiving ships the dealer and crews trans-

⁵⁰ H.B. Morse, The Trade and Administration of the Chinese Empire (New York, 1908), pp. 331-32. Chang, Commissioner Lin and the Opium War, pp. 46-48. Chinese officials made more efforts to enforce regulations and restrictions in the regular trade, although by the 1830's many of them could be bribed to overlook foreigners' actions. The corruption involved in the opium trade was the worst.

ferred the opium to their own bags and carried it away. This process occurred quickly and efficiently.⁵¹ With the rapid expansion of trade after 1834, certain English merchants decided to cut costs and increase their opium profits. Beginning in 1835, they sent opium in small craft up to Whampoa and even to Canton. These actions alarmed everyone involved in the trade, including "the most respectable houses. . .who confined their operations to the outer stations."⁵²

While foreigners became more flagrant in their importation of opium in the 1830's, the Imperial government once again examined the opium trade. What caught the Court's attention was the growing coastal commerce. Foreigners had been sighted as far north as Manchuria. Unlike previous occasions on which the Emperor's concern centered on the physical detriments of opium, the situation now began to have a crucial impact on the economic structure of the Empire. The most devastating effect of the opium trade was the drain of silver bullion (sycee). Chinese opium dealers had begun paying for the drug in sycee in the late 1820's, only a few years after the Americans stopped importing silver dollars in favor of bills of exchange.⁵³ Americans commented on the specie drain

⁵¹William C. Hunter, The 'Fan Kwae' at Canton before Treaty Days, 1825-1844 (London, 1882), pp. 64-65.

⁵²R.B. Forbes, Remarks on China and the China Trade (Boston, 1844), p. 46. Morse, Trade and Administration of the Chinese Empire, pp. 332-36.

⁵³For the argument that the end of imported silver was more important than the growth of the opium trade, see W.E. Cheong, "Trade and Finance in China, 1784-1834," Business History, VII, 1 (January 1965), 34-56, and H.B. Morse, The International Relations

in China as early as 1829-30. From the United States one merchant predicted that the opium trade would "ruin the country by exacting all the specie to pay for the noxious Drug." An alternative to "ruin" was for the trade to become a "barter trade," although opium's "consumption. . . is steadily increasing & must eventually swallow up all. . . gold & silver as well as merchandise."⁵⁴

By 1836 the drain of sycee had reached such monumental proportions that the Imperial Court was compelled to act. Several ministers memorialized the Emperor with the proposal that opium be legalized and cultivation of the opium-poppy be encouraged. These measures would check the flow of specie out of the Empire. The memorialists did not list restrictions on foreign trade. In response to his ministers, the Tao-Kwang Emperor, enthroned since 1821, set in motion a massive investigation of the opium trade at Canton. He issued edicts to the governor-general to inquire into all aspects of the trade. At Canton the trade froze: "Brokers have returned to the country; & the smugglers have ceased to run."⁵⁵ A minister at Court proposed that the foreign merchants most heavily involved in the opium

of the Chinese Empire: The Period of Conflict, 1834-1860 (Shanghai, 1910), Chap. VI. The rate of expansion in the opium trade makes this question moot.

⁵⁴Letter, J. Latimer to J.R. Latimer, Oct. 8, 1829, Latimer Family MSS. Letter, J.P. Cushing to Bryand & Sturgis, Sep. 17, 1830, Harvard Business School, Baker Library, Bryant & Sturgis MSS. Letter, J.P. Cushing to S. Cabot, Oct. 20, 1830, Samuel Cabot MSS.

⁵⁵Concerning the memorials on the legalization of opium, see Chinese Repository, V, 3 (July 1836), 139; T.S. Tsiang, "New Light on Chinese Diplomacy, 1836-49," Journal of Modern History, III, (1931) 581-82. Letters, Russell & Co. to A. Heard, Oct. 31 and Nov. 5, 1836, Heard MSS.

business be expelled. In December 1836 the governor-general, governor, and Hoppo jointly issued an edict through the Hong merchants listing nine foreign merchants alleged to have engaged in the opium trade. One of the nine men named was an American, Oliver H. Gordon; the other eight were English or Parsee. Surprisingly no member of Russell & Co. was included on the list, which circumstance one partner attributed "to the management of Houqua."⁵⁶

Those merchants expelled from China did not leave, but in Peking the Tao-Kuang Emperor decided against legalization of opium in favor of prohibition of its importation. But, unlike his predecessor, he set out to ensure strict enforcement of his edicts. By the summer the foreign residents felt the impact of the restrictions. At Canton the opium trade ceased, for no smuggling boats were allowed on the river. Some of the foreign merchants sought to dispose of their opium on the coast, but even in those ports the Mandarins maintained a strict watch to prevent the trade. By the end of the year the situation had not changed. Several English merchants, led by James Innes, continued to carry the drug up to Canton Factories for sale to Canton addicts. But very few foreigners were willing to chance the possible consequences of total stoppage of foreign trade. The foreign trade at Canton suffered

⁵⁶Letter, J. Coolidge to S. Russell, Nov. 1, 1836, Russell & Co. MSS. In this letter Coolidge claimed William S. Wetmore of Wetmore & Co. was also named. He might have confused him with the English merchant John C. Whiteman.

stagnation because of the economic depression of 1837. Combined with the restrictions against opium, the foreign residents had little business activity in the latter half of the year. One American predicted: "I should not be surprised if a few months hence two thirds of the houses in India, China, Java & Manila were to be bankrupt."⁵⁷

Although the American residents did not rejoice over news of tighter prohibitions on opium and of the decline in trade, they assumed generally that the situation would sooner or later improve. If they could wait out the depression, their trade would again be profitable. As for opium, the drug never constituted a major share of even Russell & Co.'s overall business. Although an important source of profit for them, their actions in the opium market usually followed the lead of the English. During the 1830's opium had become for the latter merchants the very foundation of business and profit. Even the East India Co., which witnessed its trade at Canton dwindle after 1834, maintained a crucial stake in the opium trade. The Company controlled the source of the drug in India. By 1837 in fact only the opium trade kept British commerce in China from being a deficit trade. Rather, it allowed the

⁵⁷The statement is from Letter, A.A. Low to W.H. Low, Nov. 12, 1837, in "More Canton Letters of Abiel Abbot Low, William Henry Low, and Edward Allen Low (1837-1844)," ed. by Elna Loines, Essex Institute, Historical Collections, 85 (1949), 226. For the decline of the opium trade and all trade, see Chinese Repository, VI, 6 (October 1837), 304 and Letter, Russell & Co. to J.M. Forbes, Dec. 27, 1837, Forbes MSS. Greenberg, in British Trade and the Opening of China, pp. 198-200, discusses the stoppage of the opium trade and its effect on English merchants.

English to return huge profits to their country. Furthermore, the sale of opium had become indispensable to the economy of British India. So, while the Americans might be willing to await the consequences, the English merchants could not afford to be so complacent.

III

Throughout 1838 local Chinese officials, prodded by the Imperial Court at Peking, continued their attempts to destroy the opium trade. Although they were able to clamp down on Chinese involved in the trade through arrests and executions, the authorities observed that the major threat to the success of their enforcement policies was the foreign receiving ships anchored at Lintin. Opium still seeped into Canton through these vessels.⁵⁸ Most of the foreign merchants persisted in their belief that Chinese enforcement of the restrictions was only temporary. But by the end of the year many had become convinced that the Chinese did indeed mean to stop the trade. In December the authorities made a show of force, first by expelling another foreign merchant for trading in opium and then by trying to execute an opium-dealer in the Factory Square. To emphasize their intentions the Chinese suspended the entire foreign trade during the month.

⁵⁸In early 1838 the British government had opened India to all foreign vessels. Such news pleased Russell & Co., which could now despatch vessels directly to Bengal for Indian opium. The house was still counting on profits in opium despite recent stronger attempts to restrict it. Letter, Russell & Co. to J.M. Forbes, Mar. 7, 1838, Forbes MSS.

Halting the foreign trade was the first direct Chinese action taken against the whole body of foreign residents to end the opium trade. The only other action taken, in fact, was the edict in 1836 expelling nine foreign merchants for dealing in the drug. Not all these men had left in December 1838. Although hesitant to use violent measures against the foreigners,⁵⁹ the Tao-Kuang Emperor and his Court decided to stop the opium business by ending Chinese participation in it. As measures against Chinese smugglers proved effective, the Europeans became more flagrant in their disregard for restrictions. In December Mandarins seized parcels of opium being landed at the Foreign Factories at Canton. The shipment was consigned to James Innes. This Scotch merchant was perhaps the most reckless and notorious of opium-importers at Canton. (He had already been expelled in 1836). Throughout the Chinese crack-down, Innes continued to bring opium vessels up to Whampoa and Canton. The Chinese immediately compelled him to leave China and ordered all trade stopped "because of [sic] foreign boats engaged in the Opium traffic are brought to Whampoa contrary to the edict of the Viceroy."⁶⁰ Innes left

⁵⁹The Chinese did not want to drive away all foreign trade, as they had come to value its legitimate part. They did not also want to experience another incident as with Lord Napier in 1834. Chang, Commissioner Lin and the Opium War, pp. 94-107.

⁶⁰This incident involved Americans by mistake. The ship on which the opium arrived was expelled with Innes. The Chinese first claimed the ship to be the American vessel "Thomas Perkins." This mistake arose over the confusion by the Chinese of the vessels' names, which the Chinese called by their masters' names. First reports named the vessel "Ke-le-yuan," transliteration of Capt. Graves of the "Thomas Perkins." In fact the vessel involved was

in mid-December but, just as the foreign residents prepared to see the trade reopened, they received another jolt from the Chinese authorities.

On December 12 local Mandarins brought a convicted opium-dealer into Factory Square and sought to execute him (by strangulation) "directly under the American flag a thing never before attempted & tried no doubt on purpose to insult the foreigners--" The foreign residents were shocked and outraged, not over the execution itself, but over the place chosen for it. They felt this act to be an infringement on their private domain. Later, the residents protested to the governor: "Foreigners have now resided in Canton for more than 100 years, & it has always been recognized & allowed that the ground between the factories & the river belonged to the houses rented by them."⁶¹ Upon seeing Chinese erecting the apparatus for strangulation, Americans and English merchants and clerks rushed out into the Square to prevent the execution. The action had also attracted a great number of Chinese observers, who, according to one American, "were evidently opposed to the

the "Ke-le-fat," or a British ship belonging to Capt. Crawford. Innes finally corrected the mistake and the Hoppo absolved the "Thomas Perkins" and its consignee William R. Talbot. Chinese Repository, VII, 8 (December 1838), 438-41, 452.

⁶¹Journal of R.B. Forbes, Dec. 18, 1838, Forbes Family MSS. The residents' protest to the governor and his response are in Chinese Repository, VII, 8 (December 1838), 447-49. The governor claimed, "The ground, whether in the front or the rear of the foreign factories, is all territory of the celestial empire, & is merely granted by the great emperor, for motives of extraordinary grace & clemency, as a temporary resting place for all foreigners who have been permitted to engage in trade here."

execution & disposed to aid the foreigners in putting it down. . . ." Eventually the foreign residents convinced the Mandarins to change the site of punishment.

This decision by the Mandarins would have ended the affair but for the presence of "some drunken sailors" who "were disposed to kick up a row." These men created a disturbance with the surrounding Chinese spectators, as "suddenly they seized the cross for execution, smashed it in pieces, and began to lay them over the heads and shoulders of the executioners and any Chinaman in reach." Soon the scene deteriorated into a general antiforeign riot, with several thousand Chinese forcing the foreigners to retreat to their Factories for safety. Totally outnumbered, the residents "for two or three hours sustained a regular seige." Two American residents managed to slip out of their Factory and, by transversing the roofs of other Factories, reach Houqua's Hong. Houqua informed the Canton authorities, who sent mounted soldiers to quell the rioters. Foreigners watched from their verandas as the soldiers dispersed the rioters. "No one was spared, the sight of the numerous soldiers. . . caused a rush towards every outlet from the Square, and even to the river, where several were drowned, not a boatman offering them the least assistance. Wide open flew the Factory gates, and in an instant their imprisoned occupants appeared with looks of relief indescribable." The soldiers guarded the Factories overnight; there was no

further incident.⁶²

Following the riot, the foreign trade at Canton remained suspended. During December, one of the busiest months commercially, a large number of vessels arrived at Whampoa to trade. Still the Hong merchants refused to secure any of them. This situation lasted into January, causing both foreigners and Chinese to lose profits. As January wore on however, an American resident reported that foreigners "expected the Hoppo would give orders to secure the ships directly as his Treasury was getting low--"⁶³ This period of suspended trade, which lasted more than a month, persuaded the partners of Russell & Co. to reconsider their involvement in opium traffic. As the largest American consignee of opium at Canton, this house had more financial stake in the new Chinese policy than other American residents. The growing number of arrests and executions throughout 1838 had convinced the house that this time the Chinese were determined in their efforts to destroy the opium trade. Events in December reinforced this con-

⁶²Journal of R.B. Forbes, Dec. 18, 1838, Forbes Family MSS. Hunter, 'Fan Kwae' at Canton, pp. 74-77. Hunter, an observer of the entire incident, claimed the seamen were the crew of the Company ship "Orwell." He and Gideon Nye were the Americans who went to Houqua for help. Nye, in The Morning of My Life in China (Canton, 1873), pp. 58-59, claimed he and John C. Green were the Americans. In this case Hunter, much younger and more adventuresome than Green, was probably correct.

⁶³Letters, R.B. Forbes to S. Russell, J.C. Green to S. Russell, Jan. 12, 1839, Russell & Co. MSS. Letter, A.A. Low to S. Low, Jan. 2, 1839, in The China Trade Postbag of the Seth Low Family of Salem and New York, 1829-1873, ed. by Elma Loines (Manchester, Maine, 1953), p. 66.

viction. Consequently, Russell & Co. warned that "speculators in Opium of any kind will run an imminent hazard of very serious losses, even if the sale should not be strictly stopped." In a letter to John Murray Forbes, who still owned a share in Russell & Co., the house asked him to "advise all shippers to this quarter who consign to us, that they would do well not to send any Opium let the cost be what it may."⁶⁴

By the time trade resumed in January 1839, Russell & Co. was terminating its opium business. Not only had the opium trade virtually stopped in the Pearl River, but the trade along the coast had also diminished. Customers willing to risk buying the drug were increasingly difficult to find. Russell & Co., fearing that "there is no chance of revival," informed their Parsee correspondents in India during January that the house could no longer make advances on opium. The partners prepared to get out of the opium trade before they faced a situation of no demand with a stockpiled supply. Writing to John Forbes in the United States at the end of the month, the house stated that they felt the government would "throw such embarrassments in the way of the foreign houses who deal in it or have ships at Lintin that these houses will be compelled to give it up to agents outside & withdraw entirely from all connection with the drug." Every American house had a greater financial stake in tea and silk than in opium. In losing its opium trade, Russell & Co. was forfeiting a lucrative source

⁶⁴Letter, Russell & Co. to J.M. Forbes, Dec. 22, 1837, Forbes MSS.

of profit. But the partners could still succeed commercially without opium. The house did not want to suffer the embarrassment of having its trade at Canton indefinitely suspended over opium.

Another factor, and perhaps the most important one, in persuading Russell & Co. to leave the opium trade was the Hong merchant Houqua. Throughout the existence of the house, Houqua, through his investments and advice, had been responsible for much of the house's prosperity and growth. In its January letter to Forbes the house added, "Our friend Houqua correctly recommends us to take warning & give it [the opium trade] up in time. . . ." Earlier Houqua apparently had added strong inducements to his advice. Bennet Forbes, in a letter to Samuel Russell concerning the house's decision to accept no more opium consignments from India, had stated simply that "Houqua says if we dont [sic] cut the trade in drugs 'in toto' he will cut us.--" More than any other single factor, this threat of Houqua probably catalyzed the house's decision to drop its opium trade.⁶⁵

On February 22, 1839 Russell & Co. issued a formal circular to all correspondents of the house announcing their

⁶⁵All commercial houses at Canton wrote formal business letters to their correspondents. These letters were always signed by a partner in name of the house. Partners also sent more informal and confidential letters to former partners and special correspondents. Letters, Russell & Co. to J.M. Forbes, Jan. 12 and Jan. 30, 1839, Forbes MSS. Letter, R.B. Forbes to S. Russell, Jan. 12, 1839, Russell & Co. MSS. The last quotation about Houqua is from this letter.

resolve "to discontinue all connection with the Opium trade in China." The house explained in a covering letter its reasons for giving up the trade:⁶⁶ (1) the danger and illegality now attached to its operation; (2) the prospect of refusal by the Hong merchants to secure transactions of houses dealing in it; (3) the possibility of losing constituents to other houses. Russell & Co. carefully distinguished the former opium trade which "was considered legalized by the connivance of the mandarins & local authorities," from the present opium trade which had "the character of a smuggling transaction." Since December the Chinese had executed another opium-dealer.⁶⁷ This action had further convinced Russell & Co. of Chinese determination to suppress the opium trade. Without cooperation from Chinese authorities, the trade could not be conducted openly. The house did not care to smuggle opium, an action pursued only "by a parcel of reckless individuals."⁶⁸

⁶⁶The circular and covering letter are in Letter, Russell & Co. to J.M. Forbes, Mar. 4, 1839, Forbes MSS. Bennet Forbes also noted the house's decision in Journal of R.B. Forbes, Feb. 27, 1839, Forbes Family MSS.

⁶⁷This second execution occurred on February 26, 1839. This time the Chinese successfully accomplished it in Factory Square by going at dusk, when most residents were out boating on the river. Although the Canton Press stated the execution was not intended to insult the foreigners (the cross was placed at a street-corner instead of directly before a Factory), the foreigners were outraged. The British immediately struck their flag to show indignation. After meeting with the American residents, Consul Snow did not raise the American flag. Snow reported the execution (and mentioned for the first time the attempted execution and riot of December 6, 1838) and included copies of Canton Press Extra in Consular Despatches: Canton, P.W. Snow, Mar. 6, 1839.

⁶⁸In late December foreigners had petitioned the Hoppo for permission to run boats between Canton and Macao to carry letters. They pledged the boats would be used solely for this

Partners in Russell & Co. finally feared official retaliation against their trade in teas and silks, if they continued to deal in opium. Without the regular trade the house would lose the majority of its constituents. The house was afraid that some customers, hearing exaggerated accounts of the Chinese government's suppression of the opium trade and of Russell & Co.'s participation in that trade, would switch to other consignees at Canton or reinstate supercargoes on their vessels. Other American houses at Canton traded in opium, but apparently very few, if any, openly acknowledged this branch of their business.⁶⁹ In short, Russell & Co. did not want to diminish its commissions on the regular trade. Added to this explanation of Russell & Co.'s own reasons for leaving the trade was its prognostication concerning future trade in China. As long as the opium trade continued, prospects for the regular trade remained uncertain. Russell & Co. hoped "that the British Government seeing the danger likely to accrue to their revenue from tea will discourage the culture of opium" in India. The house correctly pointed out that only

purpose. In early January the Hoppo protested to the residents that some boats refused to stop for examination by Mandarins. He accused the boats of smuggling opium. Illegal use of these boats by the English outraged Russell & Co. Chinese Repository, VII, 9 (January 1839), 501-02. Consular Despatches: Canton, P.W. Snow, Feb. 24, 1839. One boat was owned by a man named Peirce. Although not listed in rosters of residents, an American W.P. Peirce resided at Macao at that time.

⁶⁹Of American houses at Canton in the late 1830's only one is known not to have engaged in the opium trade, namely Olyphant & Co. Evidence shows Wetmore & Co. (second largest American house) and Gordon & Talbot were involved, and one can assume that Russell, Sturgis & Co. also dealt in it.

by ending the production of opium would the trade in the drug decrease. In a letter to correspondents, it wrote: "While the India Government produce Opium it will find a sale here at some rate or other."⁷⁰ Russell & Co. doubtless knew that the realization of such a hope was but a remote possibility.

Within a few days after Russell & Co. announced its withdrawal from the opium trade, an Imperial Commissioner (ch'in-ch'ai ta-ch'en) arrived at Canton from Peking. Inasmuch as Governor-general Teng's administration of Opium laws did not satisfy the Emperor, the latter had decided in late 1838 to send an Imperial Commissioner to implement the Court's policies. Lin Tse-hsü took up residence at Canton on March 10, 1839. A native of Fukien province, Lin had risen rapidly through the Imperial bureaucracy. As governor-general of the central provinces Hupeh and Hunan, he had effectively suppressed the use of opium there. His success and the strong policies against opium he had advocated in memorials to the Court prompted the Emperor to send him to Canton, where the opium problem was greatest. Lin wished to eradicate foreign traffic in the drug as well as the whole Chinese smuggling trade.⁷¹

Ten days after his arrival Lin issued edicts to the Hong merchants and to the foreign merchants. He condemned the

⁷⁰Letter, Russell & Co. to J.M. Forbes, Mar. 4, 1839, Forbes MSS.

⁷¹A sketch of Lin is in Eminent Chinese of the Ch'ing Period, ed. by Arthur Hummel (Washington, 1943-44), pp. 511-14. Chang, Commissioner Lin and the Opium War, pp. 128, 131-33, discusses Lin's beliefs and policies.

Hong merchants for aiding and abetting foreigners' attempts to circumvent Imperial laws. Moreover, he ordered all foreigners to relinquish their entire supply of opium for public destruction. Foreigners were to sign bonds that their vessels would "never again dare to bring opium with them"; should they bring the drug, as soon as it was discovered, the opium would be handed up and the foreigners would "willingly" submit to "the extreme penalties of the law." Lin based his edict to foreign merchants on two assumptions: (1) that foreigners required the exports of China as a "means of preserving life"; and (2) that in coming to China they should obey China's "laws and statutes, equally with the natives of the land." This latter assumption became the crux of the crisis between the British and the Chinese over opium. In persuading the foreigners to follow his orders, Lin appealed to their honor and offered them the Imperial benevolence of more wealth in the regular trade.⁷² He gave the foreigners three days to comply with the Commissioner's edict.

On March 19 the Hong merchants called together the leaders of the foreign residents at Canton to deliver Lin's edict. The English Superintendent of Trade was at Macao, so the Hong merchants called on the Canton General Chamber of

⁷²A copy of this edict is in U.S., Congress, House, Committee on Foreign Relations, Trade with China, H. Doc. 119, 26th Cong., 2nd sess., 1840-41. This is the official translation by J. Robert Morrison. Apparently there were discrepancies, although minor, between this version and others. Chang, Commissioner Lin and the Opium War, p. 261 footnote. Consular Despatches: Canton, P.W. Snow, Mar. 22, 1839.

Commerce. This association had organized in 1837 "as a purely commercial body, wielding no power but that of concurrent opinions." The Chamber of Commerce brought together the foreign residents, especially English and American, to discuss current problems. Although the American residents considered their interests at Canton separate from those of the English, they consulted more willingly with the English private traders than they had with the Company.⁷³ The residents still looked to their government-appointed officers to represent them in dealing with the Chinese Government. In this instance, the Hong merchants called upon the Chamber of Commerce in lieu of the absent Superintendent instead of the other nations' consuls. Obviously the Chinese had to contend primarily with the British merchants at Canton. Unless these men complied with Chinese laws and regulations, the opium trade could not be effectively suppressed.

To receive the Hong merchants, the Chamber of Commerce delegated a committee of three Englishmen, one Parsee and two Americans. The latter were John C. Green of Russell & Co. and

⁷³The Chamber of Commerce obtained some minor changes in commercial regulations, but in 1839 this was its only action, as after March the merchants tended to separate into their own national communities. From 1837 to 1839 the chairmanship alternated between Englishmen and Americans. In March 1839 W.S. Wetmore had the position. Chinese Repository, VI, 1 (May 1837), 47. After 1834 relations between English and American merchants improved through cooperation in the opium trade. The residents also formed the Union Club, a social club, to foster better relations by sponsoring dinners, sporting events, etc. Reminiscences of J.M. Forbes, ed. by Sarah Forbes Hughes (3 vols.; Boston, 1902), I, 216-17. Downs, "American Merchants and the Opium Trade," p. 435.

William S. Wetmore of Wetmore & Co. The entire Chamber convened two days later to devise an answer to the Commissioner's demands for the opium. Virtually all residents agreed they could not allow their shipments to be destroyed. The Chamber followed the position of Russell & Co. that "we cannot of course consent to give away the property of our constituents." But the residents did pledge that they would discontinue any connection with the opium trade.⁷⁴ This response, communicated through the Hong merchants, did not satisfy Lin Tse-hsü. He informed the Hong merchants they had twenty-four hours in which to persuade the foreign merchants to deliver all their opium. If unsuccessful, two of the Hong merchants would suffer decapitation. Until this point the residents continued to believe they would be able to comply with Lin's edict by sending away the opium vessels or, at most, burning a small portion of the drug in public. The Hong merchants informed the foreigners of their predicament and asked for support. Although three English merchants (large opium dealers) Lancelot Dent, William Bell, and George T. Braine strongly opposed changing their stand, the majority led by John C. Green decided to offer a thousand chests to the Commissioner. This

⁷⁴Journal of R.B. Forbes, Mar. 19, 1939, Forbes Family MSS. On March 25 the residents disavowed any further participation in the opium trade. This pledge was signed by forty-two commercial establishments: sixteen English, twenty-three Parsee and three American (Russell & Co., Wetmore & Co., Russell, Sturgis & Co.). Consular Despatches: Canton, P.W. Snow, Mar. 25, 1839.

majority was convinced Lin would carry out his threat.⁷⁵

Once again Lin refused to accept the foreigners' offer, but he changed his tactics. Instead of applying pressure to the entire body of residents, Lin chose to single out one individual merchant. English merchant Lancelot Dent reputedly had an interest in half of the opium imported into Canton. The Commissioner, aware of the proceedings of the meeting at which Dent led the opposition against Lin's demands, now demanded his arrest. He also incarcerated several Hong merchants and threatened two more, Houqua and Mouqua, with decapitation. Afraid that Dent might be killed, the foreigners stood behind his refusal to leave his Factory. The residents appointed a delegation to negotiate with the Chinese for a compromise. Dent was saved by the appearance at Canton of the English Superintendent of Trade.

Capt. Charles Elliot, R.N., had been in China since April 1837.⁷⁶ After a successful career in the Royal Navy, Elliot had joined the Foreign Office. In 1834 he had served in the mission of Lord Napier and thereafter received promotions up to Superintendent. Elliot arrived in China with two goals: to establish a basis of equality in Anglo-Chinese relations and to expand British trade in China. In the period 1837-39, Elliot resided at Macao, traveling to Canton

⁷⁵Journal of R.B. Forbes, Mar. 20, 1839, Forbes Family MSS. Hunter, 'Fan Kwae' at Canton, pp. 136-41. For an excellent analysis of this entire affair from the English and Chinese sides, see Chang, Commissioner Lin and the Opium War, Chap. V. The foreign residents in this instance based their actions on former incidents, in which a policy of stalling tactics combined with partial appeasement had usually satisfied the Chinese authorities.

⁷⁶Chang, Commissioner Lin and the Opium War, pp. 69-81, discusses the career and policies of Charles Elliot.

only when the situation warranted his presence. He quietly and methodically improved his relations with the Chinese, but, in overseeing British trade, he faced problems. Unlike the American situation, the opium trade had become so intertwined with regular English trade that the two no longer could be separated. This in itself did not bother Elliot but the expanding British smuggling trade up the Pearl River did. He strongly opposed this part of the trade, especially since it threatened the advances he was making in his relations with Chinese authorities. Although Elliot had attempted to end the use of English boats for smuggling, he had not been successful. He nevertheless remained a defender of the British community and its right to be governed only by English law. As soon as he heard of Lin Tse-hsü's edict demanding surrender of all opium and adherence to the bond, Elliot hurried up to Canton from Macao. Risking his life to make the trip, he arrived at the Foreign Factories just as the crisis over Dent was at its peak. The Superintendent immediately raised the English flag and offered its protection to Dent. No soldiers had accompanied Elliot but his presence gave the residents moral support.

When the Commissioner heard of Elliot's arrival at the Factories, he first feared the Superintendent came to aid Dent's escape. He immediately ordered all Chinese servants and coolies to leave the Factories, after which he clamped a guard around the area. On the river, Chinese drew up boats to block any exit from the Factories. Thus the foreigners were cut off from Canton and from Whampoa. The foreigners were aware that

Lin was determined to enforce his edict, yet they were equally determined to prevent the destruction of their opium. Elliot offered a solution by directing the British merchants to deliver all their opium to the Chinese. He received their compliance by pledging full compensation for the opium by the British government. This promise actually benefited the merchants, because they would be paid at current market value (now highly inflated). On March 17 Elliot communicated to Commissioner Lin his offer to surrender all opium, a total of 20,283 chests worth fifteen million dollars. Lin accepted but added that he would continue to detain the foreigners until the opium surrender was completed. Elliot had ended the crisis but, more significantly, he had involved the British government. English merchant James Matheson wrote to his partners that Elliot's order was "a large and statesmanlike measure, more especially as the Chinese have fallen into the snare of rendering themselves directly liable to the Crown."⁷⁷

Although all American residents had abandoned the opium trade before Lin Tse-hsü arrived at Canton, they did not escape the crisis in March 1839. Russell & Co. still had about fifteen hundred chests of opium in storage. As it was owned by British merchants, the partners did not consider the drug the house's property. The Americans were more willing

⁷⁷Letter, J. Matheson to W. Jardine & J.A. Smith, May 3, 1839, in Greenberg, British Trade and the Opening of China, pp. 203-04. Actually the British merchants were preparing to despatch their ships with opium shipments to other ports. This action would have lost them considerable profits. Elliot's order came just in time to be a financial boon.

to compromise with the Chinese, as already demonstrated by their proposal (to offer a thousand chests) at the general meeting. They nevertheless supported the English in their refusal to surrender Lancelot Dent. At this point the Chinese authorities did not discriminate among different nationalities of foreign merchants. So the Americans were confined in their Factories along with all the other residents.

Commissioner Lin's detention of the foreign residents lasted forty-seven days. Throughout the period even though the residents were to receive nothing from outside the Factories, they suffered very little deprivation. The Americans found the experience rather laughable at first. They were most impressed by the lack of noise with the Chinese missing. Bennet Forbes wrote that "Canton has never been so quiet," while William C. Hunter remarked that the Factories "resembled somewhat the places of the dead!" The worst part of confinement for the residents "was that they were compelled, in order to live, to try their own skill in cooking, to make up their own rooms, sweep the floors, lay the table, wash plates and dishes!" Hunter claimed that the Americans "made light of it, and laughed rather than groaned over the efforts to roast a capon, to boil an egg or a potato." At Russell & Co. the house's methodical tai-pan John C. Green organized clerks and partners alike into a work force, each with specific duties. After various members tried their hand at cooking (Green's rice "resembled a tough mass of glue;" A.A. Low boiled eggs until "they acquired the consistency of

grape-shot."), Forbes asked for help from his friend Houqua. Hearing the Americans' predicament, Houqua promised to send cooked food to them "& accordingly some of his men who had guarded. . . [the Factories] smuggled in turkeys capons hams &c." He later sent them a cook. Houqua also promised Forbes that he would make sure the Americans were "protected even if a riot should take place from the imprudence of any English men."⁷⁸

Houqua, furthermore, offered the Americans advice. He told them "to stay aloof from the general question." Beginning during the period of their confinement, the Americans followed Houqua's advice. The Commissioner complained that they had not surrendered any opium, asserting that "the traffic in opium hitherto carried on by the American foreign merchants has not been less than that of the English." American Consul Peter W. Snow replied to Commissioner Lin that the opium in American hands had been British property and had already been turned over to Capt. Elliot. After several avowals by the consul and Elliot, Lin accepted his explanation.⁷⁹ At the same

⁷⁸Hunter, 'Fan Kwae' at Canton, pp. 143-44. Journal of R.B. Forbes, Mar. 26 and Jun. 1, 1839, Forbes Family MSS. Taiman Green finally claimed the duty of sweeping out the parlor and making tea, while Forbes cleaned the silver and glass, and Hunter trimmed the lamps and lighted them. The most interesting duty fell to clerk J.T. Gilman: "looks out for beer, wine, cheese & begs, borrows or steals small grub as eggs, bread, &c."

⁷⁹Consular Despatches: Canton, P.W. Snow, Mar. 22, 1839. On April 5, in response to Snow's claim that Americans were merely agents for English merchants, Lin retorted: "Why should they employ your countrymen to sell it? You are not a tributary to the English. Why then listen to their suggestions?" See also Chinese Repository, VII, 12 (April 1839), 639.

time Lin began to press Snow and Elliot concerning the bond he demanded all foreigners to sign. He despatched the local hsien (minor magistrates) to confer with the residents and obtain their assent. The English refused to attend, but a delegation of Consul Snow, the Dutch and French consuls, and representatives of the three leading American houses (Forbes for Russell & Co., Wetmore for Wetmore & Co., and Charles W. King for Olyphant & Co.) met with the officials and Hong merchants. Ordered to sign the bond, this delegation refused. The Americans did not object to swearing they would not deal in opium, but Lin's bond would subject anyone connected in any way to a vessel caught with opium aboard to the death penalty. To sign a bond of this nature was foolish. Snow informed the Commissioner that he would communicate the regulations to the United States government and would require any merchant involved in trading opium to leave China.⁸⁰

Capt. Elliot and the British refused to have anything to do with the bond issue. The English Superintendent concluded that the entire body of foreign residents should leave Canton after the opium was delivered. He proposed that they move their business to Macao, where Elliot mistakenly believed foreigners could trade without any hindrance from Chinese authorities. The Americans at Canton strongly disagreed with

⁸⁰Letter, A.A. Low to H.L. Hillard, Apr. 17, 1839, in Loines, China Trade Postbag, p. 70. Chinese Repository, VIII, 1 (May 1839), 13. Consular Despatches: Canton, P.W. Snow, Apr. 19, 1839. Snow enclosed a letter, sent on March 29 to all American houses and agents, in which he asked for an account of their opium. All signed that they had none on hand. (Russell & Co. had already turned theirs over to Elliot.) Snow notified Lin of this action.

Elliot. Forbes spoke for the other Americans in emphasizing the differences separating the position of the English from that of the Americans. He said that the English wanted to leave Canton, because "they consider their national dignity hurt--but the fact is they have a large stock of Tea in England & expect the Queen to pay for their opium & if they leave it will be a gain to the bulk of them, now our case is very different, we as Americans have no interest in the opium except as agents. . . , & we have no stock of Tea at home & many ships on the way--" Commercial interests overrode the American worry over their "national dignity." Like Forbes, they came to China to trade and would not "rashly leave the country."⁸¹

By May 21 opium deliveries had been completed and the residents were officially released from detention. (Actually, as soon as the English began to surrender the drug in April, Lin gradually loosened his restrictions around the Factories.) Elliot left Canton for Macao, where most of the English and Parsee merchants had already gone. The Superintendent asked for the Americans' support in accompanying the English to Macao. Consul Snow likewise felt the American residents should leave Canton to pressure the Chinese into making "a solemn pledge of safety to the foreigners' person and property." But the American merchants refused to cooperate.

⁸¹Journal of R.B. Forbes, Apr. 11, 1839, Forbes Family MSS.

Elliot had appealed to Russell & Co., as the other houses would presumably follow its decision. Forbes, now chief of the house, replied in the negative. He explained that "the restrictions imposed on us are galling but I made the greatest possible sacrifice in leaving wife & family & shall I not submit to minor inconveniences to gain my point." Forbes commented that the English were "very angry with the Americans but I dare say will be coming back again." Russell & Co., as well as the other American houses, put the interests of their constituents and their own commissions above any other considerations. With the English leaving, Forbes commented that the house even expected "to add to their regular business some of the trade carried on by the Jno [John] Bulls."⁸² By June only Americans still resided at Canton. Thus began an unprecedented boom to date in the American China trade.

IV

In June 1839 the Chinese Repository reported, "With two or three exceptions, none but Americans now reside in Canton. . . Many of the thirteen hongts are left without an inhabitant,

⁸²Consular Despatches: Canton, P.W. Snow, May 13, 1839. At the same time Russell & Co. wrote that many American ships had arrived and were outside "waiting very impatiently" for trade to resume, Letter, Russell & Co. to J.M. Forbes, May 13, 1839, Forbes MSS. At the end of May, Bennet Forbes wrote that Houqua had told him that as soon as Commissioner Lin left "the trade will be restored to its former footing as far as we are inclined to have it--" Journal of R.B. Forbes, May 26, 1839, Forbes Family MSS. The reply by Forbes to Elliot most often quoted is: "I replied that I had not come to China for health or pleasure, & that I should remain at my post as long as I could sell a yard of goods or buy a pound of tea," R.B. Forbes, Personal Reminiscences, p. 150, Letter, R.B. Forbes to P.S. Forbes, May 28, 1839, Forbes MSS.

& the bustle & business which once characterized them are gone." Commissioner Lin had opened all legitimate trade on June 9 but Elliot retorted on June 21 that the British would refuse to trade. He ordered all British vessels to remain outside the Pearl River. Most of them were at Macao, although some anchored at Hong Kong. American vessels, which had been waiting outside, immediately sailed up to Whampoa. To trade, American residents had to settle the bond issue. Even though they had emphatically rejected signing the bond first proposed in March, they now acceded to the Chinese demand. The bond which they signed in July differed considerably from the earlier version. Signers merely swore that they would "not dare to oppose or violate" the prohibition against the importation of opium. Written in both Chinese and English, the bond said nothing about punishment.⁸³

All through the summer American residents busily unloaded and reloaded vessels. Before August they began to acquire business that formerly belonged to British merchants. Bennet Forbes noted that "the Americans are reaping a rich harvest out of the English." He added that he hoped "their ships will be kept out of Port a good while--" The English merchants had first tried to send their vessels up the Whampoa under other European flags, but they discovered the safer and easier method of employing American residents as commission

⁸³Chinese Repository, VIII, 2 (June 1839), 83. A copy of the bond signed by the Americans is in Consular Despatches: Canton, P.W. Snow, Jul. 13, 1839.

agents. At the Outer Anchorages the English transshipped their cargoes onto American vessels for the trip up to Whampoa. Americans at Canton completed the business transactions, loaded their vessels with teas and despatched them back to Hong Kong to transship the outward cargo. Americans engaged in this carrying trade charged enormous freight rates, but the English were eager to pay them to get their goods up to Whampoa. Russell & Co. obtained the bulk of consignments, with the house employing its former opium receiving ship as a freighter. But virtually all Americans at Canton, including the smaller agents, agreed with Gideon Nye that "we Canton Agents were making rapid fortunes from the Commissions."⁸⁴

Chinese profits were also large and the Hong merchants were as anxious to trade as the foreigners. Lin Tse-hsü failed to understand the English refusal to send their ships to Whampoa after he reopened the trade. American cooperation with Chinese policy did not go unnoticed by Commissioner Lin. An incident in early July indicated that Lin had begun to distinguish Americans from their English counterparts and reward the former with preferential treatment. On July 6 a group of seamen from two English ships went ashore to Chien-sha-tsui, a village near Hong Kong. They became involved in a drunken

⁸⁴Journal of R.B. Forbes, Aug. 17, 1839, Forbes Family MSS. Letter, J. Coolidge to A. Heard, Dec. 13, 1839, Heard MSS. Coolidge listed American agents and the English houses that consigned to them. Gideon Nye, jr., Peking the Goal (Canton, 1873), pp. 43-44. Hunter, 'Fan Kwae' at Canton, pp. 146-47, stated Americans charged rates of \$30-40 per ton for British manufactures and \$7 per bale for Indian cotton. Vessels only carried cargoes that had been consigned to a specific American house at Canton. To facilitate its freight business, Russell & Co. opened an office aboard an English ship at Kowloon.

brawl, during which villager Lin Wei-hsi was killed. The Chinese demanded the surrender of the man or men responsible for the villager's death. Elliot refused, claiming that, since Americans were on shore at the same time, no one could determine that Englishmen were to blame. Lin Tse-hsü demanded an explanation from American Consul Snow. The consul responded that all American captains in the area had assured him that their crews had remained sober the entire day. Lin's acceptance of Snow's assertion contrasted dramatically with his accusations in April that the Americans were lying about the opium in their possession.⁸⁵

Elliot investigated the homicide himself and held a trial for six seamen accused of participation in the brawl. Judged guilty, they were sent back to England for punishment.irate at Elliot's actions, Lin Tse-hsü decided to move against Elliot and the English merchants at Macao. The Commissioner, witnessing Elliot's peremptory handling of the Lin Wei-hsi case, worried that he might try to use Macao as a base of operations against the Chinese. In September Commissioner Lin cut off supplies and servants to Macao. The Portugese then forced the British to move onto their vessels, now all anchored at Hong Kong. American masters enjoyed this turn of events, since profits from freighting English cargoes to and from Whampoa increased. The English merchants, who in

⁸⁵Consular Despatches: Canton, P.W. Snow, Aug. 29, 1839. Enclosed is Snow's denial of any American involvement in the affair.

the spring had strongly criticized the Americans for not leaving Canton now appreciated their services and did not begrudge their profits. Elliot told the chief of Russell & Co.: "My dear Forbes, the Queen owes you many thanks for not taking my advice as to leaving Canton. We have got in all our goods, & got out a full supply of teas & silk." Only through American agents were English vessels able to discharge their cargoes. Week after week the Americans plied up and down the Pearl River with cargo (usually cotton or teas) piled up ten to twelve feet on deck and packed into the between-decks.⁸⁶

Throughout this period Chinese authorities were very interested spectators. They kept close watch on all foreign vessels both inside the Pearl River and at Hong Kong. The Chinese feared that the English would try to reinstate the opium trade. After Elliot emphatically rejected Lin's invitation to return to Whampoa, the Chinese became suspicious of the American vessels that sailed between Whampoa and Hong Kong. Commissioner Lin despatched an edict to Consul Snow to inquire why American vessels "resort to Hong Kong to associate with every English ship in the fleet?" Lin reminded Snow that "now merchandise at Canton has the highest prices and your nation alone receives this profit and thus the English in a high degree perceive their own stupidity as the American Ships pass out of Port with full cargoes to go away." Snow responded that American vessels went to Hong Kong to sell their

⁸⁶Forbes, Personal Reminiscences, pp. 155, 152-53.

bills of exchange and pick up from British vessels English manufactures and Indian cotton consigned to American houses. Both transactions had been performed previously at Whampoa. The Commissioner in reply sanctioned the American trade, specifically stating, "If because the English merchants are prohibited by Elliot to enter port, the Americans privately acting in their stead transport their merchandise, this also comes within the limit of excusable business." At this point Lin was not concerned with the trade except for the possibility of foreigners bringing opium into China.⁸⁷ Apparently too he viewed his approval of American actions as a slap at Elliot, who had blatantly refused to obey Chinese laws. Above all, Lin believed foreign residents in China had to be convinced that they were liable to Imperial law and its jurisdiction.

Commissioner Lin continually persisted in his demand that Elliot surrender the suspects in the homicide of Lin Wei-hsi. Since July Lin had increased his pressure on the English Superintendent, even cutting off all supplies to English vessels. The two sides had already traded shots at Kowloon over an attempt by the English to procure provisions. In the latter part of October Elliot resorted to negotiations in a last effort to ease the situation. The Superintendent would allow the English merchants to resume trading at Canton, if the

⁸⁷ Lin's edict of Sep. 15 and Snow's reply of Sep. 25 are in Consular Despatches: Canton, Sep. 25, 1839. The Commissioner sanctioned American transshipping of English goods in an edict of Oct. 14, enclosed in Consular Despatches: Canton, P.W. Snow, Oct. 21, 1839. Snow specifically pointed out Lin's reply to the Secretary of State.

required bond were reworded. While this point was being negotiated, Elliot declared that English vessels could proceed to Chuenpi (at the Bogue) and trade without signing the bond. Overeager English masters interfered and ruined the discussions by signing the rigid bond that Lin had formerly issued. At Canton the Americans, first hearing Elliot's scheme of trade at Chuen-pi, criticized him for splitting hairs. The chief of Russell & Co. wondered: "Now I should like to know the difference between the assent to Chinese Law outside the Bogue or inside the Bogue--British agents must be within the power of the Chinese to trade." When the Americans discovered that some English had acceded to the bond, they scoffed at them for yielding to a harsher bond than the Americans had signed.⁸⁸

Even though some Englishmen had signed Lin's bond, the Commissioner was not satisfied. His primary objective remained British recognition of the sovereignty of Chinese law. He once again demanded that Elliot hand up the murderers of Lin wei-hsi. Lin accompanied his demand with an ultimatum that the English vessels had three days to decide whether to come up to Whampoa (and sign the bond) or to leave the Bogue and never return. Fleets from the two sides met at Chuenpi on November 2. After trading demands and threats, Capt. Henry

⁸⁸Journal of R.B. Forbes, Oct. 27, 1839, Forbes Family MSS. Letter, R.B. Forbes to S. Russell, Oct. 31, 1839, Russell & Co. MSS. A copy of the new bond, signed by some Englishmen, is in Consular Despatches: Canton, P.W. Snow, Oct. 27, 1839. This bond decreed capital punishment for those caught dealing in opium.

Smith of H.M.S. "Volage" ordered the Chinese junks to retreat. When they did not, he fired and sank four junks. The Battle of Chuenpi became the official beginning of the Opium War, although further hostilities did not occur for another six months.

Capt. Elliot, who had been at Chuenpi, ordered the fleet back to Hong Kong to await instructions from the British government. American vessels resumed the carrying trade for the English. In November, the busiest month on the tea market, the river traffic increased immensely. All teas that went to English markets in the 1839-40 season came down from Whampoa on American vessels and were transshipped either at Hong Kong or at Singapore. Forbes commented: "These are exciting times & we Yankees will take advantage of them--" Every American resident at Canton, including Consul Snow, who could acquire an English vessel changed its name and entered the freighting business. But one American correctly predicted that "this will not last, for the Chinese are just beginning to inquire about [ships'] Registers--" Lin, carrying out his threat made before the incident at Chuenpi, decreed that since the English had left the Bogue, "English trade with China will be closed forever on the 6th day of December 1839." Included in the embargo were the end of all transshipments and change of national flags on vessels.⁸⁹

⁸⁹Journal of R.B. Forbes, Nov. 6, 1839, Forbes Family MSS. Letter, J. Coolidge to A. Heard, Nov. 29, 1839, Heard MSS. Consular Despatches: Canton, P.W. Snow, Nov. 30, 1839.

After December 6, although the English was officially closed, the Americans were able to continue their services. They merely changed their operations to make them legal. Instead of running transshipped cargoes direct to Whampoa, American masters took them to Manila for fresh bills of lading. These new bills made the cargoes legally appear as American property. The vessels then returned to Whampoa to trade their "American" cargoes for Chinese exports. Singapore and Penang were other ports utilized for the same purpose.⁹⁰ The Chinese were quick to discover the false use of bills of lading to legalize transshipment of British cargoes. Although vessels from these ports with bills of lading claiming the cargo to be American property were allowed to trade at Canton, the Commissioner tightened the regulations concerning transshipment. Not accepting Consul Snow's explanation as to the legality of changing bills of lading, Lin issued a further prohibition of transshipment of English goods at the ports of Manila, Singapore and Penang. He also required that every American master swear to the American consul "that his ship has no transshipped British property onboard."⁹¹ These new restrictions did not stop the Americans from continuing their

⁹⁰ Nye, Peking the Goal, pp. 42-43. Forbes, in Journal of R.B. Forbes, Dec. 1, 1839, Forbes Family MSS, noted as soon as he heard of Lin's closing the English trade that transshipping operations could be switched to Manila.

⁹¹ Snow's despatch and the Chinese edicts of Dec. 29 are in Consular Despatches: Canton, P.W. Snow, Jan. 11, 1840.

trade through the early months of 1840.

American residents knew that their trade would remain open only until the British fleet from India arrived. Since the time of the British surrender of their opium, the Americans had been aware that the British would eventually force the Chinese to atone for this loss.⁹² The fleet was expected to arrive in late spring. Meanwhile the British waited and the Chinese prepared militarily. American merchants tried to complete as much business as they could. By April Elliot received news that the fleet would enter Chinese waters during June. For Americans its arrival would signal the end of that season's trade, as Elliot had announced the fleet would blockade the river. Vice-consul Warren Delano sent a petition, signed by most of the American residents, to the Chinese authorities to speed up procedures of trade. The residents were concerned that they might not complete the lading of all their vessels, especially those destined for American ports. Although the governor-general replied scornfully that the British could not blockade Canton, "a new impulse was given to the business of the port."⁹³

⁹² Journal of R.B. Forbes, Mar. 28, 1839, Forbes Family MSS. Letter, J.P. Cushing to R.B. Forbes, Nov. 15, 1839, Forbes Family MSS.

⁹³ Letter, W.H. Low to A.A. Low, Apr. 29, 1840, in "The Canton Letters, 1839-41, of William Henry Low," ed. by James Duncan Phillips, Essex Institute, Historical Collections, 84 (1948), 313-14. Journal of R.B. Forbes, Apr. 29, 1840, Forbes Family MSS. Forbes commented that the reply was "very satisfactory and very mild & it is very friendly to the Americans." Delano's petition and Chinese reply are in Chinese Repository, IX, 1 (May 1840), 53-54.

Nevertheless, the Chinese refused to believe that the English would actually resort to war. Even Houqua told his friend Forbes he thought "negotiations may be long pending" but no fighting. He claimed that "the English will bully & bluster--a little at first & afterwards make terms with China & carry on the trade pretty much in the old way--" Houqua also revealed his biased view of Chinese superiority by adding, "If they undertake to lay down the law for China they will eventually fail & go home. . . ." ⁹⁴ Such statements revealed the gross misunderstanding of the Chinese toward British attitudes and capabilities. Even Houqua, presumably more aware than most Chinese of Western thinking and actions, fell back on traditional Chinese attitudes concerning the importance of China's trade to the West. The Chinese had not understood the full impact on the British of Lin Tse-hsü's actions in halting the opium trade. Not familiar with concepts of nationhood and honor, the Chinese assumed the crisis would pass and the legal trade would resume. The Hong merchants also assumed the illegal trade would return, but with less flagrant methods. In addition to their misunderstanding was Lin's misjudgment concerning the sovereignty of Chinese law. Elliot and the English were determined never to submit themselves to the jurisdiction of Imperial law. Lin, representing official

⁹⁴ Journal of R.B. Forbes, May 9, 1840, Forbes Family MSS. Houqua expressed the same feelings in letters he wrote to the United States. Letters, Houqua to J.C. Green, May 31, 1840, Houqua to J.P. Cushing, Jun. 1, 1840, Harvard Business School, Baker Library, Houqua's Letterbook.

Chinese policy, just as emphatically believed that foreigners trading at Canton must obey Chinese law. This fundamental disagreement between the English and Chinese signified the clash of two different cultures. Neither understood the other, nor, in 1840, did either make the effort to do so.

By spring 1840, the English no longer cared to negotiate the matter of trade with the Chinese. On June 9 their fleet, consisting of three frigates, one troopship and two transports, sailed into Chinese waters. By order of Commodore Sir Gordon Bremer, the two ships-of-war already in China blockaded the Bogue on June 28. Within a few days Adm. George Elliot, cousin of the Superintendent, arrived to command the English forces. During the next six months the foreign merchants waited, the Americans now in residence at Macao and the British on their vessels at the Outer Anchorage of Tongkoo Bay, while the British fleet ventured north along the coast of China. Adm. Elliot's mission was to deliver a letter from the British government proposing negotiations to the Imperial Court.⁹⁵ The fleet returned in November. Negotiations began but quickly reached a stalemate. In January 1841 the English attacked Chinese batteries outside the Bogue. This show of force persuaded the Chinese to sign an armistice ceding Hong Kong to the British and reopening the trade at Whampoa. Yet

⁹⁵Letter, Houqua to J.C. Green, Jul. 5, 1840, Houqua's Letterbook. The English first tried to hand over the letter at Amoy. Rebuffed, they sailed to the island of Chusan (near Shanghai). Also rebuffed there, they reached the mouth of the Peiho (at Tientsin), where an official accepted the letter for transmission to the Imperial Court.

neither side was satisfied with the agreement and, within a month, hostilities resumed. On February 20 the British bombarded the Chinese forts inside the Bogue, a clash that resulted in hundreds of Chinese dead or captured but in no English losses. A week later the English destroyed a flotilla of Chinese war junks, which included a Western-style ship.

In June 1840 the last American vessel to run through the Bogue before the English blockade had been the ship "Chesapeake." Warren Delano, who had just merged Russell, Sturgis & Co. into Russell & Co., purchased the English ship "Cambridge" to transport cargo between Whampoa and Hong Kong. Delano changed the ship's name to "Chesapeake." Having gotten inside the Bogue just before the blockade became effective, the "Chesapeake" was stranded. The Chinese had decided they could use a foreign ship "as an additional protection against the barbarian war ships." Russell & Co. gladly sold the ship for the amount of its Cumsha and Measurement fees. Its bow painted with eyes and its rigging adorned with streamers and flags, the ship was armed with cannon "of every available size," stones, bows and arrows, and varieties of muskets. The Chinese employed the "Chesapeake" in the action at the Bogue. On February 17 the H.M.S. "Nemesis" landed a round that killed every man aboard and sank China's first modern naval vessel.⁹⁶

Victorious at the Bogue, the British fleet moved up to Whampoa. Capt. Elliot opened the trade at Canton to foreign

⁹⁶Hunter, 'Fan Kwae' at Canton, pp. 147-49.

merchants. Immediately the river filled once again with boats and ships, while residents returned to the Foreign Factories. In a letter to his old friends, Bennet and John Forbes, Houqua took credit for getting the trade reopened. During the clash at the Bogue he and Mouqua remained at Canton instead of leaving with every one else. He stated, "My presence and advice to the Mandarins I believe hastened the arrangement with the English for the resumption of trade." But he added, "How long the trade will go on is uncertain."⁹⁷ The trade did not remain open very long. As soon as the merchants filled their vessels with spring teas and silks, Elliot ordered the residents to leave Canton. At the same time he demanded that the Chinese stop their preparations for hostilities.

All the residents at Canton, including the Americans, began putting their books in order so they could leave the Factories. But, as one American wrote, "the storm burst upon us much sooner than we expected." On May 19 William C. Hunter, in charge of Russell & Co., ordered the house's books and papers packed aboard a vessel. The partners and clerks spent the early morning hours completing the task. With most of the other Americans, they evacuated Canton just in time. On May 20 the Chinese attacked the English fleet at Whampoa after setting fire to the Foreign Factories. Mobs plundered all the Factories, although they managed to burn only three of the buildings. This

⁹⁷ Letter, Houqua to R.B. Forbes and J.M. Forbes, Apr. 12, 1841, Houqua's Letterbook. Chinese Repository, X, 4 (April 1841), 233-34.

action infuriated the Americans, who now concluded that "the Chinese had treacherously proposed the destruction of all Foreigners." The Chinese, furthermore, had taken into custody two Americans on their way downriver. Joseph Coolidge and William H. Morss remained jailed at Canton for several weeks before the Chinese released them.⁹⁸ These actions tended to turn American residents against the Chinese. Throughout the Opium War, American attitudes and actions were based on self-interest. American merchants gradually grew impatient with the Chinese and their unsuccessful tactics. They realized that the Chinese were no match militarily for the English. Motivated almost solely by their desire for trade, they wanted the war to end so the trade could resume. American residents had been satisfied with transacting business under the old "Canton system," but if the English could institute a more efficient mode of operation, they would welcome it if they would not fight for it.

American residents, however, had a long time to wait for the trade to be reopened. Capt. Elliot and the English fleet inflicted another serious defeat on the Chinese on May 20. Elliot's victory netted the English six million dollars

⁹⁸Letter, W.H. Low to A.A. Low, May 27, 1841, in "Canton Letters of William Henry Low," pp. 314-15. Nye, The Rationale of the Chinese Question (Macao, 1857), p. 10. Coolidge, formerly of Russell & Co., had formed a house with another former partner of Russell & Co., Augustine Heard. In 1841 Coolidge was the resident partner of A. Heard & Co. Morss, a partner in Olyphant & Co., was wounded in the affair. Chinese Repository, X, 7 (July 1841), 419, 420. Hunter, 'Fan Kwae' at Canton, pp. 149-50. Whether Vice-consul Delano protested to the Chinese cannot be determined. (Consul Snow, who had left China in September 1840, had appointed Delano his agent. Delano sent no despatches to Washington.)

in ransom for Canton but failed to end hostilities. In August Sir Henry Pottinger arrived as Plenipotentiary with instructions to conduct negotiations, either at Chusan or to the north. Elliot then directed the English fleet to fight its way up along the coast. The fleet returned in June 1842, having taken Amoy, Chusan and Ningpo. While the fleet was absent, trade halted. Although most merchants had no business, Russell & Co. received consignments from Houqua. He wished to invest in Indian cotton, so the house despatched three vessels formerly employed in the river trade to Calcutta, Bombay, and Madras for cotton. Houqua himself had become convinced the Chinese should settle with the English, so trade could resume as quickly as possible. But he feared there would be "a great deal of trouble for a long time to come." The Chinese government taxed the Co-Hong heavily to meet the ransom demanded by the English. Houqua and his colleagues therefore desperately needed the profits of trade to pay these extraordinary assessments.⁹⁹

Houqua's desires for negotiation were not shared by the Chinese authorities. In February 1842, with the major part of the English fleet back at Hong Kong, the Chinese attempted to retake Ningpo. Although the English repulsed them, Pottinger ordered the fleet to sail north again. This time the English seized Shanghai and ventured up the Yangtze

⁹⁹Hunter, 'Fan Kwae' at Canton, p. 150. Letters, Houqua to J.M. Forbes, Oct. 4, 1841, Houqua to R.B. Forbes, May 11, 1842, Houqua's Letterbook.

to Chinkiang and Nanking. By August they had stopped all traffic into the Yangtze and into the Grand Canal, which connected Nanking with Tientsin (Peking's river port). The English now controlled the major ports of China and had access to the Imperial capital. This turn of events convinced the Imperial Court that it could not afford protracted hostilities. On August 14, as the English prepared an assault on Nanking, the Chinese surrendered. Two weeks later two High Commissioners concluded the Treaty of Nanking with Pottinger. The Treaty's major tenets included those aims set forth by the British government in early 1840: namely, cession of Hong Kong, more ports open to trade, an indemnity, abolition of the Co-Hong, and equality between Chinese and foreign officials.

Thus ended the "Canton system" of trade. The system had been deteriorating gradually in the nineteenth century but had managed to operate effectively and profitably for those engaged primarily in the regular Canton trade. Opium caused its downfall. Around the opium trade arose an entirely different system of exchange, the profits from which were so great as to make the "Canton system" appear obsolete. Commissioner Lin's disruption of the opium trade precipitated the English decision that the commercial system at Canton had to change, even if by force. William C. Hunter, a witness to the events of the period 1839-42, concluded somewhat nostalgically "The seizure of the opium in its consequences was the feature in the breaking up of the exclusive conditions of foreign trade at Canton, as it had existed since 1720. The

peculiar conditions also of social life were doomed, as was that perfect and wonderful organization, the Co-Hong."¹⁰⁰ American merchants at Canton had profited well in trade through the Co-Hong, but witnessing the English successfully forcing a change in the trading system, they hastened to become part of it.

¹⁰⁰Hunter, 'Fan Kwae' at Canton, p. 153.

CHAPTER VI

AMERICAN MISSIONARIES: FRUSTRATION AND PREPARATION

On February 20, 1830, the American ship "Morrison" from New York stopped at the Outer Anchorage of Lintin to unload passengers. Aboard the "Morrison" were two American Protestant missionaries, David Abeel and Elijah Coleman Bridgman. Abeel reacted like all Americans who had made the long ocean-passage. That evening he wrote in his journal, "This afternoon, for the first time in one hundred and twenty-seven days, we touched our feet upon solid ground, and though a heathen shore, far from our native land, felt a gratification peculiar to the wave-tossed prisoner, released from his tedious confinement." Several days later Abeel and Bridgman sailed up to Canton, reaching the Foreign Factories on the evening of February 25. They traveled the last ten miles of the river, from Whampoa to Canton, in the dusk. The dense mass of boats on the river and the great number of lamps [which] broke through the gloom" created an ethereal scene that overwhelmed Abeel. He described it as "more like magic, than reality, and calculated to awaken ideas, or call up visions, which seldom visit collected minds in wakeful hours."¹ Awed by their first sights

¹David Abeel, Journal of a Residence in China, and the Neighboring Countries from 1829 to 1833 (New York, 1834), pp. 62, 72-73.

of China and the Chinese, Abeel and Bridgman arrived at Canton filled with Christian zeal for converting the heathen multitudes.

Although the two men traveled to China together, Abeel and Bridgman represented different mission organizations in the United States. David Abeel, sponsored by the American Seamen's Friends Society, ventured to China as chaplain to American seamen at Whampoa. His traveling companion Elijah Bridgman was a member of the American Board of Commissioners for Foreign Missions, the most important missionary society in the United States. Bridgman's mission represented the American Board's entrance into missionary work in East Asia. Spawned by the revival of evangelism during the Great Awakening, the American Board of Commissioners, formed at Salem in 1810 to direct the efforts of ministers and seminarians who felt inspired to preach Christianity to the heathen. In February 1812 the Board sent its first group of missionaries abroad--to India and Ceylon. During the following fifteen years the Board expanded its membership and patronage throughout New England. In the United States the organization sponsored missions among the Indians, chiefly the Choctaws and Cherokees of the South and Old Southwest. Abroad, besides India and Ceylon, American missionaries affiliated with the Board concentrated their work in the Sandwich Islands (Hawaii), Turkey, and the Levant.²

²For a history of the American Board of Commissioners for Foreign Missions and its mission work abroad, see William E. Strong, The Story of the American Board: An Account of the First Hundred Years of the American Board of Commissioners for Foreign Missions (Boston, 1910), Chaps. I-V.

During the 1820's the American Board gradually developed an interest in establishing a mission in China. The Board's desire to expand into China was stimulated by Robert Morrison, an English missionary at Canton. Although Morrison had gone to Canton in 1807 as a representative of the London Missionary Society, from the time he left England he had created strong ties with Americans. Opposition on the part of the East India Company to missionary activities at Canton had forced Morrison to look elsewhere for a passage to China. He traveled to New York, where American merchants offered to convey him to Canton. Morrison obtained from Secretary of State James Madison a letter of introduction to American Consul Edward C. Carrington at Canton.³ In the years after his arrival in China, Morrison corresponded with various Americans interested in the China mission. At the same time the newly-formed American mission societies developed close connections with such groups in England, where missionary evangelism had fostered their formation. In fact, the founders of the American Board of Commissioners modelled their organization on the London Missionary Society.

In 1818 Robert Ralston, a Philadelphia merchant also interested in foreign missions, proposed to the American Board "that one of the Board's representatives in India spend four months of each year in Whampoa to preach to English-speaking

³Kenneth S. Latourette, "The Story of Early Relations between the United States and China, 1784-1844," Transactions of the Connecticut Academy of Arts and Sciences, Vol. XXII (New Haven, 1917), pp. 85-89. During his first year of residency at Canton, Morrison lived at the establishment of American agents Milner & Bull.

seamen in that Chinese port." Ralston had financially aided American missions in India and corresponded frequently with Morrison at Canton.⁴ At that time the Board lacked the resources to act positively on Ralston's recommendation, but in 1824 the society's officers formally voted to establish a mission in China. The letters of David W.C. Olyphant, an American merchant at Canton, and William Jenks, a prominent Boston minister, helped prompt the Board's decision. Action was slow to follow this decision, however. Three years later several American merchants, again led by Olyphant, petitioned the American Board to send missionaries to Canton. The request included the need for a chaplain to seamen at Whampoa as well as a missionary for the heathen Chinese. This time Olyphant solicited Robert Morrison's support for this endeavor. Upon receiving the petitions, the officers of the Board began the search for suitable candidates. While the Board conducted its search, Olyphant himself returned to the United States to establish his own commission house out of the bankrupt enterprise of his employer, Thomas H. Smith. Head of his own agency in 1829, Olyphant offered free passage and lodging at Canton for an American missionary. Olyphant's proposal catalyzed the Board's efforts, and within a few months the officers designated Elijah Bridgman as the Board's choice. The American

⁴C. Jackson Phillips, Protestant America and the Pagan World: The First Half Century of the American Board of Commissioners for Foreign Missions, 1810-1860 (Cambridge, 1969), pp. 173-74. There was a Matthew C. Ralston, a merchant in Philadelphia, who was a major consignor to John R. Latimer in the 1820's. This Ralston dealt in opium and ginseng. It would seem likely that Robert Ralston was a relation, perhaps Matthew's brother.

Seamen's Friends Society joined the Board of Commissioners in financing the work of David Abeel as the requested chaplain.⁵

Bridgman and Abeel left the United States buoyed by the same spirit of optimism which had enveloped the Board of Commissioners. American missions supported by the Board elsewhere were prospering and now the Board looked to new opportunities in China. William Strong, the official historian of the American Board of Commissioners, commented that the Board in 1829 viewed China as "an appealing land. Her huge size, the uncounted multitudes of her people, the antiquity of her civilization, her need of an uplifting religion, all challenged the eager spirit of Christian conquest."⁶ As the massive size of China and its overwhelming population had created images of infinite markets in the minds of American merchants, likewise this picture of China stimulated the interest of mission-minded Christians. In its instructions to missionaries destined for China, the Board stressed the potential numbers of converts in the Celestial Empire and the areas bordering it; China's "mountains, plains, rivers, and canals, are seen to be covered with people; while millions of the busy race are scattered over the neighboring countries and islands." The Board

⁵Phillips, Protestant America and the Pagan World, pp. 173-74. Kenneth S. Latourette, A History of the Christian Missions in China (New York, 1929), p. 217.

⁶Strong, Story of the American Board, p. 108. Rev. William E. Strong was Editorial Secretary of the American Board of Commissioners in 1910, when he wrote this history.

estimated that the Chinese constituted "at least one-fourth of the human race."⁷ Knowledge that Imperial law forbade missionary work in the Celestial Empire and restricted foreign merchants to Canton failed to diminish the Board's or the missionaries' enthusiasm for spreading the gospel to China.

After only a few months of working among the seamen at Whampoa, David Abeel became a missionary for the American Board of Commissioners. One can only assume his religious activities did not have much effect on the sailors. Soon thereafter, Abeel sailed to Batavia (Java) to study the Chinese language while surveying for the American Board the possibilities for establishing missions elsewhere in Southeast Asia. Already, the missionaries realized that they could not proselytize openly and freely in China. They therefore joined with the English missionaries in efforts to reach the Chinese indirectly while simultaneously gaining fluency in the language. The missionaries had some contact with Chinese in the areas of Canton surrounding the Foreign Factories. Nevertheless, efforts at Canton were severely limited. An alternative field of activity lay in the Chinese settlements scattered throughout the East Indies. Although Imperial law prohibited emigration from the Celestial Empire, by the nineteenth century thousands of southern

⁷These instructions were printed in the Board's monthly magazine, the Missionary Herald, XXIX, 9 (September 1833), 273. Begun in 1805, the Board's magazine was known variously as the Panoplist (1805-08), the Panoplist and Missionary Magazine (1808-17), the Panoplist and Missionary Herald (1818-20), the Missionary Herald (1821-1951), the Advance (1951-).

Chinese had ventured elsewhere. These emigrants usually settled at a major port as part of a business enterprise, although they retained the intent to return to China. English missionaries, followed by the Americans, looked to these Chinese as a major source for proselytism. The Westerners believed that converts from these overseas communities would carry the gospel back to China and create a foundation of Christianity there. When missionaries could enter the Celestial Empire, this base would already exist.

Before 1820 English missionaries, especially Robert Morrison and his colleagues William Milne and Walter H. Medhurst, had established missions in most of the ports of Southeast Asia. The most famous of these was the Anglo-Chinese College at Malacca, the purpose of which was to teach Chinese to Westerners and Christianity to Chinese.⁸ In the 1830's American missionaries concentrated their work at Batavia, Singapore, and Bangkok. Abeel founded the American missions at Batavia (1831) and Bangkok (1833), and the American Board despatched missionaries in 1834 to open a mission at Singapore. Following Abeel, there was a continuous stream of missionaries to these ports. Curiously though, these missions

⁸ Morrison had established the Anglo-Chinese College at Malacca (on the Malay Peninsula) in 1818. The College was relatively successful, considering the lack of progress in missionary work elsewhere in the East Indies and China. William C. Hunter, the only American merchant at Canton able to speak Chinese, studied at the College in the period 1825-27. At that time he was employed by D.W.C. Olyphant. Hunter later left Olyphant & Co. to become bookkeeper at Russell & Co., in which house he was a partner for the term 1837-42.

⁹ Latourette, History of Christian Missions in China, p. 224. Latourette, in "Early Relations between the United States and China," pp. 103-08, names the various American missionaries who worked in

had as their sole purpose the conversion of Chinese residents. Therefore, they were considered temporary establishments, useful only until Western missionaries could venture into China itself.

Throughout the 1830's the central thrust of American missionary efforts remained Canton. After Abeel left in 1831, Elijah Bridgman stayed alone at Canton to direct the American mission in China. At first he concentrated his energies in preparing himself in the Chinese language. Under the tutelage of Robert Morrison, Bridgman also began to translate biblical tracts into Chinese for propagation. Bridgman and the Americans who later joined him modelled their activities after those already established by Morrison and the London Missionary Society. The core of Morrison's work included translating and distributing biblical and religious texts. Both the English and American missionaries believed "that the Chinese were a reading people and much influenced by books."¹⁰ Since active preaching was not possible, proselytism through pamphlets seemed the most practical alternative. On his arrival in China, Bridgman naturally entered into Morrison's work. The American shortly communicated to the Board of Commissioners a description of his activities in China. In January 1831,

overseas Chinese communities before 1844. Singapore remained the most important of these missions. As missionaries obtained a foothold in China after 1844, they concentrated their efforts on the mainland and gradually shut down their establishments in Southeast Asia.

¹⁰Strong, Story of the American Board, p. 109.

Bridgman wrote: "My labors for the present are studying the language, making the selections, and transcribing the scripture lessons. . . , and officiating on the Sabbath."¹¹

Although the English already possessed a printing press, Bridgman acquired his own in 1831 as a gift from the Brown Press of New York. Besides employing the press for religious materials, Bridgman also founded the Chinese Repository. A monthly publication written in English, the Repository was "designed to spread information about China among present and prospective supporters of the mission." The journal proved so successful that editing the Repository quickly consumed most of Bridgman's time. In 1833 the American Board appointed Samuel Wells Williams, an author who was also an excellent printer, to the China mission. Williams joined Bridgman as co-editor of the Repository and assumed management of the printing press.¹² The Chinese Repository throughout the 1830's and 1840's remained a popular monthly at Canton and in the United States. The journal was important not only as a mouthpiece for the missionaries but as a major source of information on China and the Chinese for its readers. Since there were very few publications concerning China, many Americans formed their opinion of the Celestial Empire and its inhab-

¹¹Letter, E.C. Bridgman to American Board of Commissioners, Jan. 27, 1831, in Missionary Herald, XVII, 8 (August 1831), 245.

¹²Strong, Story of the American Board, p. 109. Bridgman remained editor of the Repository until 1847.

itants from the pages of the Repository.

In addition to distributing printed religious tracts, the missionaries attempted to establish schools. Educational efforts occupied a primary position in the foreign mission work of both English and American societies. Missions built a school before starting a church. Educational endeavors, furthermore, included secular as well as religious instruction. Learning the tenets of Christianity was coterminous with studying Western history, culture and science.¹³ Morrison's Anglo-Chinese College at Malacca formed a model for mission educators. Prospects for such an establishment at Canton, however, were dim. Morrison had been unsuccessful in recruiting more than small groups of young boys who were willing to be educated by foreign missionaries. Bridgman, upon his arrival at Canton, also attempted to begin a school. Although within a few months he attracted three Cantonese boys to study with him, he was unable to expand his class.

Bridgman believed that a major obstacle to establishing a school was lack of personnel. He was virtually alone at Canton and his tasks seemed overwhelming. In the winter of 1833-34 Bridgman reflected despondently, "Were it not for the exceeding great and precious promise, my heart would fail me-- The work is so great, so vast, and the laborers so few and feeble. We are as nothing. I am not discouraged, my brother; I am not disheartened; but I am often, as now, sad. To see so

¹³Latourette, History of Christian Missions in China, p. 227. Suzanne W. Barnett, "Americans as Humanitarians: Image-Building in China before the Opium War," (unpublished paper, Jan. 1972), p. 7.

much to be done and so little doing makes my heart ache. The prospect all around is very dark."¹⁴ Although more missionaries joined Bridgman during the 1830's, the prospects for conversion did not improve. A more serious impediment was the Chinese attitude toward foreign missionaries. Restricted to the suburbs of Canton, the missionaries could not formally preach nor teach. Theoretically, foreign missionaries were not even allowed at Canton. The Chinese did not prosecute those few who were at Canton because they assumed them to be connected with the mercantile houses. All the missionaries had arrived in merchant vessels and resided either at one of the commission houses or at Macao. As long as they did not proselytize flagrantly, the missionaries did not seem different from any of the English and American merchants at Canton. Bridgman complained in his journal: "A missionary is. . .recognized only as a merchant, or a merchant's clerk."¹⁵ But such identification alone permitted Bridgman to travel upriver to Canton.

Nevertheless, Imperial restrictions seemed to the missionaries to be the greatest barrier to success. In the early

¹⁴Quoted in Strong, Story of the American Board, p. 110.

¹⁵Journal of E.C. Bridgman, Aug. 1, 1831, in the Missionary Herald, XXVIII, 7 (July 1832), 206. Strong, in Story of the American Board, pp. 110-11, further states: "The Hong merchants, . . .were the willing tool of the East India Company when it opposed missionaries in China as it had done in India." The Company's opposition to Morrison in 1807 forced him to go to the United States for aid, but the Company's Select Committee at Canton hired Morrison as its interpreter in 1811. There is no evidence that the Hong merchants treated missionaries in any way different from merchants. The two groups, Hong merchants and missionaries, did not seem to have much contact with each other.

1830's Bridgman and Williams firmly believed that, if they could freely reach the Chinese people, they could proclaim the Christian gospel successfully. The American Board reflected this optimism. In its instructions to Peter Parker, a medical missionary leaving for China in 1834, the Board cautioned him not to meddle with the government but to take the gospel "directly to the people, wherever he can find them." The Board concluded that Chinese authorities would eventually relent, when missionaries had filled the people with the gospel, "extending its light and its reforming power through all ranks, till it rises to those who occupy the highest places in the state." Only those who already were in China realized how difficult such instructions were to obey. Bridgman had already noted to the Board: "The barbarians' place, in the 'Celestial Empire' is very strait; and they come into contact with few natives of the country, except merchants."¹⁶ Distributing tracts at Canton and teaching several boys had produced no tangible results. In the summer of 1834 the situation seemed to reach its nadir. During the disturbance over Lord Napier's demands, the Canton authorities raided the Americans' printing press and seized their Chinese workers. Bridgman and Williams removed their mission operations to Macao, while Bridgman ordered the printing press transported to the Singapore mission. When Robert Morrison died shortly thereafter, the missionary community

¹⁶Instructions, Prudential Committee of the American Board of Commissioners to P. Parker, May 1834, in Phillips, Protestant America and the Pagan World, pp. 182-83. Journal of E.C. Bridgman, Apr. 8, 1831, in the Missionary Herald, XXVIII, 5 (May 1932), 137.

in China lost its leader.¹⁷ Morrison, who had directed all mission efforts at Canton, had been a strong source of emotional support for the Americans, who had expected more successful results.

Instead of disintegrating, the American mission in China actually grew stronger after 1834. With Morrison's death, there was no natural leader among the missionary community to replace him. As a result, the Americans forged ahead on their own, not always assuming the same attitude as their English associates. During this time, furthermore, more American missionaries arrived in China and organized new endeavors, which buoyed American optimism. In the autumn of 1834 Peter Parker arrived at Canton. Trained in medicine and theology, Parker was the first medical missionary to China, although Western medicine was not entirely foreign to the Chinese. Centuries earlier the Jesuits had introduced European medicine and skills to the Imperial Court at Peking. At Canton the East India Company retained surgeons who also gave their services to Chinese. Prompted by Morrison, the Company also maintained a dispensary at Macao.¹⁸ Although not a mission

¹⁷Strong, Story of the American Board, p. 111. Ira Tracy, a minister from Vermont, had accompanied S. Wells Williams to Canton in 1833 to assist him with the printing press. When the Canton authorities forced Bridgman and Williams to take the press from Canton, Tracy moved it to Singapore. He then took over the printing operation. With the dissolution of the East India Co.'s monopoly in 1834 and the arrival of Lord Napier, Robert Morrison had become official translator for the English Superintendent of Trade.

¹⁸Latourette, History of Christian Missions in China, pp. 218-19. Barnett, "Americans as Humanitarians," pp. 8-9. Thomas R. Colledge, the doctor who operated the dispensary at Macao in the late 1820's, also preached to the foreign community at Macao. In 1831 at Macao he married Caroline Shillaber, sister of an American merchant and friend of Harriet Low.

hospital, the doctors who worked at Macao were interested in missionary activities.

Peter Parker did not open his hospital until 1836. For two years he lived at Singapore, where he studied the Chinese language and operated a dispensary. Returning to Canton fluent in Chinese, Parker established an opthalmic hospital. Although he treated other diseases, he believed the most prevalent affliction of Cantonese to be problems of the eye. Besides his medical work, Parker also trained Chinese pupils both in medicine and theology. The Chinese patronized Parker's hospital in large numbers, and in 1837 Houqua leased a Hong to Parker free-of-charge for the hospital. Both the American missionary community at Canton and the American Board of Commissioners in Boston were enthusiastic over the rapid success of Parker's endeavor. Through the practice of medicine Parker and the missionaries reached increasing numbers of Chinese. In early 1838 the missionaries at Canton reported to the Board that the hospital brought multitudes of Chinese "within our reach, thus affording them sensible proof of an interest which we feel in their welfare, and often giving us opportunities of directing their thoughts to Him who alone can cure the diseases of the heart." Without the hospital the missionaries felt thousands of Chinese "would be far beyond the reach of our voices." David Abeel, who returned to China in 1839, further remarked at the success of the Ophthalmic Hospital. He claimed to be "surprised at the crowds who visit it." More importantly, the hospital attracted "persons of all classes of society, even the highest officers"

of authority.¹⁹ Missionaries realized that they could never reach the upper classes of Chinese through regular channels of proselytism.

Despite the success of Parker's Ophthalmic Hospital, prospects for other missionary operations in China remained bleak. By 1839 the American missionary community had grown to six. Besides Bridgman, Williams, and Parker, Abeel returned after a leave of absence in England and the United States to regain his health. In 1832 Edwin Stevens had ventured to Whampoa as Abeel's successor in the American Seamen's Friends Society. By 1836 he too had joined the American Board of Commissioners as a missionary to the Chinese, but a year later he died of fever. The next two missionaries to reach China represented a new society, the American Baptist Board of Foreign Missions. Jehu Lewis Shuck, who settled with his family at Macao in 1836, and Issachar Jacox Roberts, who arrived in 1837, devoted their first years to studying the Chinese language.²⁰ These additional recruits did not alter the American mission's mode of operation. Their efforts remained confined to education and distribution of tracts.

¹⁹Letter, China Mission to American Board of Commissioners, Mar. 7, 1838, in the Missionary Herald, XXXIV, 9 (September 1838), 338-39. G.R. Williamson, Memoir of the Rev. David Abeel, D.D., Late Missionary to China (New York, 1848), pp. 177-78. Strong, in Story of the American Board, pp. 109-10, claims that in the period 1834-39 the number of Chinese who entered Parker's Ophthalmic Hospital totalled close to thirty thousand. Of this total number, six thousand were estimated to be patients. Most of the American missionaries spent a few hours each day proselytizing at the Hospital.

²⁰Alexander Wylie, Memorials of Protestant Missionaries to Chinese, Giving a List of their Publications, and Obituary Notices of the Deceased (Shanghai, 1867). Wylie gives biographical sketches of most American missionaries who went to China and Southeast Asia in this period.

In 1835-36 Americans joined the English in venturing elsewhere in China to distribute their pamphlets. They sailed along the China coast on the merchant vessels that carried imported cotton and woolen cloths. Most of these vessels also engaged in the opium trade. A Prussian missionary Charles Gutzlaff had seized the initiative in traveling along the coast when English merchants first developed this branch of trade in the early 1830's. Gutzlaff thought voyages along the coast a good opportunity for spreading the gospel to Chinese beyond Canton. The merchants welcomed his presence for his ability to understand several dialects of Chinese. Accompanying the voyages on the pretext of distributing religious materials, Gutzlaff actually interpreted for shipmasters and opium-dealers. Gutzlaff retired from the opium trade in 1835 to replace the deceased Robert Morrison as interpreter for English officials at Canton.²¹ William H. Medhurst continued the coastal work begun by Gutzlaff, although he did not actively participate in the opium trade. Edwin Stevens was the first American to pursue this method of serving the Chinese. The major partners of Olyphant & Co., D.W.C. Olyphant and his nephew Charles W. King, were also interested in such voyages.

²¹Samuel Wells Williams, The Middle Kingdom: A Survey of the Geography, Government, Literature, Social Life, Arts, and History of the Chinese Empire (2 vols.; New York, 1883), II, 329. Gutzlaff, an eccentric Prussian missionary, was interested in Chinese medicine, history, geography and languages besides his missionary work. He lived and associated with the English at Canton and eventually became involved in the opium trade. Fluent in eight languages, including various Chinese dialects, Gutzlaff was employed by English officials in interpreting for them in negotiations with Chinese officials.

Olyphant & Co. purchased a brig in late 1834 from James P. Sturgis for the purpose of sending missionaries along the coast.²² In the autumn of 1835 Medhurst and Stevens departed on the brig with a cargo of books for a trip up the coast. They sailed along the provinces of Kwangtung and Fukien, past the port of Amoy, to the mouth of Min-Kiang (Min River). Foochow, the provincial capital of Fukien, lay inside the mouth of this river. The missionaries sailed up the Min, anchoring whenever approached by curious Chinese. They passed out tracts while taking notes on the area bordering the river. Describing the river and its walled-in towns (twenty-six altogether), Stevens exclaimed: "Rarely have mine eyes seen so varied and lovely, and at the same time to extensive, a tract, as the valley of the Min." The river flowed between "bold, high, and romantic hills", the lower ones serving as terraces for Chinese farmers. "On these the yellow barley and wheat were waving over our heads; here and there a laborer, with a bundle of the grain which he had reaped on his shoulder, was bringing it down the hill to thrash it out. Orange, lemon, or mulberry groves, . . . sometimes shaded a narrow strip along the banks, half concealing the cottages of the inhabitants."²³

²²Letter, W.C. Hunter to S. Russell, Dec. 23, 1834, Library of Congress, Russell & Co. MSS. Hunter believed that Olyphant & Co. also hoped to expand its trade along the coast. He wrote that "they [Olyphant & Co.] had in contemplation, the introduction of Knowledge & Christianity into China--through the medium of Broad Cloths and Long Ells."

²³Missionary Herald, XXXII, 2 (February 1836), 78-79.

Such sights, not often viewed by foreigners, contrasted favorably with the familiar Canton landscape. The missionaries continued upriver until stopped by boats of provincial officials. The friendly natives who accepted all the tracts offered them impressed Stevens. He concluded the voyage with optimistic appraisals of the possibility of future work in the interior of China.

While Medhurst and Stevens planned more voyages based on their experiences in the Min Valley, Olyphant & Co. purchased a brig in New York expressly for distributing religious tracts along the coast. The missionaries undertook a second voyage, but with Stevens' death in January 1837 the impetus for such endeavors dissipated. Several American missionaries did sail on a unique voyage in that year nevertheless. Peter Parker and S. Wells Williams joined C.W. King of Olyphant & Co. in an expedition to take several shipwrecked Japanese sailors back to Japan. The Americans hoped to open communication with the Japanese for missionary purposes, although King also had a commercial interest in the venture. Rebuffed at each place the ship stopped in Japan, the foreigners returned to Canton with the Japanese sailors still on board.²⁴

As the opium crisis developed in the late 1830's, voyages along the coast stopped. By then the missionaries began to realize how little effect the distribution of printed material actually had. Although printed in Chinese and avidly

²⁴Strong, Story of the American Board, pp. 111-12. Williams, Middle Kingdom, II, 329-31, describes all the voyages made at this time.

accepted by natives, the books and tracts had not made any converts to Christianity. Williams admitted that he could find "no proof that the thousands of books scattered among the Chinese people had interested one mind to inquire carefully concerning their contents." In a letter to the American Board, Williams remarked that "all of us, have painful evidence of the great distance there is between foreigners and natives." Mission activities in the scattered missions of Southeast Asia suffered similar failures. The gap between Chinese and Westerner was almost unbridgable.²⁵ Differences between the two cultures and Chinese unwillingness to consider Western civilization equal or superior to their own hampered the missionaries' progress. These foreigners also had conceptual inadequacies. Identifying Christianity with Western culture, they viewed the Chinese as "gross idolaters." To the Chinese, all foreigners were barbarians. Peter Parker's Ophthalmic Hospital remained the only successful American missionary effort. This enterprise was also the most secular branch of the work.

II

Although the American Board of Commissioners was the source of financial support and instructions, American missionaries in China depended as well on the maintenance of good relations with the American mercantile community at Canton.

²⁵Strong, Story of the American Board, p. 109. Letter, S.W. Williams to American Board of Commissioners, Jan. 1839, in the Missionary Herald, XXXV, 6 (June 1839), 213. Williams, Middle Kingdom, II, 323-24.

As the Chinese only permitted foreigners at Canton to trade, all facets of life in the port revolved around merchants and commercial enterprise. Without the merchants' sanction, missionaries could not live and work in China. Yet missionaries wanted more from the merchants than mere acceptance. Since virtually all contact between foreigners and Chinese was commercial, the missionaries needed the merchants' active assistance, if they were to utilize this contact as an ingress for their proselytism. Missionaries attempted to make the merchants partners in their endeavor to Christianize the Chinese. Consequently, missionaries repeatedly linked Western commerce with Christianity. They argued that trade was a function of expanding Western civilization, of which Christianity was an integral part. The American missionaries, much less complacent than American merchants about the restricted commercial system in China, further maintained that foreign commerce could expand unimpeded to all parts of the Celestial Empire. This conclusion they based on observations of Chinese at Canton and elsewhere and their receptivity to any kind of foreign trade.

From the arrival of Bridgman and Abeel in 1830, American missionaries at Canton advocated the use of commerce to open China to Western influence. The official missionary publication at Canton, Bridgman's Chinese Repository, constantly emphasized the desire of the local people and their authorities to trade with foreigners. Impediments to the free development of such enterprise originated with provincial authorities from the Imperial Court at Peking. One missionary wrote in the

Repository in 1832 that although the Chinese "wholly deprecate the friendship of strangers, . . .when you come into close contact with them, . . .then, not the people only, but the local officials also, shew themselves as fully sensible of the advantages of opening a trade, as we ourselves are." The missionaries further postulated their belief in the tie between commerce and proselytism: "When a free intercourse shall be opened, the influence of our conversation with the heathen, and the example we set before them, . . .will be felt." Nevertheless, an expanded commerce depended on a relaxation of Imperial restrictions. Opening China to free trade assumed paramount importance to missionaries. "Nothing is so important," the Repository proclaimed, "as securing a free intercourse with the empire. This for the present should be made the chief object of our efforts."²⁶

Prodded by the views of its missionaries at Canton, the American Board of Commissioners adopted a position of promoting commercial expansion in China. In its instructions to S. Wells Williams and Ira Tracy, who followed Bridgman to Canton, the Board predicted that eventually trade would open China's doors to all foreigners. A change in Imperial restrictions would "be silently accomplished by public opinion in China, roused by the voice of commerce along her whole extent of sea-coast. . . ."

²⁶Chinese Repository, I, 5 (September 1832), 200; II, 12 (April 1834), 567. The author of both articles, who signed himself Philo-sinensis, was Charles Gutzlaff. English missionaries often wrote for the Repository, although American missionaries remained its editors.

The Board, having already heard of Charles Gutzlaff's voyages along the China coast, enthusiastically supported the co-operation of missionaries and merchants in enterprises of trade and proselytism.²⁷ As the American missionaries sent back reports of their own participation in coastal voyages, the Board of Commissioners sagely printed the journals and letters in its publication the Missionary Herald. These descriptions of the coast usually emphasized the natives' "readiness to seize opportunities of intercourse, and especially trade, with us [*i.e.*, the foreigners]."²⁸

Missionaries' efforts to expand their work through foreign trade was a natural outgrowth of the central position occupied by commercial enterprise in foreign contact with the Chinese. They therefore sought assistance from the foreign merchants at Canton. Since interest in foreign missions was a relatively new phenomenon in English and American Protestantism, the mission societies which supported the China mission were not yet prosperous. The foreign merchant community at Canton, living in obvious luxury, constituted a natural source of prospective donors. To involve the merchants, the missionaries formed philanthropic societies which supported the

²⁷ Instructions, American Board of Commissioners to S.W. Williams & I. Tracy, Jun. 1833, in Missionary Herald, XXIX, 8 (August 1833), 274.

²⁸ Missionary Herald, XXXII, 2 (February 1836), 79. One American missionary noted in his journal that foreign trade had an impact on all Chinese who engaged in it with Westerners. He concluded that if Christianity did not follow in the steps of commerce, foreign trade could have a deleterious effect on Chinese society by prejudicing them against Christianity. Missionary Herald, XXXI, 2 (February 1835), 69.

secular facets of mission work. Interestingly, such organizations appeared only in the 1830's, after the arrival of American missionaries at Canton. The paucity of European missionaries in China before 1830 very likely may have prevented the establishment of these groups. Moreover, the English East India Company's hegemony, which limited the number of private English merchants at Canton, impeded much co-operation between missionary and merchant. Although American missionaries did not originate the theory of spreading Christianity through the channels of trade, their arrival in China sparked the attempt to galvanize the active assistance of foreign merchants. After 1834, as increasing numbers of private English mercantile establishments arose at Canton to absorb the trade formerly monopolized by the East India Company, the missionaries had a much larger foreign community from which to recruit financial support.

In 1830 the American missionaries, joined by Robert Morrison and his son John Robert Morrison, organized the first philanthropic society. Named the Christian Union at Canton, this society primarily guaranteed the expenses of publishing the Chinese Repository. The major, and perhaps the only, American merchants who participated in the Christian Union were members of the house of Olyphant & Co. D.W.C. Olyphant's previous aid had enabled the American Board to despatch Bridgman to establish the China mission. He continued to assist Bridgman at Canton by becoming the sole financier of the Repository. Olyphant's nephew, Charles W. King, one of the founders of the Christian Union, began contributing articles regularly

to Bridgman's publication. As a result of Olyphant's support of the Repository, the Union gradually dispersed.²⁹

Soon after the disappearance of the Christian Union another philanthropic society appeared at Canton. This group, the Society for the Diffusion of Useful Knowledge in China, first met in 1834 for the purpose of sponsoring the publication and dissemination of treatises in Chinese which would contain information on the West and its culture. Founders of the Society included the three leading missionaries at Canton, Bridgman, Charles Gutzlaff, and J. Robert Morrison, who stepped into his father's position. But the missionaries intended the Society to have basically secular goals, to attract the interest of resident merchants. To accentuate its non-religious character, Bridgman and Morrison gave positions of leadership to merchants. Nevertheless, the two missionaries shared the office of Secretary along with Gutzlaff. Most likely their initiative was responsible for any activity on the part of the Society.

At the Society's first gathering in 1834, interested merchants chose a committee of eight to conduct business. Besides the three missionary Secretaries, three resident merchants assisted a president and treasurer. Of the first five merchants to serve on the committee, two were Americans. Drawing on both English and American merchants for membership, the Society

²⁹Latourette, in "Early Relations between the United States and China," pp. 99-103, gives a synopsis of the various mission societies founded at Canton in the 1830's. See also Latourette, History of Christian Missions in China, pp. 220-21.

nevertheless each year elected an English resident as president and the committee consistently retained a majority of English members.³⁰ The large number of English residents at Canton, especially after 1834, most likely accounted for the predominant position Englishmen occupied in this Society.

One year after the formation of the Society for the Diffusion of Useful Knowledge, the Chinese Repository reported favorably on the support of residents at Canton: "The feeling of interest which the members of the foreign community in China have manifested on behalf of the society, . . . augers well." Editors of the Repository commented that they were especially impressed by the foreign residents' willingness to aid the Society because of the merchants' reputation, not unjustly deserved, for caring only about making a fortune at Canton. The success of this Society constituted "clear proof that foreigners who come to this country have other objects in view than mere selfish gains."³¹ As this compliment to mercantile benevolence appeared in the Repository, the residents had another opportunity to manifest their spirit of altruism. In 1835 Bridgman suggested an organization to honor the memory of Robert Morrison by sponsoring efforts to continue Morrison's

³⁰The Chinese Repository published reports of annual meetings of the Society for the Diffusion of Useful Knowledge. These reports included members present at the meetings and lists of officers but not full membership lists. III, 8 (December 1834), 380-81; IV, 8 (December 1835), 354, 361; V, 11 (March 1837), 507; VI, 7 (November 1837), 340; VII, 8 (December 1838), 410.

³¹Chinese Repository, IV, 8 (December 1835), 354.

interest in educating Chinese youths.³²

Bridgman, with the help of J. Robert Morrison, organized the Morrison Education Society. Its stated object was to "improve and promote education in China by schools and other means." More explicitly, the missionaries aimed at bringing to the Chinese "all the varied learning of the western world." Part of this instruction would include the English language.³³ Already the missionaries had attempted to establish classes at Canton, but they lacked the funds for adequate rooms and equipment. They counted on the Education Society to provide the funds for such necessities. The missionaries created a Board of Trustees, composed of five residents in China, to promote the founding of a school and to oversee the finances connected with it. Most members and officers were English merchants. The Education Society superseded the Society for the Diffusion of Useful Knowledge, although the Education Society was slow in realizing the missionaries' goals. At the first annual meeting in September 1837, the Board of Trustees admitted that the preceding year had been "one of preparation rather than of

³²George H. Danton, in The Cultural Contact of the United States and China: The Earliest Sino-American Culture Contact, 1784-1844 (New York, 1931), p. 55, credits Bridgman with responsibility for the Morrison Education Society.

³³Chinese Repository, V, 8 (December 1836), 375 reports on the meeting held to establish the Society. Williams, Middle Kingdom, II, 343. Danton, Culture Contact of the United States and China, pp. 52-53. Danton claims that the missionaries included the instruction of English in the curriculum to attract the support of foreign merchants and the missionaries themselves were satisfied to teach in Chinese.

operation."³⁴ But by the end of the decade the Education Society accumulated a subscription of nearly six thousand dollars and fifteen hundred books. The Board of Trustees next recruited teachers for the Morrison School. In February 1839 the Rev. Samuel R. Brown arrived at Macao to take charge.³⁵

During the months in which Bridgman was organizing the Morrison Education Society, Peter Parker observed an increasing number of patients at his Ophthalmic Hospital. Such success convinced Parker of the necessity "to place the whole system upon a surer footing by forming a society in China." Joined in his efforts by Bridgman and T.R. Colledge, who formerly operated a dispensary at Macao, Parker appealed to foreign residents for support in expanding Western medical work in China. The Hospital already had use of a Factory, but Parker argued the need for more doctors and medicines. In February 1838 a meeting at Canton established the Medical Missionary Society with the proposed object of encouraging "gentlemen of the medical profession to come and practice gratuitously among the Chinese, by affording the usual aid of hospitals, medicine, and attendants." The Society's president was

³⁴The Chinese Repository also printed reports on annual meetings of this Society. V, 8 (December 1836), 375; VI, 5 (June 1837), 244; VI, 5 (September 1837), 229; VII, 6 (October 1838), 301-03; X, 10 (October 1841), 564.

³⁵Williams, Middle Kingdom, 11, 342-45. Brown opened the Morrison School at Macao in November 1839 with six students. In 1841, when the mission moved to Hong Kong, Brown moved the School there to a building donated by the English merchant Lancelot Dent. By 1845 the School had thirty students, but it closed in 1849, "owing chiefly to the departure of its early patrons from China and the opening of new ports of trade, scattering the foreign community so that funds could not be obtained."

T.R. Colledge; Parker and Bridgman served as vice-presidents. Merchants filled the other offices of the Society. With the other philanthropic societies at Canton, this Society hoped to aid missionary work in China. But the Medical Missionary Society emphasized the medical aspects of Parker's Hospital much more than the religious.³⁶ Strongly supported by the merchants at Canton, the Society attracted seven doctors to China by 1844. All of these were Americans,³⁷ two of whom were ordained ministers. The Society also began to receive donations from individuals in the United States.

Overall, both the Morrison Education Society and the Medical Missionary Society produced valuable assistance to the secular, philanthropic facets of missionary efforts in China. The benefit of these societies in terms of religious conversion was questionable. Yet the missionaries, especially the Americans, continued to emphasize the importance of the societies to their work. This view reflected the strong strain of a reform spirit in the American missionary movement.³⁸ Concern for the heathen

³⁶The missionaries also hoped to awaken Chinese interest in science through medicine. Danton, Culture Contacts of the United States and China, p. 49. Reports on the annual progress of this Society were published in the Chinese Repository, VII, 1 (May 1838), 32-36; VII, 9 (January 1839), 469-69; X, 8 (August 1841), 448-49. See also Williams, Middle Kingdom, II, 335-37.

³⁷This conclusion is based on the Chinese Repository's census reports of foreign residents in China. No English doctors or medical missionaries appear in censuses of 1841-45. X, 1 (January, 1841), 58-60; XI, 1 (January 1842), 55-58; XII, 1 (January 1843), 14-17; XIII, 1 (January 1844), 3-7; XIV, 1 (January 1845), 3-9.

³⁸Barnett, in "Americans as Humanitarians," pp. 13-34, discusses the origins of the reform spirit in American missionaries attitudes by discussing their writings. Barnett attributes the whole American foreign missionary movement to this reform spirit, which arose out of the religious revivalism that appeared in New England in the nineteenth century.

included their physical and intellectual well-being as well as their spiritual state. Such interest often overshadowed the ordinary religious activities of preaching and baptizing. The initial lack of success in converting the Chinese to Christianity, a very depressing experience for Bridgman and the other Americans, probably reinforced the missionaries' enthusiasm for benevolent work which produced tangible results. Missionaries rationalized that through schools and hospitals they reached potential candidates for Christianity and exposed men to the tenets of that faith. At the very least, missionaries concluded, the secular operations manifested Western philanthropy. Their encouragement of the latter, furthermore, had struck a responsive chord among the foreign mercantile community at Canton.

As the missionaries campaigned to introduce Western values and culture into China, the English merchants supported these missionary endeavors.³⁹ Imperial restrictions embodied in the "Canton system" frustrated these men who agitated for the Western concept of free trade. After the private English traders gained ascendancy at Canton in 1834, proponents of this view swelled dramatically. Convinced that the philanthropic societies founded by missionaries constituted one channel of acquainting Chinese with the West, the merchants readily offered their support. American, as well as English, merchants joined the various mission societies. But the extent of American participation seemed to be more apparent

³⁹ Barnett, in "Americans as Humanitarians," p. 10, and Danton, Culture Contacts of the United States and China, pp. 52-53, lump the American merchants together with the English, but the Americans were not so anxious to change the system.

than real. No lists of membership for specific societies were published, only the officers and those who attended the society's annual meeting. No more than twenty residents, including missionaries, ever were present at these meetings. The one society that boasted of its membership, the Society for the Diffusion of Useful Knowledge, announced a total of forty-seven members, of which eighteen were classified as honorary or corresponding, in 1835, and eighty members in 1838. This represented less than one-third of the roughly two hundred and fifty foreign residents at Canton during these years.⁴⁰ The amount of money in the societies' treasuries was correspondingly low, especially when compared to the profits which merchants sent home each year.⁴¹

Although merchants filled the major official positions in all the philanthropic societies, missionaries actually administered the societies' functions between annual meetings. The officers were merely titular heads who presided at the infrequent gatherings. Interestingly, the same small group of merchants served as officers for all three societies. They invariably represented the major mercantile establishments at

⁴⁰Chinese Repository, IV, 8 (December 1835), 361; VII, 8 (December 1838), 410. The estimate of the foreign population at Canton during this period is based on census reports in the Repository for 1836 and 1840. No censuses were published for the years 1837-39. V, 9 (January 1837), 426-29; X, 1 (January 1841), 58-60. This number does not include Portuguese residents, who could not reside at Canton.

⁴¹For example, the Chinese Repository, IV, 8 (December 1835), 361, published the financial report of the Society for the Diffusion of Knowledge for 1835. The subscriptions amounted to \$925. Spread over the thirty resident members, the average donation would be about thirty dollars.

Canton and most often were the taipans, or chief partners, of those houses. Of the English merchants, James Matheson and William Jardine of Jardine, Matheson & Co. plus Lancelot Dent and Robert Inglis of Dent & Co. consistently served as president or vice-president of every benevolent society at Canton. Representing the major American houses. John C. Green of Russell & Co., William S. Wetmore of Wetmore & Co. and D.W.C. Olyphant and C.W. King of Olyphant & Co. joined their English counterparts in the societies. The offices alternated from one to another each year, although Green was the only American to be elected president of a society.⁴² That the taipans of the major houses at Canton filled the top positions in these societies was not surprising, considering the social hierarchy characteristic in the foreign community of merchants. Had not these men, especially the English, showed their interest in accepting the offices, the organizations would have failed at the beginning. But, the rotation in office of a few men, when added to the limited active membership in each society, might also indicate a casual approval of philanthropy on the part of the wealthiest foreigners at Canton. Such a conclusion would denigrate the importance of the "principle of missionary-merchant cooperation."⁴³ The missionaries certainly depended

⁴²This conclusion is based on the annual lists of officers for each society as published in the Chinese Repository for the years 1835-42. Green served as president for the Society for the Diffusion of Knowledge in 1839. Other American merchants served as vice-presidents in all three societies, although English officers always outnumbered them.

⁴³This thesis is very common among writers who discuss foreigners at Canton before 1844. The quote here is from Barnett, "Americans as Humanitarians," pp.9-12. Although there were contacts between merchants and missionaries, the theme of co-operation perhaps fits the relationship between a few English merchants and the missionaries.

on the merchants at Canton, at least for the privilege of residing in the Foreign Factories. In turn the merchants could afford to tolerate these men and even patronize their work, especially in the secular medical and educational efforts. But the merchants who seriously "co-operated" with the missionaries in the way of financial and material assistance numbered very few.

One of the few merchants who deeply involved himself and his concern in the missionary movement in China was an American, David Washington Cincinnatus Olyphant of New York. Olyphant's career in the China trade paralleled many of his contemporaries, although he was older than most. Having failed in his own business, at the age of thirty-four, in 1818, Olyphant became a supercargo in the China trade for Thomas H. Smith of New York. Six years later he replaced Smith's resident agent at Canton. The same year Smith's business collapsed and started the commercial debacle of 1826. Hearing of Smith's bankruptcy, Olyphant remained at Canton and formed his own house from what was left of Smith's business. The other major partner of Olyphant & Co. was Charles N. Talbot, American Consular-agent at Canton and son of the merchant for whom Olyphant clerked as a youth. Very quickly Olyphant brought his nephew, Charles King, into the house as a third partner. Olyphant & Co. grew to be one of the four major American houses at Canton during the nineteenth century. But Olyphant & Co. was unique in refusing to engage in the opium trade. Olyphant was, moreover, extremely benevolent to mis-

sionaries throughout his residence at Canton.⁴⁴ The house's involvement with missionaries, combined with its lack of involvement with opium, earned it the name "Zion's Corner" from the other American merchants. After Olyphant left Canton in 1837, King continued his uncle's interest in mission work.

Other American merchants at Canton did not assist the missionaries as did Olyphant. While he despatched ships along the China coast for the distribution of religious tracts (virtually the only merchant at Canton to do so), the other American houses sent along the same coast their vessels laden with opium. They did not offer space to missionaries. The only evidence of other American merchants' support for mission work was the inclusion of some of their names in the Chinese Repository's reports on the annual meetings of the philanthropic societies.⁴⁵ To the missionaries, however, even the willingness of American merchants to join these societies in the mid-1830's must have seemed an asset. Earlier, in August 1831, Bridgman noted in his journal: "We observed the monthly concert for prayer this evening. Three persons only, besides Dr. Morrison

⁴⁴Olyphant wrote petitions to the American Board of Commissioners to request their sending missionaries to Canton. He offered free passage and free lodging to any one missionary the Board would designate. Olyphant was an extremely close friend of Robert Morrison and even named his son after Morrison. Robert Morrison Olyphant later became chief of Olyphant & Co. in the 1850's.

⁴⁵The only Americans who appeared to attend meetings of the societies or serve as officers in them were the taipans or chiefs of the major American houses. These few men, however, participated in all three societies.

and family, in whose house we met, attended."⁴⁶ Bridgman did not state who the persons were. Throughout his residence in China he mentioned no American other than Olyphant as a benefactor to missionary endeavors.

As for American merchants, very few of them ever mentioned missionaries. The few whose references have not been discarded or lost had negative opinions. Augustine Heard, junior partner of Russell & Co. in 1833, wrote to his brother: ". . .I would observe, from what I have seen of foreign missionaries I do not think incumbent on either of us to labour to support them, so far as my observation goes they are Christians only in speech." He noted that many of the letters and reports they returned to the United States were false. The major charge that Heard leveled against missionaries was their life-style, which Heard termed luxurious. He complained that "many of our good hard working folks at home are credulous enough to believe that they suffer every privation and hardship."⁴⁷ The validity of Heard's criticisms cannot be proven, except that virtually every resident at Canton did live in luxury by New England standards. Part of the reason was the cheap cost of

⁴⁶Journal of E.C. Bridgman, Aug. 1, 1831, in Missionary Herald, XXVIII, 7 (July 1832), 205. At the time Bridgman noted this, he was at Macao along with virtually all the foreign residents. July was the worst month of the summer season of southwest monsoons.

⁴⁷Letter, A. Heard to G.W. Heard, Jun. 30, 1833, Harvard Business School, Baker Library, Heard MSS. Augustine Heard was a bachelor from Ipswich, Massachusetts, with very definite opinions. He had begun his career as a seacaptain in the Salem trade to India. His attitude towards missionaries may have been formed at Bombay and Calcutta, where merchants and missionaries disliked each other in the early 1800's. Heard, and later his house, never supported the philanthropic societies at Canton.

food, clothing, and service in the Celestial Empire. But that the missionaries found other channels of income besides donations had substantiation from the observation of another American merchant.

In 1834 John Murray Forbes returned to Canton to relieve Heard at Russell & Co. Although thought rather too strait-laced by his older brother, Forbes included a devastating note in a letter to him in June 1836. Expressing his shock with a spark of amusement, he wrote: "Speaking of parsons--do you know that the Revd Dr. Parker has taken a house on Hog lane & keeps women there--I had notions of becoming godly but the scandal would be too great--young Morrison, Bridgman, Stephens. . .are his prime supporters! isn't it horrible?" Apparently this sort of activity on the part of missionaries was not novel, as Forbes recalled former missionaries having fathered illegitimate children.⁴⁸ Forbes' reference to Parker's brothel is singular, but certainly cannot be dismissed. Most likely other foreign merchants merely winked at the missionaries' lack of continence, since they themselves patronized the "Flower Boats" anchored in the river

⁴⁸Letter, J.M. Forbes to R.B. Forbes, Jun. 19, 1836, Boston, Museum of the American China Trade, Forbes Family MSS. In the same letter Forbes wrote: "I don't hear that the clergy have generated (or regenerated) any thing since the unhappy blackie that J.P.S. [James P. Sturgis] attributed to the potent Bridgeworth! Of fie! [Edwin] Stevens was very regular in his visits to Whampoa which. . .allow to be rather suspicious--tho from the mans looks I should more expect to see him filching a Hdckcf thar violating the 10th comm~~andment~~ or which is it against chastity?--"

and even brought Chinese women into the Foreign Factories.⁴⁹

How indicative the opinions of Heard and Forbes were of general feeling among American merchants towards missionaries cannot be determined. There existed only the acts of good will on the part of Olyphant, who seemed to be considered rather eccentric by many of his fellow Americans. Nevertheless, the Heard and Forbes letters indicate negative attitudes among Americans. Although these two opinions certainly are not enough evidence for making a general conclusion, they do further raise the question of the reality of co-operation between American merchants other than Olyphant and missionaries. If combined with the tepid support Americans offered to the philanthropic societies, perhaps a better description of the relationship between the two groups would be that American merchants tolerated the missionaries. In 1838 the American missionaries stated to the American Board: "But no comparison, nor description, can convey to you, or to the churches, a perfect idea of all the difficulties under which our work. . . is here carried on."⁵⁰ One wonders how much the merchants added to those difficulties.

⁴⁹Imperial decrees against the presence of women in the Factories always specified foreign women. In November 1834 the Governor and Hoppo condemned the Hong merchants for procuring servants and prostitutes for the foreign "barbarians." The officials warned the Hong merchants not to "lead them [the foreigners] clandestinely to the tonka boats, to drink wine and sleep with courtesans; or, under the darkness of night, secretly take shore-prostitutes into the factories;" If caught, foreigners and Hong merchants both would "be tried and punished according to law, with severity." This edict is in the Chinese Repository, III, 8 (December 1834), 391, 392.

⁵⁰Letter, China Mission to American Board of Commissioners, in Missionary Herald, XXXIV, 9 (September 1838), 340.

III

In the early months of 1839 the arrival of Commissioner Lin Tse-hsu at Canton and his confrontation with the English concerning the opium trade suspended all missionary activities. Retreating to Macao, the Americans viewed the crisis at Canton favorably as ending the vile drug trade. S. Wells Williams, in a letter to the American Board in May 1839, characterized the general feeling of American missionaries: "But while partial distress must ensue upon the cessation of a trade worth sixteen millions of dollars annually, we cannot but rejoice at the check this traffic has received." After reciting all the evils in Chinese society for which the drug was responsible, Williams stated the real cause of missionary opposition to the opium trade. "It was opposing a barrier to all our efforts to do them good, that no human science, skill, or zeal could overcome; for it rendered the people heedless of all instruction, steeped them in the odor of the grave, and soon introduced them to its precincts. We were implicated, as foreigners, in the misdeeds of other foreigners and thus disabled from exerting that influence for good that precedes the reception of instruction."⁵¹

⁵¹Letter, S.W. Williams to American Board of Commissioners, May 17, 1839, in Missionary Herald, XXXV, 12 (December 1839), 464. In the mission's semi-annual letter, the Americans stated: "Of all with whom we converse, those who are the least susceptible to serious impression are opium-smokers." Letter, China Mission to American Board of Commissioners, Jan. 1, 1840, in Missionary Herald, XXXVI, 8 (August 1840), 320.

Although before 1839 the American missionaries, through the Chinese Repository, had consistently advocated ending the opium trade, they had nevertheless tacitly participated in it. The vessels aboard which they sailed along the China coast to distribute religious tracts usually were opium-clippers, and the Chinese who took their proffered tracts were most often opium-dealers. Edwin Stevens acknowledged in his reports of his voyages that the missionaries' primary Chinese contacts on the coast were opium-dealers.⁵² By 1839 the missionaries could not see any tangible results stemming from their dispersed material. At the time they made the voyages though, opium-clippers transacting business on the coast provided the only channel of reaching Chinese natives outside Canton.

Throughout the 1830's the American missionaries voiced general condemnation of the opium trade. Their position was singular within the foreign community. With the exception of Olyphant & Co., which refrained from publicly denouncing the trade although refusing to participate, the foreign mercantile community at Canton approved the opium trade.⁵³ For the merchants, including the Americans, opium signified little more

⁵²Letter, E. Stevens to American Board of Commissioners, Jun. 1835, in Missionary Herald, XXXII, 2 (February 1836), 58.

⁵³As late as 1838 Olyphant & Co. refused to take a public stand against the opium trade. The house preferred, by its own admission, merely to abstain from participating in it. Letter from Olyphant & Co. to the Editor, Canton Register, XI, 34 (Aug. 21, 1838).

than lucrative profits. William C. Hunter, in discussing the trade's endurance in spite of repeated Chinese attempts to end it, reasoned that the opium trade "had indeed been an easy and agreeable business for the foreign exile. . . .His sales were pleasantness and his remittances were peace. Transactions seemed to partake of the nature of the drug; they imparted a soothing frame of mind with three per cent. commission on sales, one per cent. on returns, and no bad debts!" The merchants were able to maintain a rather detached view of opium. They "rarely, if ever, saw any one physically or mentally injured by it."

General opinion of the 1830's, furthermore, rated alcohol as a worse social evil. Hunter spoke of opium-smoking as a habit that compared to the foreign residents' habit of drinking wine. He concluded that "compared with the use of spiritous liquors in the United States and in England, and the evil consequence of it, that of opium was infinitesimal."⁵⁴ This view of opium also characterized the attitude of the English missionaries. Although they wrote tracts concerning moral reform in Chinese society, the English did not treat opium. They had been at Canton longer than the Americans and had associated more closely with the English merchants who had been

⁵⁴William C. Hunter, The 'Fan Kwae' at Canton before Treaty Days, 1825-1844 (London, 1882), pp. 72-73, 80. Samuel Eliot Morrison, in Maritime History of Massachusetts (Boston & New York, 1925), p. 278, writes: "It was commonly asserted that opium had no more effect on the Chinese than rum on Yankees." The American Board, seeking to rate opium as the worst social evil, claimed that the drug was "worse, if possible, than the introduction, sale and use of ardent spirits." Missionary Herald, XXXVI, 1 (January 1840), 11.

deeply engaged in selling opium for years. By 1839 the opium trade for the English merchants had assumed nationalistic overtones, and arguments concerning its morality became irrelevant. The American missionaries, who had followed the lead of the English in most respects, took an independent stand in this instance.⁵⁵

With the initiation of hostilities between the English and Chinese in the spring of 1840, the American missionary attitude softened in regard to the opium trade. Interest in the outcome of the war overshadowed the missionaries condemnation of English participation in the drug trade. Changing their views to agree with those of the English, American missionaries suddenly claimed the major issue in China was the foreigners' right to free trade with the Chinese. Whereas missionaries previously sympathized with the Chinese and their efforts to end the opium trade,⁵⁶ in 1840 they denounced the refusal of the Imperial government to accede to English demands for an end to the "Canton system." The Chinese Repository, the mouthpiece of American missionaries at Canton, took the lead in supporting English actions. In May 1840 E.C. Bridgman wrote that "China must reapprhend, bend her

⁵⁵ Barnett, "Americans as Humanitarians," pp. 13-18. Barnett studies the anti-opium tracts written by American missionaries in the 1830's and 1840's. Apparently the English missionaries wrote nothing concerning opium. Danton, Culture Contacts between the United States and China, p. 74.

⁵⁶ Chinese officials noted the opposition to opium by American missionaries and Olyphant & Co. Commissioner Lin allowed Charles W. King of Olyphant & Co. and E.C. Bridgman to witness his destruction of the confiscated opium at Whampoa in April 1839. Afterwards the Commissioner invited the Americans to take refreshments with him. Such an invitation was considered a compliment to them.

policy, & accommodate herself. . . .The time has come when CHINA MUST BEND OR BREAK." A month later the Repository ironically posed the war in the same terms used by the Chinese. To the editors the hostilities became a battle between the civilized and the uncivilized, with the West or English representing civilization. "The struggle now begun will not and ought not end, until the civilities, the rights, and the immunities, usually yielded to and claimed by civilized nations are secured."⁵⁷

Missionaries who earlier had consistently denounced the evils of opium and the trade in it suddenly visualized the opium trade as a means to the accomplishment of good. David Abeel, who arrived back in China during the opium crisis, reflected in his letters and journal the change of opinion that occurred among the Americans. On one hand, he still "considered the opium trade as fraught with ruinous consequences to the bodies and souls of the inhabitants of China." But the larger issue of forcing the Chinese to treat the West as an equal demanded his support, even if he had to submerge his criticism of the opium trade. Abeel "deemed the war necessary to overcome the prejudices, and destroy the exclusive policy of these self-styled subjects of the 'Son of Heaven.'" He rationalized the fact that the English had initiated the crisis in their refusal to end the opium trade by pointing out that the crisis was "the providence of God working great results for good out

⁵⁷Chinese Repository, IX, i (May 1840), 1-2; IX, 2 (June 1840), 105.

of seeming evil, and causing the wrath of man to praise Him."⁵⁸ Peter Parker reiterated the same attitude as expressed by Abeel in a letter published in the Missionary Herald. "I am constrained to look back upon the present state of 'things'. . .as a design of Providence to make the wickedness of man subserve his purpose of mercy towards China, in breaking through her wall of exclusion, and bringing the empire into more immediate contact with western and christian nations."⁵⁹

Throughout the thirty months of the Opium War American missionaries never wavered in their support of the English. During 1840, when the English fleet arrived in Chinese waters, the foreign community at Canton assumed that only a skirmish would be necessary to force the Chinese to relent. After a few months and several engagements, the foreigners realized that hostilities had evolved into a protracted war. American merchants, who had reaped tremendous profits during the months of English absence from Canton, hastily retreated downriver to Macao in the spring of 1840, to join the American missionaries who had left Canton earlier. As the American merchants anxiously awaited the outcome of the battles on the Pearl River, the American missionaries busied themselves in the Portuguese

⁵⁸Williamson, Memoir of Abeel, p. 180.

⁵⁹Letter, P. Parker to American Board of Commissioners, Jun. 24, 1840, in Missionary Herald, XXXVII, 1 (January 1841), 43. Bridgman addressed a letter to the Board in which he supported Parker's views concerning the necessity and benefit of opening China, although he did not agree with Parker's desire for military destruction of China. Letter, E.C. Bridgman to American Board of Commissioners, Jun. 24, 1840, in Missionary Herald, XXXVII, 1 (January 1840), 43.

colony. They also kept watch during these months on English activity at Hong Kong. Although they rejoiced with the merchants over the reopening of Canton in April 1841, Bridgman and his aides did not move back upriver. By this time Bridgman foresaw Hong Kong supplanting Canton in foreign commerce and considered moving the headquarters of the American mission there. The resumption of the war in 1841 convinced the missionaries of the inadvisability of an imminent return to Canton. This realization reinforced their support of English policies to defeat China.

Bridgman's Chinese Repository labelled the Chinese "false and treacherous" and denounced the "perfidy and cruelty of the Chinese government" in its attack on the Foreign Factories at Canton. The Repository stated that such an act called for swift punishment. "Future operations, on the part of the British government, must now be pushed on with all possible decision and dispatch--the forces stopping at nothing short of the walls of the capital."⁶⁰ As the English fleet moved up the coast to the north, Bridgman explained the necessity for such hostile measures in the same terms the missionaries had rationalized their earlier support of English demands. In letters to the American Board of Commissioners, he wrote that "God is evidently carrying on his own great designs; and in wrath he will remember mercy, bring order out of confusion, good out of evil, and make even man's wickedness promotive of

⁶⁰"Journal of Occurrences," Chinese Repository, X, 5 (May 1841), 292, 296.

the divine glory."⁶¹

American missionaries continually phrased their support of English policies to force China to change its commercial system in terms of Christian principles. By opening China to Western, or Christian, influence the will of God would be served. In fact the missionaries were fighting for their own existence. Frustrated at being unable to preach and work where they chose, legally prohibited from the territory of the Celestial Empire and confined to Canton, the missionaries knew they would be forced to disband the China mission unless circumstance changed. American missionaries therefore concluded that God had ordained the opium war to allow the Chinese an opportunity to embrace Him through His servants. The crystalizing factor in not doubting the righteousness of backing the English was the missionaries' awareness that Catholic priests faced no Imperial restrictions. As David Abeel observed in his journal: "The Catholic priests appear to enter the country and return at pleasure. We often see strange faces among them; and then they disappear, as if there was a constant tide setting into the empire and returning. . . .When will we thus be able to enter?"⁶²

⁶¹Letter, China Mission to American Board of Commissioners, Jan. 1, 1842, in Missionary Herald, XXXVIII, 8 (August 1842), 336. In a letter describing the considerable loss of Chinese lives at the Battle of the Bogue, the wife of one missionary expressed similar sentiments: "Oh! may they [the Chinese] be overruled for his glory, and for the speedy entrance of his servants into the country." Letter, Mrs. H. Shuck to Mrs. Kelling, Jan. 9, 1841, in Jeremiah Bell Jeter, A Memoir of Mrs. Henrietta Shuck, the First American Female Missionary to China (Boston, 1849), p. 167.

⁶²Williamson, Memoir of Abeel, p. 195.

Anti-Catholic prejudice, quite widespread throughout the United States in the early nineteenth century, abetted the missionaries' envy. Since the priests were Europeans, the Americans felt nothing in common with the "papists." The fact that "the sons of Loyola [the Jesuits] have long had, and still have, missions in almost all parts of the empire," rankled the Protestants, especially since the latter "have rested quietly in the belief that hitherto the preaching of the gospel in China has been impracticable, foreigners not being allowed to enter the country." Furthermore, the Catholics were in the midst of preparing to expand their work. As he considered moving his mission from Macao to Hong Kong, Bridgman observed a group of French priests already at Hong Kong building an establishment which cost twenty thousand dollars. The sum exceeded the total amount the Americans had expended in their ten years in China.⁶³ Bridgman asked the American Board to send more men and money, so the Protestant missionaries would not let Catholicism be the only image of God presented to the Chinese. For the means of reaching the Chinese, he and the other American missionaries counted on the success of the English.

From the beginning of hostilities in 1840, the American missionaries did not doubt that the English would open new ports in China. As early as the summer of 1840, when the English fleet first sailed along the coast, they planned to

⁶³Letter, E.C. Bridgman to American Board of Commissioners, June. 24, 1842, in Missionary Herald, XXXIX, 2 (February 1843), 55. The Missionary Herald repeatedly reflected anti-Catholic, or anti-"papist" sentiment.

follow them. The wife of one missionary wrote home that summer: "It is our intention to go directly to the first place taken by the English, . . . and there to teach the Chinese, and as we trust unmolestedly."⁶⁴ Such an opportunity did not materialize in 1840, as the English did not maintain their hold on any port. In 1841 the missionaries concentrated on moving the Morrison School to Hong Kong, recently occupied by the English. Bridgman, extremely pleased with the prospect of establishing the entire mission at Hong Kong, wrote to the American Board: "Security for property and persons, now generally enjoyed under christian governments, will ere long be also enjoyed here." At Hong Kong "the British will continue to enjoy and give full protection, secure from the influence of Chinese officers."⁶⁵ To Bridgman, the English appeared to have decided to forego the idea of returning to Canton. Hong Kong was an island on the southeastern side at the mouth of the Pearl River, as Macao lay on the southwestern side. The island, which the English occupied with relative ease, was "about seven miles long by five miles wide, and almost one series of sterile hills with few intervals." Its major feature was its harbor, which was "about a mile and a half wide" and had "long been known as the best on this part of the coast." On the mainland across the harbor of the uninhabited island lay the Chinese village of Kanlung (Kowloon).

⁶⁴Letter, H. Shuck to her father, Jul. 10, 1840, in Jeter, Memoir of Henrietta Shuck, p. 163. Shuck accompanied her husband Jehu Lewis Shuck as the first Baptist missionaries to China. They arrived in 1836 and settled at Macao, where Rev. Shuck studied Chinese. In 1841 they moved to Hong Kong to help establish a Baptist mission there. After a leave of absence in 1845-47, the Shucks returned to China, this time working at Shanghai.

⁶⁵Letter, E.C. Bridgman to American Board of Commissioners, Jul. 1, 1841, in Missionary Herald, XXXVIII, 3 (March 1842), 100.

Between the English settlement on Hong Kong and Kanlung opposite it, foreign merchants could conduct their business "without being molested." This included the opium trade.⁶⁶

Six months after the English occupied Hong Kong, they opened another port at Amoy up the coast. Immediately the American missionaries despatched Abeel and Dyer Ball, a medical missionary, to establish a mission. A native of Charleston, South Carolina, Ball had arrived at Macao only in 1841 after a three-year residence at Singapore, where he practiced medicine and learned the Chinese language. Roughly two hundred miles up the coast from Hong Kong, the city of Amoy (Hsia-men) lay on an island by the same name in the mouth of the Lung-la or Dragon River in the province of Fukien. The river mouth was crowded with islands, "ten or twelve which stretch irregularly across between the northern & southern points of the main land which bound this inlet." Amoy, six miles from the sea, was an excellent location for a port, since the water in the harbor was "quite sufficient for any ships at any time." Across the harbor lay the island of Kulangsu, which shielded Amoy from the open sea.⁶⁷ In 1841

⁶⁶Letter, China Mission to American Board of Commissioners, Jan. 31, 1843, in Missionary Herald, XXXIX, 8 (August 1843), 303-04. Abeel wrote first-hand concerning the activity of the English in constructing a settlement on Hong Kong. "Dwellings, ware-houses, roads, bridges, wharves, and rows of native mat-shops, have appeared as if by magic. All seem inspired with the fullest confidence that it is destined soon to become a most flourishing commercial mart." Journal of D. Abeel, Feb. 2, 1842, in Missionary Herald, XXXVIII, 12 (December 1842), 465.

⁶⁷Abeel also described Kulangsu: "The island of Kulangsu cannot be far from a mile and a half in length and half that breadth. Its surface is more irregular, rising into several strange shaped hills and sinking into as many quiet valleys. It is almost impossible to have a greater variety of changes and prospects in the same place." Journal of D. Abeel, Feb. 24 & Mar. 10, 1842, in Missionary Herald, XXXVIII, 12 (December 1842), 466-67.

the English troops that had captured Amoy established their quarters on Kulangsu. When Abeel and Ball arrived in early 1842, they also made the small island their residence.

In their first few weeks at Amoy, Abeel and Ball carried out the same type of work their brethern had done at Canton and Macao. Ball established a dispensary while Abeel proselytized. Abeel was in charge of the mission, which he hoped to build as soon as possible. His first reports back to Bridgman, who eagerly waited to hear Abeel's observations, were enthusiastic. The mission's primary problem focused on acquiring buildings in the overcrowded city of Amoy. Abeel's first impression of the port was its similarity to Canton in terms of density of population. He wrote that his reaction to Amoy was "multitudes, multitudes. We passed up nearly half a mile through the junks before landing. We were struck by the encroachment of the houses upon the sea. Economy of room is the predominate feature. We passed through parts of a few streets. . . . They appeared like those in Canton, narrow damp, and lined with shops."⁶⁸ After initial administrative problems, the Amoy mission seemed to thrive. The hospital received the services of another doctor, William H. Cumming, while Abeel's weekly services attracted nearly one hundred Chinese, a very large number in the eyes of the foreign missionaries in China. Based on the quick success in the

⁶⁸Journal of D. Abeel, Mar. 13, 1842, in Missionary Herald, ~~XXVIII~~, 12 (December 1842), 468.

Amoy mission,⁶⁹ the Americans hoped to expand their activities to other ports opened by the English. But the lack of manpower restricted them to Hong Kong and Amoy. Bridgman repeatedly begged the American Board to send more missionaries to China.

Bridgman was not the only missionary in China who wrote to his home board in the early 1840's for more assistance. By 1842 three other Protestant sects in the United States had despatched representatives to proselytize in China. Jehu Lewis Shuck and Issachar Jacox Roberts of the American Baptist Board, William Henry Boone of the American Episcopal Board, and Walter M. Lowrie of the American Presbyterian Board came to China as a result of an increasing interest among American Protestants in China.⁷⁰ Although these sects were not very active in China (most of the above spent the late 1830's studying Chinese at one of the East Indian missions) as Bridgman's group, during the Opium War they also sought to recruit more missionaries for the Celestial Empire. Interest in the China missions grew more rapidly after the Treaty of Nanking opened to foreigners the ports of Amoy, Ningpo,

⁶⁹William Dean, China Mission: Embracing a History of the Various Missions of All Denominations among the Chinese with Biographical Sketches of Deceased Missionaries (New York, 1859), pp. 188-89. The Amoy mission was so successful that the American Board of Commissioners made it a separate mission in 1844. Hong Kong, Canton and Macao then became the Southern China Mission. Missionary Herald, XLI, 1 (January 1845), 18.

⁷⁰Latourette, in History of Christian Missions in China, pp. 244-45, discusses the activities of the representatives of various mission societies, both American and English, in China as they prepared to expand into the newly-opened ports. He concludes: "Missionaries were not waiting for formal treaties to enter the doors now partly opened to them."

Shanghai and Foochow.⁷¹ In the period 1842-44 the American China mission acquired at least seven missionaries, two of whom were doctors. Four additional doctors supplemented the medical branch of mission endeavors. The total of these later arrivals nearly equalled that of American missionaries who preceded them.

By 1844 American missionaries had successfully established themselves in China. No longer were they dependent on their English brethren for leadership. In fact, the English missionary community had decreased during the Opium War and only began to rebuild its mission after 1842. Although the Americans continued their emphasis on education and medical help, they were now free to proselytize openly and to hold public services. Through the Treaty of Nanking the missionaries gained the opportunity to reach millions of Chinese, to whom Imperial law previously had denied them access. In 1844 American missionaries in China looked back at the 1830's as a decade of preparation. They had acclimated themselves to China and had obtained the good-will of the Chinese, especially in their opposition to the opium trade. The Missionary Herald proclaimed in 1844: "No foreigners are regarded with more favor by the Chinese than Americans."⁷² American missionaries believed they were on the verge of a long but exciting voyage that would christianize and westernize China.

⁷¹Latourette, History of Christian Missions in China, p. 245. Latourette, "Early Relations between the United States and China," pp. 120-22.

⁷²Missionary Herald, XL, 1 (January 1844), 8.

CHAPTER VII

CONGRESS, CONSULS AND CAPTAINS: OFFICIAL RELATIONS WITH CHINA TO 1842

While American merchants at Canton developed their trade and, as a corollary, their relations with the Chinese authorities, the United States government exhibited at best a casual interest in China and the Orient. On February 10, 1840 in the House of Representatives, Francis S. Pickens of South Carolina proposed that the House request the President to transmit information concerning the opium crisis in China and its effect on American merchants and their trade at Canton. This resolution also asked the Secretary of the Treasury for all commercial statistics of the American China trade.¹ Pickens' resolution marked the first time the American government manifested public interest in China in nearly twenty years. In the early 1820's the House of Representatives had taken the initiative in governmental interest in China, at that time in connection with American policy in the Pacific Northwest. But previous to 1820 the Executive had exhibited a very positive attitude toward American relations with the Celestial Empire.

From its beginning in 1784 the American China trade was

¹U.S., Congress, House, 26th Cong., 1st sess., Feb. 10, 1840, Congressional Globe, 172.

primarily a private trade, although the American government initiated efforts to aid American merchants involved in that branch of foreign commerce. The group of men who organized the first American voyage to Canton included Robert Morris and Samuel Shaw, both of whom had held important official positions during the Revolutionary War. Morris' participation in the venture of the "Empress of China" was especially notable because of his firm conviction that government and business shared similar interests.² His views later received support from Alexander Hamilton and the Federalists. But in 1784 the United States was a weak infant in the family of nations. Congress, under the Articles of Confederation, lacked the requisite power to effect any measure which did not have the unanimous support of the delegates of all the states. Although Congress managed a degree of agreement in foreign affairs, the Confederation lacked the financial resources to create a foreign service. Congress' interests in foreign affairs at this point, moreover, centered on Europe.

Samuel Shaw, nevertheless, on his return from the first

²Robert Morris, who had formed Willing & Morris with his former employer at age twenty-three, was a leading Philadelphia merchant. An early supporter of American independence, he was a delegate to the Continental Congress and a signer of the Declaration of Independence. In 1781 the Confederation Congress appointed him Superintendent of Finance, in which position he systematized government revenues and expenditures. Morris resigned in 1784 to recoup his finances. His interest in the China venture was to be the beginning of another fortune. Claims arose that Morris had used his official position for personal gain. Margaret S. Meyers, A Financial History of the United States (New York, 1970), pp. 33-34.

American voyage to Canton immediately despatched a report to Secretary of Foreign Affairs John Jay. He briefly described the ship's reception at Canton by both the Chinese and the Europeans already trading at the port. Accompanying the report were two pieces of Chinese silk, which the Kwang-chiu-fu or head magistrate of Canton had presented to Shaw "as a mark of his good disposition towards the American nation."³ Jay, in response, expressed Congress' pleasure concerning the success of the "Empress of China's" voyage. The body had resolved, he wrote, "That Congress feel a peculiar satisfaction in the successful issue of this first effort of the citizens of America to establish a direct trade with China, which does so much honor to its undertakers and conductors." Congress also consented to Shaw's appointment as American Consul at Canton, although the Confederation could not offer him any remuneration. Secretary^{*} Jay added in explanation of the appointment:

"Neither the salary nor perquisites are annexed to it, yet so distinguished a mark of the confidence & esteem of the United States will naturally give you a degree of weight & responsibility which the highest personal merit cannot very soon obtain for a stranger in a foreign land."⁴ Interest and encour-

³Letter, S. Shaw to J. Jay, May 19, 1785, in The Journals of Major Samuel Shaw, the American Consul at Canton, ed. by Josiah Quincy (Boston, 1847), pp. 337-41. Shaw also noted that the Chinese called Americans "the New People; and when by the map we conveyed to them an idea of the extent of our country, with its present and increasing population, they were highly pleased at the prospect of so considerable a market for the productions of their own empire."

⁴Foster Rhea Dulles, China and America: The Story of their Relations since 1784 (Princeton, 1946), p. 3.

agement in American trade at Canton was all that the Confederation Congress could extend to Shaw and his associates in 1785-86.

Within a few years the United States had acquired a new constitution and the China trade had attracted a much larger number of participants. American merchants in the China trade, who overwhelmingly lived in the Northeast, found their interests well-served by the commercial policy of the Washington Administration. The Navigation Act of 1789 and the Tariff Acts of 1789 and 1791 heavily discriminated in favor of American shipping and commerce. Looking to foreign trade as a major source of revenue, the newly-created Congress imposed high duties on imported articles, especially those brought in foreign bottoms. The tariff of 1789 levied a twelve-and-a-half percent duty on all articles from East India, except for tea which carried a duty of forty-five cents per pound. This latter tax made tea almost unsalable,⁵ although tea imported in American vessels received a ten percent discount. (The tariff allowed such a discount on all articles imported in American bottoms.) In addition, the Navigation Act placed tonnage duties on foreign-owned vessels at fifty cents per ton, compared to six cents per ton on American-owned vessels.⁶

⁵Before 1844 the price of teas at Canton vacillated from season to season, depending on supply, quality and demand. The price varied from roughly fifteen cents to thirty-five cents per pound. In all cases the duty on teas was much higher than the original cost.

⁶Myers, in Financial History of the United States, pp. 56-57, explains the first tariff and also Hamilton's measures to encourage foreign commerce

In 1791 Secretary of the Treasury Alexander Hamilton recommended further benefits for the American China trade. Hamilton's warehouse system, approved by Congress, allowed American merchants to defer the payment of custom duties on teas until their sale. The merchants could store the teas in bonded warehouses up to two years with impunity. If the teas were re-exported within one year of importation, the government would nullify all American custom duties levied on them. This drawback system applied to all articles imported in American bottoms.⁷ The tariff policy of the American government encouraged all foreign trade, but it stimulated the China trade especially. Teas, the primary American import from Canton, became a profitable commodity in mercantile enterprise.

Utilization of the warehouse and drawback systems allowed merchants enough latitude to sell their teas in the most profitable market at the highest price. While they stored one season's cargoes of teas in anticipation of their sale, the merchants could speculate on another season's trade at Canton. Consequently, this system of trade engendered a heavy dependence on the use of credit, often at the expense

⁷ Samuel Eliot Morrison, A Maritime History of Massachusetts (Boston & New York, 1925), pp. 165-66. Morrison states that Elias Haskett Derby petitioned Congress for the warehouse system. With Hamilton's simultaneous support, the measure passed. Tyler Dennett, Americans in Eastern Asia: A Critical Study of the Policy of the United States with reference to China, Japan and Korea in the 19th Century (New York, 1941), p. 8.

of the American government.⁸ But the advantages afforded by American commercial policy more than outweighed any detriment to the government. These special benefits for the China trade ended in 1834, as the Tariff of 1833 discontinued the practice of deferred payment for customs duties. At this time the China trade had developed a firm foundation that made such governmental assistance no longer necessary.⁹ Federalist commercial policy in the 1790's, nevertheless, had helped American merchants to build the China trade into a profitable commerce.

For two decades, Hamilton's commercial policy fostered the American China trade. After the War of 1812 the warehouse and drawback systems attracted a surge of merchants into China adventures. With governmental subsidization of the tea trade, merchants discovered they could speculate in China cargoes with little capital. The constantly increasing number of Americans involved in the China trade disturbed many older merchants, whose own enterprises before the War had benefited from the same policies. Yet the Panic of 1819 and the ensuing depression did not seem to affect the growing

⁸The financial debacle of 1826 in the American China trade stemmed from the loose credit extended to merchants through the warehouse and drawback systems. After the War of 1812 merchants speculated in teas without consideration to customs duties. When the Treasury Department finally demanded payment of back-duties in 1826, many merchants had to declare bankruptcy. Edward Thomson of Philadelphia, whose son was consul at Canton, went to jail for embezzling money from another house to pay his duties.

⁹This provision in the tariff, coupled with President Jackson's assault on the Bank of the United States, created a small financial crisis among merchants in 1833. Myers, Financial History of the United States, p. 93. Winthrop L. Marvin, The American Merchant Marine (New York, 1902), pp. 232-33.

participation in the China trade. Although established merchants complained loudly concerning their new competition, they did not protest to the government. Its commercial policy, though contributing to increasing instability in the China trade, still assisted all American merchants in any branch of foreign commerce. The major merchants in the China trade, in fact, began to fear in the 1820's that the government was no longer interested in American trade. Burgeoning manufacturing interests in the United States threatened merchants' efforts to maintain government support.

To merchants in the China trade after the War, the growth of American manufacturing interests rivaled two major imports from Canton, nankins and silk piece goods. Besides teas, Chinese-produced cloths were the major article in which American merchants speculated in the China trade. Merchants realized that New England textiles would quickly replace imported nankins in American markets. This prospect was not necessarily fatal, if the American-manufactured product could be made even cheaper, but with a higher quality, than the nankins. Long before American "domestics" outsold nankins at Canton, American merchants discussed such an enterprise. But what really disturbed merchants in the 1820's was a growing protectionist sentiment in the American government to assist developing factories in the United States. To stimulate the manufacture of textiles, Congress imposed high duties on imported silk in the Tariff of 1824. Although support for manufacturing interests had appeared soon after the War, Congress

managed to pass a protectionist tariff only in 1824. A similar tariff had narrowly missed passing Congress in 1820.

American mercantile interests opposed all protectionist policies, but Americans in the China trade especially feared such measures. With the surge of new adventurers into the trade after 1815, the established merchants realized they could not profit by teas alone. Chinese textiles, especially silk piece goods, provided the only other really viable import into American markets.¹⁰ High duties on silks would likely erase the profit margin on this article. As early as 1820, leading merchants in Boston began to organize efforts to prevent future protectionist measures. Boston's largest commercial house in the China trade, J. & T.H. Perkins, took the lead in mobilizing that city's mercantile interests. The house did not limit its efforts to Boston. Writing to a leading New York commercial house, LeRoy, Bayard & Co., the Perkinses asked for help in organizing a "committee of correspondence to communicate with the commercial towns" so that commercial interests could "produce a general impression when the time comes to make the impression." The Perkinses emphasized to the New Yorkers that everyone interested in American

¹⁰ Silks were always a more profitable import from Canton than nankins. The value of silks imported into the United States before 1830 averaged ten times that of nankins. After 1830 the percent was even greater, as the United States began to export "domestics" to China. Americans annually imported about one-two million dollars worth of silks. Until 1834 the value of silk imports nearly equalled that of teas. The Merchants' Magazine and Commercial Review, III (1840), 477-79.

trade should be encouraged to oppose protectionist measures. Merchants in the China trade "alone are not to be the sufferers, all those who are connected with Commerce, from the ship-builder to the carman, are interested with us, & may be incited to act with us."¹¹

Despite merchants' opposition to the high duties enumerated in the proposed tariff of 1824, Congress passed it. Although William Sturgis of Bryant & Sturgis had gone to Washington in February to represent Boston merchants, they held little hope that Sturgis' mission would have any affect. At the time he departed, his own house noted that "it seems to be the opinion from Washington, that monstrous as the act is, it will pass--"¹² After 1824 the merchants unrelentingly opposed the high import duties, especially those laid on silk. They argued that, while American markets for China silks remained stable, the tariff prohibited American merchants from supplying those markets without drastically raising prices. Yet new competition from England limited profits. Noting the higher American tariff, the English East India Company hoped to compete with Americans in American markets. The British government lowered both import and export duties on all forms of silk, "with the view of supplying this country [America] with manufactures, upon as cheap terms as silks could

¹¹Letter, Perkins & Co. to LeRoy, Bayard & Co., May 27, 1820, Massachusetts Historical Society, Letterbooks of J. & T.H. Perkins.

¹²Letter, Bryant & Sturgis to J.P. Sturgis & Co., Feb. 14, 1824, Harvard Business School, Baker Library, Bryant & Sturgis MSS.

be imported from China." Attesting to the immediate success of this action, an American merchant explained to Congress that "articles of silk are now importing from London, . . .at cheaper prices than can be obtained" at Canton. The merchant also observed that the East India Company had purchased all the raw silk it could find at Canton and "the result was, consequently, a rise in all silk manufactures, to prices that prevented purchases for this market, that would permit a saving to the importer, and therefore, curtailed importations into the American market."¹³

Congress did nothing in response to the merchants' protests and pleas for change of policy. The Tariff of 1828, the "Tariff of Abominations," raised duties on foreign imports. Subsequently, American merchants in the China trade ignored Congress. They developed other channels of the trade to replace those hurt by the tariff. In the late 1820's the newly-created independent commission houses at Canton began looking elsewhere for potential markets for Chinese exports. For the American members of these houses, American commercial policy was less crucial. These merchants entered English markets more effectively than the East India Company traded to the United States. The Americans despatched their vessels directly to London and Liverpool without going through their home ports. European markets did not completely replace Amer-

¹³From Letter, C.H. Hall, enclosing documents of the China trade of Thomas H. Smith, Jan. 16, 1826, in U.S., Congress, Senate, Committee on Finance, (Documents relating to the Finances of the U.S. laid on the table by the chairman), S.Doc. 31, 19th Cong., 1st sess., 1825-26.

ican trade in silks to the United States. But, to evade the prohibitive duties, the Americans smuggled cargoes into the United States.¹⁴ During the 1830's American exports in cotton textiles outdistanced the import of silks,¹⁵ so that the tariff decreased in importance. Throughout the 1830's American merchants, especially those in the China trade, increasingly ignored American commercial policy. This disregard for official measures emanated from a lack of response on the part of the government to the merchants' interests.

After the Federalists, with their strong commitment to commercial interests, American merchants in the China trade found no allies in the government until the 1840's. Before 1825, nevertheless, various American officials had seriously discussed China and relations between the United States and the Celestial Empire. These men looked forward to American expansion into the Pacific Ocean. China and its trade constituted one of the motivations for this westward growth. Thomas Jefferson was the first American President to express public concern for China. As Minister to Europe in the 1770's, Jefferson attempted to discover a passage between America and Asia. Although his efforts to locate such a route through Russia and Africa were futile, Jefferson retained an interest

¹⁴Letter, T. Wigglesworth to A. Heard, Jun. 8, 1833, Harvard Business School, Baker Library, Heard MSS.

¹⁵Statistics for both the trade in silks and in cotton cloths are in The Merchants' Magazine and Commercial Review, III (1840), 477-79, XI (1844), 55.

in connecting the two continents. Years later as President, he renewed his attempts with the Lewis and Clark expedition to the Northwest.¹⁶

Jefferson was also interested in establishing a basis for future relations between the United States and China. In 1807 John Jacob Astor appealed to the President to issue a passport for a "Chinese official" who found himself stranded in New York because of the Embargo. Part of a ruse by Astor to despatch a cargo to China during the Embargo, the "official" actually was a Cantonese laborer. Nevertheless, Jefferson and his Cabinet took the matter seriously. The President decided this case presented an excellent opportunity to let the Chinese government "understand at length the difference between us & the English, & separate us in its policy." Influenced by contemporary events in Europe, Jefferson also was interested in ties with China. He concluded that rendering assistance to the Chinese official was a diplomatic measure, as a favorable image of the United States and its citizens presented to the Chinese government by one of its own members was "likely to bring lasting advantage to our merchants & commerce with that country."¹⁷

¹⁶Thomas Hart Benton, Thirty Years' View, or a History of the American Government for Thirty Years from 1820 to 1850 (2 vols.; New York, 1856), I, 14. Benton, a strong proponent in Congress for annexation of the Oregon territory, claimed that his stand was "nothing but to further the seed planted in my mind by the philosophic hand of Mr. Jefferson."

¹⁷Jefferson's quote is in Dennett, Americans in Eastern Asia, p. 77.

Nothing resulted from the "diplomatic measure" except tremendous profits for Astor. After the incident, no other President until the late 1830's expressed concern for China. Jefferson's dream of connecting America with Asia did not completely fade after 1807 though. Within a decade, China and its market appeared in Congress as part of the debate regarding the future of the Pacific Northwest. During the War of 1812 English forces had seized Fort Astoria, the trading post founded by John Jacob Astor's Pacific Fur Company in 1811. Throughout the War the Northwest Company, a Canadian fur-trading operation, occupied and used Astor's establishment. The Treaty of Ghent in 1815 stipulated that Astoria should be returned to the United States, and in 1817 the American government sought to effect this claim. A year after restoring its title to the fort, the United States entered into negotiations with England over general boundary questions in the Northwest. These talks resulted in the Convention of 1818, in which the two countries agreed to allow American and English citizens occupy the Northwest for ten years. Shortly thereafter concern for American rights on the Northwest Coast first appeared in Congress. In December 1820 Representative John Floyd of Virginia proposed that the House "inquire into the situation of the settlements upon the Pacific Ocean, and the expediency of occupying the Columbia River."¹⁸

Floyd, the major proponent in the 1820's of American

¹⁸The House appointed a committee of Floyd, Thomas Metcalfe of Kentucky and Thomas Swearingen of Virginia to consider the matter. U.S., Congress, House, 16th Cong., 2d sess., Dec. 19,

occupation of the Northwest, based his arguments on the necessity of the Northwest fur trade to American commerce. Citing the existence of Russian and English trading-posts on the Coast, the Congressman claimed that without similar establishments American fur traders could not compete successfully with the Europeans. From the beginning of his campaign to occupy the Columbia River, Floyd connected American interest in the Northwest with American trade at Canton. He reported to the House in January 1821 that the American fur trade to China annually amounted to over seven-hundred-thousand dollars in profits.¹⁹ Floyd further argued that American settlements in the Northwest, such as Astoria, would "open a mine of wealth to the shipping interests. . ." This potential wealth rested on a trade which consisted "principally of things which will purchase the manufactures and products of China at a better profit than gold and silver; and if that attention is bestowed upon the country to which its value and position entitle it, it will yield a profit, producing more wealth to the nation than all the shipments which have ever in any one year been

1820, Jan. 25, 1821, Annals of Congress, 679, 953, 958-59. For a discussion of the question of the Northwest in American policy in the 1820's, see Hubert Howe Bancroft, History of the Northwest Coast (2 vols.; San Francisco, 1884), II, Chaps. XV, XVI, XVII.

¹⁹U.S., Congress, House, 16th Cong., 2nd sess., Jan. 25, 1821, "Columbia River, Occupation by U.S., 1821, report of committee, Annals of Congress, 946-58. The report also suggested that Chinese immigrants could staff the American establishments until enough American settlers arrived.

made to Canton from the United States."²⁰

Throughout the 1820's Congressional supporters of American settlements in the Northwest continued to base their position on the importance of such establishments to the American China trade. Led by Floyd, they nevertheless failed to obtain the House's approval for various proposals.²¹ Although in December 1824 the House finally passed a bill to occupy the Northwest (or Oregon), the bill never became law. Throughout these years the Executive conducted negotiations with Russia over the latter's claims to the Northwest.²² Congress did not even take note of these or of Russia's relinquishing its claims in 1824 to the English. In 1828-29 Floyd was instrumental again in offering a bill to the House "to authorize the occupation of the Oregon River," a bill that would require the American government to oversee settlement of the Northwest Coast. As before, Floyd argued that future American

²⁰U.S., Congress, House, 17th Cong., 2nd sess., Annals of Congress, 398.

²¹Bills were proposed in 1822 and 1823, and all were voted to committee, which by 1823-24 had grown to seven members. Floyd continued to serve as its chairman. U.S., Congress, House, 17th Cong., 1st sess., Annals of Congress, 560-61; 17th Cong., 2nd sess., Annals of Congress, 396-424; 18th Cong., 1st sess., Annals of Congress, 890. At the same time Benton introduced the question into the Senate. See Benton, Thirty Years' View, I, 13-14; U.S., Congress, Senate, 17th Cong., 2nd sess., Annals of Congress, 246-51.

²²American merchants in the Northwest fur trade to Canton protested to the State Department in the early 1820's that Russians were forcing American vessels off the Coast. The Americans also wanted indemnity for their lost trade. Letter, Bryant & Sturgis to J.Q. Adams, Apr. 21, 1823, Bryant & Sturgis MSS. For a discussion of American negotiations over the Northwest in the 1820's, see Bancroft, History of the Northwest Coast, II, 348-54.

commerce in China and the Pacific Ocean necessitated sole American occupation of the Northwest Coast. Congress rejected the bill.²³ During the following decade Congress never discussed the Northwest. By the late 1820's the fur trade had declined in that area and, although American commerce in the Pacific continued to grow, fur trading vessels almost ceased to appear on the Coast. When the question of occupying Oregon resurrected in the 1840's, Americans argued in terms that were not purely commercial.

Aside from some concern over the Northwest in the 1820's, the American government ignored China. In 1828 the editors of the major newspaper at Canton noted: "The United States of America furnishes nothing that we have seen or heard concerning China, or any other country of Asia. . . ."²⁴ American merchants at Canton did not find the government's lack of concern surprising. They were at Canton to trade. The merchants realized their government could not supply them with any military support, without which diplomatic interference was meaningless. In their view of the world the Chinese refused to recognize other countries as anything but tributary states. This belief in the superiority of the Celestial Empire precluded diplomatic relations in the Western sense. Americans at Canton accepted their status as "barbarians" and did not demand support from the American govern-

²³U.S., Congress, House, 20th Cong., 2nd sess., Dec. 23, 1828- Jan. 9, 1829, Annals of Congress, 125-95.

²⁴Canton Register, I, 32 (Aug. 16, 1828).

ment. In turn, the government, believing the commercial pursuits of American merchants in China did not require its interference, focused on diplomatic problems elsewhere.

II

Although the United States had no formal diplomatic relations with China before 1844, the American government acknowledged commercial relations with the Celestial Empire by appointing an American consul at Canton. The first American consul arrived at Canton in 1736. Samuel Shaw, supercargo of the first American vessel at Canton and then first American consul to China, took his appointment seriously. Each season he assiduously despatched to the Secretary of Foreign Affairs reports on trading conditions at Canton and on the commercial activities of Europeans there. Four years later, on February 10, 1790, President Washington duly renewed Shaw's appointment as American consul under the new Constitution. In the fall of 1790 Shaw sought to expand American trade in East India. The consul, looking at the ports of the Dutch Indies as favorable markets, petitioned the Shabandar of Batavia to relax Dutch prohibitions against American trade at that port. Shaw received assurances from the Shabandar that the colonial authorities in Java would attempt to persuade the Dutch government to do so.²⁵ Returning

²⁵Shaw's reports before 1789 are in Journal of Major Samuel Shaw, pp. 337-60. There are no despatches of his on record in the State Department after his reappointment by Washington in February 1790.

to the United States, he reported his actions in a letter to the President and prepared for another voyage to Canton via India. At Bombay Shaw became ill; he died shortly after reaching Canton.

Following Shaw's death, the consular position remained vacant until President Adams appointed Samuel Snow of Providence to the post in May 1798.²⁶ Snow continued Shaw's custom of sending semi-annual reports concerning American vessels at Canton. After January 1801 Snow was absent from Canton, although he retained the position of consul. Other American merchants sporadically despatched letters to the Secretary of State or to the consul himself with notices of American trade. In the winter of 1804-05 these despatches noted that American vessels were experiencing difficulties with the English over impressment. Edward C. Carrington, as acting-consul from 1804-06 and then as consul from 1806-09, repeatedly protested to various English captains the illegality of their actions. His demands for the return of impressed American seamen completely ineffective, Carrington asked the Secretary of State for assistance from the American government. The only answer Carrington received from the State Department was a notice of

²⁶For the first decades of the nineteenth century despatches from American consuls at Canton are very sketchy. Many consuls did not bother to report. Of the despatches that claimed to contain statistics on commerce and shipping, only a very few still have these statistics. There was no regularity to correspondents from the consuls until the commission of P.W. Snow in 1835. U.S., State Department, Consular Despatches: Canton.

Congressional confirmation of his consular appointment.²⁷

Consul Carrington's problems with impressment, especially the lack of support from the American government, was indicative of a recurring difficulty experienced by all American consuls at Canton. In effect, the consul was powerless beyond what weight his own words could carry. In Carrington's case the English merely ignored his protests and did not even bother to answer his communications. Beyond threatening official American action, an empty and futile statement, Carrington could do nothing. In 1809, when Carrington left Canton, American merchants at Canton were left without any official representative. The State Department did not fill this vacancy for another five years. During this period the merchants themselves unofficially designated John Perkins Cushing as their consul or "chief" for purposes of relations with Chinese officials. Cushing did not communicate at all with the American government. Finally during the War of 1812 the Americans sent a memorial to the President asking for a resident consul.²⁸ The merchants felt humiliated that they were the only nationality trading at Canton without an offi-

²⁷Consular Despatches: Canton, E.C. Carrington, Dec. 6, 1804-Nov. 14, 1807. In his despatch of Nov. 9, 1807, Carrington informed the State Department of an attack by the English on the American merchantman "Topaz" and the death of the ship's captain.

²⁸Letter, American merchants to the President of the United States, n.d., in Consular Despatches: Canton. Most historians date this letter as sometime in the period 1809-14. No American consul resided at Canton during these years. From the information gathered on signers of the letter, the most likely date would be 1813 or 1814.

cially-appointed consul. They also desired "an experienced physician and surgeon attached to the American consulate," especially to assist American seamen. In the past the Americans had faced the "degrading" necessity of using the services of English doctors.

In 1814 Benjamin C. Wilcocks, a resident-agent from Philadelphia, received notification of his appointment as American consul. The State Department's attitude had not changed. Wilcocks still faced problems of impressment and he protested with as little success as Carrington had eight years earlier. After the War, Consul Wilcocks had to deal with the opium trade and official Chinese attempts to thwart the importation of opium. An opium trader himself, Wilcocks duly reported that the Chinese detained an American ship with an opium cargo. The consul did not add that he owned an interest in the cargo. He did nothing again but protest to the Chinese. Shortly thereafter in 1821, while the Chinese continued measures to stop the opium trade, Wilcocks and the Americans at Canton became involved in the Terranova Affair. This crisis pointed out the futile position occupied by the consul. Distance and modes of communication virtually ruled out waiting for decisions from the United States. There was no reason to expect the State Department's concern anyway.

Instead, the consul looked to the American community at Canton for advice and counsel. During the years of American trade at Canton the American consul, himself always a merchant who possessed nothing beyond a title, had become dependant on

American merchants. Without outside authority the consul could not oppose the merchants' decisions. Also a member of that community, the consul did not wish to alienate his own countrymen. In the Terranovia Affair Consul Wilcocks immediately called together the Americans at Canton to decide his course of action. They formed a committee to advise the consul, but in reality the committee replaced the consul in dealing with the Chinese over the fate of Terranovia. When Wilcocks supported the American seacaptains, who desired to protect Terranovia at all costs, the committee no longer invited him to its meetings. Consequently, Wilcocks did not attend Terranovia's trial. Wilcocks, who in this instance took his position as consul seriously, believed his presence would indicate official approval of the trial. He previously opposed the Americans' acquiescence to allow the Chinese to try Terranovia.²⁹

After the conclusion of the affair and the death of Terranovia, Wilcocks reported all the details of the case to the Secretary of State with a request for instructions as to the consul's actions in future circumstances similar to these. Consul Wilcocks was especially concerned about the amount of authority the Consul possessed over his countrymen" ". . .I shall be glad to have your opinion as to the manner it was

²⁹For Wilcocks' despatches to the State Department concerning the Terranovia Affair, see Consular Despatches: Canton, B.C. Wilcocks, Nov. 1 & Dec. 12, 1821, Jan. 30, 1822, all with enclosures. Wilcocks' reports of the matter were very thorough.

conducted; not only in the part of my Countrymen and myself as far as I was permitted to act, but as respects the Authorities constituted over the place of my residence."

Since the matter concerning Terranovia was a new experience for the Americans, Wilcocks felt it essential "that the Consul at this port should have instructions how to act on future occasions, particularly should any part of the late proceedings appear objectionable."³⁰ Wilcocks never received an answer from the Secretary of State. He resigned shortly thereafter to drum for opium consignments among the Parsee merchants in India. Wilcocks' successor, Richard R. Thomson of Philadelphia, arrived in early 1823 to find the consular position still undefined. He also asked his superiors "to favor me with their sentiments on this subject."³¹ Thomson was no more successful than Wilcocks. Following him, American consuls merely reported, and often very sporadically, whatever they decided worthy of the State Department's attention.

Consequently, consular despatches from Canton presented a rather uneven image of American commercial relations with the Chinese. Consuls often did not even fulfill their duty of reporting semi-annually on American shipping and trade at Canton. The basic reason emanated from the tenuous position occupied by the consul in relation to other American merchants

³⁰Consular Despatches: Canton, B.C. Wilcocks, Jan. 30, 1822.

³¹Consular Despatches: Canton, R.R. Thomson, Sep. 4, 1822.

and the Chinese. Both groups recognized the consul only as a representative of American residents in China. In reality, the Americans did not allow their consul any more authority as a governmental official than did the Chinese. The latter would not acknowledge any type of foreign relations with foreign countries or with officials of these states. Out of necessity local Chinese had to communicate with the foreign merchants. They preferred one chief or taipan as intermediary. The consul usually fulfilled this role.

Likewise the Americans utilized the consul as their delegate in dealing with the Chinese. They did not regard his official duties seriously. Since the consul also engaged in trade at Canton, American merchants regarded him more as a competitor than as a representative of the American government. As a result, the consuls consistently had trouble collecting commercial statistics. The residents did not wish to give anyone else knowledge of their business. As early as 1800 Consul Samuel Snow had complained to the Secretary of State: "The secret manner of transacting business at Canton, made it almost impossible to obtain any accurate knowledge of the cargoes in the common way. . . ." Snow solved the problem by collecting the statistics from the shipmasters instead.³²

³²Snow acknowledged: "I know there was no express law that could oblige the Masters of American vessels to give in such a report. . . ." But he concluded that there was no other way to collect the commercial statistics. Consular Despatches: Canton, S. Snow, Nov. 9, 1800.

After 1815 the trade became more regular with investors and speculators employing the same master and consignee on repeated voyages. The masters were consequently more cautious in releasing information.

In 1836 Consul Peter W. Snow, son of the former consul, met the same difficulties experienced by his father. By then Americans had permeated the English markets, a circumstance which further complicated the consul's job. Snow reported in July: "Many American Ships arrive from England with full cargoes of English Goods, often times a considerable part on English account consigned to different American & English houses, they will not any of them give a list of their consignments or the amount, & it is also impossible to get the value of Export Cargoes correctly." The consul concluded that with "so many obstacles in the way, & such an unwillingness of the part of so many merchants. . .probably no statement will be made for the present season."³³

American merchants' fears that the consul might use his official knowledge for his own mercantile advantage were not unfounded. As consul, the appointee received no compensation whatever except fees for his consular duties. The latter included the legal registration of American vessels and their cargoes as well as powers of attorney. These fees hardly

³³ Consular Despatches: Canton, P.W. Snow, Jul. 15, 1836. The consular returns on American shipping and commerce at Canton are very fragmentary. Figures kept by American merchants are much more reliable.

constituted a sizable salary, amounting to less than one thousand dollars per year in the late 1830's.³⁴ The consul had to rely on his own business for his major source of income. This circumstance was not unique to the consular position at Canton but extended throughout the entire consular service. Virtually any American merchant who resided at a port could apply for the position of consul. Even if the foreign government would not recognize an American consul, the State Department would at least designate the merchant as a consular-agent. Many merchants sought an appointment for themselves or their sons in the belief that the position would be profitable to their commercial enterprise.³⁵ The consular service had early acquired a reputation for extortionate collection of fees, bribery and corruption, and unethical use of information. American merchants in the China trade continually called for

³⁴"Consular Statement of Fees Received at the Consulate of Canton," 336, 1837, 1838, 1839, 1840 (Jan.-Jun.), 1844, in Consular Despatches: Canton. These Statements of Fees covered a six-month period and were used by every American consul. Categories for which consuls received compensation included: certificates of invoices, noting protests, deposit of ships' papers, extending protests, declarations, powers of attorney, copies of documents from record, contracts, passports, certificates of citizenship, and certificates of burial. Most fees averaged under ten dollars per service.

³⁵Letter, E. Thomson to J.Q. Adams, Aug. 31, 1822, in Consular Despatches: Canton. Thomson thanked the Secretary of State "for the prompt attention paid to my request" for a consular commission to Thomson's son Richard. See also Letter, J. Balastier to A. Heard, May 20, 1834, Heard MSS.

the institution of salaried consuls at Canton, men who need not involve themselves in the trade.³⁶ But the appointment of consuls did not change throughout the nineteenth century.

At Canton, although the consuls were not exceptionally honest, their relations with the American residents generally were mutually friendly. For the most part, Americans at Canton felt that consular affairs "are of trifling importance to those at home & in fact to us here. . . ."³⁷ Most consuls or consular-agents did not serve more than a few years. Besides Wilcocks, who actually held the position for nine years 1814-23, only two other consuls resided at Canton for more than four years before 1844. These included Samuel Snow, at Canton 1794-1801, and his son P.W. Snow, at Canton 1835-40. Not much evidence exists concerning Samuel Snow, but one can safely assume that Wilcocks and P.W. Snow utilized their position for personal

³⁶ Emory R. Johnson, et.al., History of Domestic and Foreign Commerce of the United States (2 vols.; Washington, 1915), II, 271-74. Letter, American merchants to President of the United States, n.d., in Consular Despatches: Canton. Letter, J. Neal & Son to N. Silsbee, Jan. 18, 1834, Harvard Business School, Baker Library, David Neal MSS.

³⁷ Letter, T.T. Forbes to T.H. Perkins, Nov. 1, 1824, Harvard Business School, Baker Library, Forbes MSS. The worst port in terms of flagrant consular misconduct was Honolulu. Complaints were so bad that several times naval vessels were sent to the Hawaiian Islands to settle matters. Harold W. Bradley, The American Frontier: The Pioneers, 1789-1843 (Stanford, 1942), pp. 90-91. W.S.W. Ruschenberger, A Voyage around the World: Including an Embassy to Muscat and Siam in 1835, 1836, and 1837 (Philadelphia, 1838), p. 491.

aggrandizement.³⁸ Nevertheless, these consuls served the interests of the American merchants at Canton. They completely overlooked the opium trade and any American participation in it. Since this branch of trade was illegal, it encompassed many irregularities, such as improper changes in ships' papers and registers or false declarations in bills of lading and invoices. Not one consul took action to correct or even to report any illegal action.³⁹ As the foreign trade expanded to include coastal voyages and the Outer Anchorages, the consular despatches from Canton contained little notice of these important changes. Although centered on the sale of opium, this expanded trade also dealt in imported American cotton cloths and English woolen cloths.

Coincident with the expansion in the China trade in the 1830's was an increased interest in the American consular system within the American government. Under the Van Buren Administration the State Department began to investigate the consular service and discuss the regularization of the system. A logical initial step would be the institution of salaries

³⁸ Wilcocks used his position to facilitate his profits in the opium trade, although the Chinese seized one of his ships in 1821. Consular Despatches: Canton, B.C. Wilcocks, Dec. 19, 1821. In 1839 Snow defended his honesty regarding fees in response to complaints from the Department that he overcharged fees. Consular Despatches: Canton, P.W. Snow, Jul. 13, 1839. Charges against him appear in Letter, J. Griswold to D. Webster, Jun. 25, 1841, in Consular Despatches: Canton. Snow, who had to leave Canton in 1841 because of his broken health, was heavily in debt. He was able to depart when the Hong merchant Houqua paid all his debts for him.

³⁹ Charles O. Paullin, Diplomatic Negotiations of American Naval Officers, 1778-1883 (Baltimore, 1912), pp. 192-93.

for consuls and universal fees for services.⁴⁰ While the State Department lagged in making any changes among consuls, at Canton the editors of the Chinese Repository began promoting better organization of American consuls in Asia. The Repository advocated more consuls in the area with a consul-general at Macao to oversee all of them. It suggested, furthermore, that any future consul be "acquainted with the region in which he is to reside, no stranger to commercial affairs, a lover of freedom, civilization and Christianity--"⁴¹ As long as the consul's income was insufficient, he could not afford to be strictly professional nor to end his dependence on other American merchants. But the most crucial factor that demeaned the consul's position was his lack of power. Consul P.W. Snow realized this during the Opium War in the same way that Wilcocks had in 1821.

Snow, already fifty-one years old when appointed consul in 1835, had attempted to improve the performance of his duties in 1836 by delegating James P. Sturgis as American consular-agent at Macao. Hopefully Sturgis would oversee the increasing amount of American shipping and trade at the Outer

⁴⁰The State Department conducted an investigation of the consular system in the early 1830's under the initiative of Martin Van Buren but nothing resulted from it. As late as 1839 Consul Snow complained that he had no definite rules to follow in collecting fees. Consular Despatches: Canton, P.W. Snow, Jul. 13, 1839.

⁴¹Chinese Repository, VI, 2 (June 1837), 69, 79. Charles W. King, a partner in Olyphant & Co. and former consular-agent at Canton, wrote these articles for the Repository. See also Fitch W. Taylor, A Voyage Round the World (New Haven, 1855), p. 107.

Anchorage near Macao.⁴² The consul himself resided in apartments neighboring those of Russell & Co. in Suy Hong (Swedish Factory). During the opium crisis in 1839-40, Snow represented his countrymen in negotiations with the Chinese over Commissioner Lin's collection and destruction of opium and the bond he required all foreigners to sign. As Wilcocks had done earlier, Snow relied on the advice of American merchants, especially the partners of Russell & Co. He was powerless to do otherwise. When Snow counseled the Americans to leave Canton with the English in late spring 1839, they disregarded his advice and remained. The consul reported this disagreement over the course Americans should pursue to the State Department. As relations between the Chinese and the English deteriorated throughout the summer, Snow proposed that the Secretary of State despatch an agent with the requisite power to negotiate independently with the Chinese. This request was an indication of Snow's lack of authority over the American residents.⁴³

During the Opium War in 1840-41 the consul confirmed the unofficial leadership exercised by Russell & Co. Departing first

⁴²Consular Despatches: Canton, P.W. Snow, Oct. 5, 1836. Sturgis, at Canton since 1809, had been Bryant & Sturgis' agent in their Northwest trade. In 1834 he retired to Macao from where he himself speculated in the Pacific trade, including the Hawaiian Islands and the West Coast of South America. He never was very successful in the latter and his cousins in Russell & Co. aided him financially. Sturgis died in 1851 en route to the United States.

⁴³Consular Despatches: Canton, P.W. Snow, May 13 and Aug. 23, 1839.

for Macao and then for the United States because of ill health, Snow appointed the chief of the house, Warren Delano, as acting-consul. Delano had been involved in a questionable transfer of English vessels to American hands for the purpose of transporting English goods up to Canton from Hong Kong during the embargo.⁴⁴ As acting-consul, Delano did nothing. At the end of 1842 he left for a vacation to Europe and the United States, leaving another Russell & Co. partner, Edward King, in charge of American consular duties. By 1843 Snow had officially resigned his commission as consul. Subsequently, Robert Bennet Forbes secured the position for his cousin Paul Sieman Forbes. The latter Forbes simultaneously obtained a partnership in Russell & Co. In 1844 the American consul at Canton operated under the same circumstances as had all his predecessors. He still was an integral part of the American mercantile community and shared its interests. The consul continued to serve the commercial interests of American trade.

III

Before 1844 American consuls at Canton were not the only official representatives of the American government in China. Following the Revolutionary War the Navy Department periodically despatched American warships on cruises to the Indian and Pacific Oceans. The purpose of these missions was

⁴⁴Delano had deposited appropriate papers with Snow that showed purchase of the English ship, yet whether Delano actually bought the ship or merely changed its colors was not determined. His papers are enclosed in Consular Despatches: Canton, P.W. Snow, Nov. 27, 1839. Snow himself was involved in changing ships' colors without actual transfer of ownership.

to maintain a protective watch over American shipping and foreign trade. But although American trade at Canton had flourished since 1784, no naval vessel visited China or the Pacific Ocean until after the War of 1812. During the period 1789-1815 naval patrols in the Indian Ocean never reached as far as Canton before returning to the United States. Because of the limited size of the American Navy in its infancy, furthermore, very few naval vessels could be allotted for securing the East India trade. As a result the only patrols despatched beyond the Cape of Good Hope were in response to threats to American shipping during hostilities with foreign powers. In 1800 the frigate "Essex" under Capt. Edward Preble sailed through the Indian Ocean looking for American merchantmen that might fall prey to French warships in the naval war with France. Arriving at the island of Java, Capt. Preble found a group of American vessels preparing to sail westward. Subsequently the "Essex" convoyed them to the United States. Later, as the War with England approached an end in 1814-15, the Navy despatched a patrol to East India with orders to protect American vessels and to retaliate against English shipping. Of the two vessels that left New York, only one eventually reached the Indian Ocean. The sloop-of-war "Peacock" under Capt. Lewis Warrington rounded Cape of Good Hope but returned after stopping at Java.⁴⁵

⁴⁵The "Peacock" had originally left New York with the U.S.S. "President" under Com. Stephen Decatur. But shortly thereafter English warships captured the "President." Paullin, Diplomatic Negotiations of American Naval Officers, pp. 165-66.

With the rapid growth of American trade in the East Indies and China after 1815, the Navy Department commissioned a voyage in 1818 to "protect our merchantmen from the pirates that frequented the East Indies and to afford our navy an opportunity to exercise and improve its officers and sailors in navigation and seamanship." The "Congress," a frigate of 1268 tons burthen with thirty-six guns and a crew of three-hundred-and-fifty men, had orders to stop at East Indian ports important to American foreign trade. John Dandridge Henley, nephew of Martha Washington, was appointed captain of the frigate. After delivering the first American minister to Brazil at Rio de Janeiro, the "Congress" sailed across the Atlantic Ocean, into the Indian Ocean, then through the Strait of Sunda to Java Head. From Anjer Capt. Henley escorted several American merchantmen through the Strait of Banca to China. The vessels arrived in November 1819. Henley anchored the "Congress" at the island of Lintin, since the Chinese government prohibited foreign warships within the Celestial Empire's territorial waters.⁴⁶

Immediately after hearing of the arrival of the "Congress" at Lintin, the Tso-tang (Governor) of Macao reported the warship's presence to the Governor-general. Governor Chou stated that a Chinese official had "examined" Capt. Henley, who "affirmed that a great many of the ships of his country came to China to trade; that of late in foreign seas there were crowds of foreign pirates at every port and every pass, waiting to rob merchant ships. . .; and therefore he had been ordered by his

⁴⁶ Paullin, Diplomatic Negotiations of American Naval Officers, pp. 167-70.

country to cruise every where and collect information, and now having a fair wind he had taken an opportunity to come thither to get information from the merchantmen of his own country.

. . .He now waited for the orders of the resident Chief Supercargo [consul], on receiving which he would take his departure."

In reply the Governor-general claimed that "it is inexpedient to allow her to linger about and create disturbance." He ordered local civil and military authorities "to keep a strict watch on the said vessel and not allow her to approach the inner waters," and to urge the consul to hasten the frigate's departure.⁴⁷ As soon as he fulfilled his orders and obtained fresh supplies, Capt. Henley was happy to oblige the Governor-general.

In his despatches to the Secretary of the Navy, Henley expressed a lack of surprise over Chinese reaction to his arrival. He explained that the Chinese "from motives of policy have entertained an aversion to ships of war coming within their territories." But, Henley added, the Chinese "Have been latterly roused to a greater aversion than formerly" because of an incident with the English. In the winter 1816-17 Capt. Murray Maxwell in H.M.S. "Alceste" had forced his way up to

⁴⁷ Capt. Henley essentially repeated his orders to the Chinese pilot at Lintin. He had been instructed to proceed "to Canton in China, report your ship there, and after paying respect to the Government of the place, inform yourself of all American ships in port, and enter into engagement with their commanders and supercargoes to convoy them through the Straits safely, beyond the attacks of the Islanders and pirates, who infest those seas. . . ." U.S., Department of the Navy, Letters Sent by the Secretary of the Navy to Officers, 1798-1868 ("Officers of Ships of War"), Jan. 1819. This edict of Nov. 1, 1820, is enclosed in U.S., Department of the Navy, Letters Received by the Secretary of the Navy from Captains, 1805-61 ("Captains' Letters"), Capt. J.D. Henley, Nov. 15, 1820.

Whampoa by bombarding the Bogue forts.⁴⁸ Henley earlier had decided to force the "Congress" up to Chuenpe, located just outside the Bogue forts on the Pearl River. The Americans, having been denied the services of a compradore as an inducement to leave, could not procure required provisions of food, water and "spirits." But when American Consul Wilcocks informed Henley of the "Alceste" Affair, the Captain kept the "Congress" anchored at Lintin. In early December, through the intercession of Wilcocks and the Hong merchant Houqua, the Hoppo issued a chop for a compradore to attend the frigate.⁴⁹ On January 6, 1820 the "Congress" sailed for Manila. In reporting the departure to the Governor-general, local officials pointed out that the American ship had "observed the prohibition of the Chinese Govt. against going to Chuenpe. . . ." Shortly thereafter, the Imperial Court at Peking questioned the Governor-general about the visit of the "Congress." He explained to the Emperor that the frigate "was driven to Lintin by stress of weather;" he also stressed that the ship had remained outside territorial waters.⁵⁰

After a friendly welcome by Spanish authorities at

⁴⁸Capt. Maxwell and the H.M.S. "Alceste" were part of the Lord Amherst Mission in 1816. This English delegation had unsuccessfully attempted to establish political relations with the Imperial Court at Peking. The Chinese had treated the English as tribute-bearers. For a discussion of the Mission and the "Alceste" Affair, see H.B. Morse, The Chronicles of the East India Company Trading to China, 1635-1834 (5 vols.; Cambridge, 1926), III, Chap LXXIII.

⁴⁹"Captains' Letters," Capt. J.D. Henley, Dec. 14, 1820.

⁵⁰Morse, Chronicles of the East India Company, III, 360-61. There was no mention of the "Congress" or of Capt. Henley's sailing up to Chuenpe by Consul Wilcocks in his despatches to the State Department. See Consular Despatches: Canton, B.C. Wilcocks.

After a friendly welcome by Spanish authorities at Manila,⁵¹ the "Congress" cruised the South China Sea and the waters of the East Indies for six months. The frigate returned to Lintin in the autumn to convoy American merchantmen through the East Indian straits, which were infested with pirates. Once again Chinese authorities refused the "Congress" a compradore. When they even refused to answer his communications, Capt. Henley sailed up to Chuenpe. The authorities did nothing, although the Hong merchants hastened to send down supplies from Canton. As soon as his ship was ready, Henley left for the United States.⁵² Henley's action in sailing into Chinese territorial waters was singular. All other American naval vessels which visited China remained at one of the Outer Anchorages in observance of Chinese regulations. American merchants at Canton insisted that the naval commanders not interfere in the normal procedure of the "Canton system." Although the Navy despatched its vessels to China to protect

⁵¹Both Capt. Henley and his officers remarked on the much warmer welcome extended them at Manila by the authorities, although they also noted that the Spanish residents were "aloof." "Captains' Letters," Capt. J.D. Henley, Jan. 22, 1820. National Intelligencer, Jul. 29, 1820.

⁵²Paullin, Diplomatic Negotiations of American Naval Officers, pp. 181-82. Morse, Chronicles of the East India Company, III, 374. No American vessels accompanied Henley when the "Congress" left China. Paullin claims, without documentation, that Americans refused Henley's offer of convoy since they feared "to incur the hostility of the Chinese government by taking advantage of it." An alternative reason for this refusal could be the time of year in which Henley departed. In September most American vessels had just arrived in China, as this month opened the trading season at Canton. Very few vessels were prepared to depart.

American residents and their trade, the Americans did not always feel the presence of naval vessels to be in their best interest. As with their attitude toward American consuls at Canton, the merchants desired as little action on their part as possible. The merchants approved the naval visits as an indication to the Chinese of the prestige and strength of the United States. But, quite satisfied with the "Canton system," American residents did not care to disturb their relations with the Chinese. They therefore tolerated the Navy's policy of protecting Americans abroad, but they did not want any interference by the Navy in their commercial enterprise at Canton.

So throughout the 1820's and 1830's American naval vessels occasionally stopped in China as they cruised the Pacific Ocean. Between the departure of the U.S.S. "Congress" in autumn 1820 and the opium crisis in spring 1839, American naval commanders visited China four times. The second American warship to anchor outside Canton was the U.S.S. "Vincennes" captained by William B. Finch. This sloop-of-war was part of the Pacific Squadron, established in the early 1820's "for the protection of American commercial and whaling interests" in the Pacific Ocean. With its headquarters at the South American ports of Valparaiso (Chile) and Callao (Peru), the Squadron basically cruised between the coasts of South America and the Pacific Northwest and the Sandwich (Hawaiian) Islands.⁵³

⁵³ Commanders of the Pacific Squadron included Charles Stewart and Isaac Hull, who had commanded the U.S.S. "Constitution." Paullin, Diplomatic Negotiations of American Naval Officers, p. 332. The Squadron especially kept watch over Honolulu, where difficulties constantly arose over disputes among merchants, missionaries and seamen.

Infrequently, one of the Squadron's vessels would include a stop in China on its cruise. The "Vincennes," the first vessel of the Squadron to visit China, arrived from Honolulu in January 1830 for a short layover of several weeks. While anchored at Macao, Capt. Finch traveled to Canton and conferred with American residents. He asked Consul C.N. Talbot and leading American merchants for information on American commerce with China. Finch further inquired about the Americans' opinions as to regular visits by the American Navy to China.

In reply the merchants informed Finch that "the commerce of the United States with China is at present on a favorable footing." Nevertheless, they favored his idea of periodic arrivals of American warships. The merchants stated that through naval visits "our national character would be elevated in the estimation of whole Chinese Empire and the neighboring governments. . . ." American merchantmen still experienced difficulties with pirates in the seas surrounding China and the East Indies. So, besides boosting national prestige, the warships would provide protection for American trading vessels. But the merchants emphasized that only if warships observed "the same deference towards the customs of China, and conciliatory disposition as exhibited by yourself," would they have a positive impact on the Chinese. This specifically meant anchoring no closer to Chinese territorial waters than Lintin.⁵⁴ American merchants still reflected

⁵⁴ Besides Consul Talbot, American merchants signing the Letter to Finch included: James P. Sturgis, Samuel Russell, John R. Latimer, and William H. Low. Finch enclosed the letter in his despatches: "Captains' Letters," Capt. W.B. Finch, Jan. 14, 1830.

their opposition to any official American interference in their commerce at Canton and their willingness to abide by laws and regulations of the Celestial Empire. Finch despatched the merchants' advice to the Secretary of the Navy and sailed on to Manila. From the Philippines the "Vincennes" rounded Cape of Good Hope to attain distinction as the first American warship to circumnavigate the globe.

Two years after the departure of the "Vincennes" in 1832, two more naval vessels stopped in China. Both the U.S. Frigate "Potomac" and the U.S. Sloop-of-war "Peacock" were part of an expedition commissioned to bombard Quallah Battoo, a port on the coast of Sumatra (Dutch East Indies). In 1830 Sumatran natives had attacked an American merchantman and killed its crew at this port. Included in the expedition was a passenger on the "Peacock," Edmund Roberts. A New Hampshire merchant who had made a fortune in the East India trade, Roberts long had argued that the American government should conclude commercial treaties in Asia. His pressure finally succeeded when his close friend Levi Woodbury was appointed Secretary of the Navy by President Jackson in 1832. Secretary Woodbury secured a commission from the State Department for Roberts to accompany the punitive cruise as an agent with power to conclude treaties with Siam and Cochin China.⁵⁵ These states, besides China, were the only ones east of India in which Americans had commercial interests and which had remained free from

⁵⁵ Roberts' rank aboard ship was Secretary-to-the-Commander. Dennett, Americans in Eastern Asia, pp. 128-34. For Roberts' memoirs of this mission, see Edmund Roberts, Embassy to the Eastern Courts of Cochin-China, Siam, and Muscat, in the U.S. Sloop-of-War Peacock. . . during the Years 1832-3-4 (New York, 1837).

European colonialism.

In November 1832, six months after the "Potomac's" arrival, the "Peacock" with Roberts aboard reached Macao. The "Potomac," having departed the United States ahead of the "Peacock," had already bombarded Quallah Battoo and left Macao for Hawaii. Commodore John Downes had remained only a short period, during which American Consular-agent Charles King resigned because Downes did not call on him first.⁵⁶ The "Peacock" also only stayed long enough to resupply and acquire the English missionary J. Robert Morrison to interpret for Roberts.⁵⁷ For the next forty-two months Roberts visited Cochin China, Siam, Batavia and the coast of Africa before he returned to Macao, where he died in June 1836. Rebuffed in Cochin China, which still paid tribute to China, Roberts had secured treaties in Siam and Muscat (Arabia). These treaties had little impact on American commerce, since American traders visited these countries very infrequently. The Roberts Mission hardly affected the American China trade. Roberts did not even go up to Canton while he was at Macao. He was not welcome at Canton, because Americans there wanted no diplomatic or naval agent causing a disturbance in their affairs at Canton.

⁵⁶At Canton, Downes was a guest of Russell & Co. Consular-agent C.W. King of Olyphant & Co. later wrote an article in which he argued that consuls should have a "discretionary power" over naval officers. Chinese Repository, VI, 2 (June 1837), 80. Letter, A. Heard to S. Russell, May 31, 1832, Heard MSS.

⁵⁷Roberts had corresponded with Morrison before he began the mission. At Canton the English, unaware of Roberts' commission, surmised that the American naval vessels had come to China in response to "the probability of hostilities with the Chinese." During the previous year a crisis had arisen between the English and Chinese over English refusal to obey Chinese regulations. Canton Register, V, 8 (Jun. 15, 1832).

Elsewhere, though, the cruise of the "Potomac" and the "Peacock" aroused interest in establishing a naval squadron in Southeast Asia. American consuls in the major East Indian ports of Batavia and Singapore especially supported an East Indian Squadron. In 1834, after Edmund Roberts and the "Peacock" had left Batavia, Consul Owen M. Roberts expressed to the State Department his approval of a stronger naval presence in the Indies. He wrote that "Batavia's geographical situation combined with the value of the trade carried on in American vessels, passing and repassing the Straits of Sunda in our immediate neighborhood seem of themselves to indicate. . .the necessity of our having some naval force here, which at the same time could afford protection to the not inconsiderable trade with the west coast of Sumatra."⁵⁸ Shortly thereafter England allowed Americans to trade at Singapore and the newly-appointed American consul urged more naval protection. Besides advocating Singapore as an excellent station for the squadron, he suggested that naval vessels could visit all East Indian ports, including Canton and Manila.⁵⁹ Increased American trade

⁵⁸Consular Despatches: Batavia, O.M. Roberts, Nov. 8, 1834. The former American consul at Batavia, John Shillaber, had lobbied for American naval presence in the East Indies and for American diplomatic relations with the various independent states there. He had hoped to obtain the commission given to Edmund Roberts. Informed of the latter's appointment, Shillaber resigned as consul and moved to Canton, where he joined the English house Jardine, Matheson & Co. Consular Despatches: Batavia, J. Shillaber, Oct. 21, 1829, Dec. 10, 1830, May 31 & Jul. 1, 1831.

⁵⁹Consular Despatches: Singapore, J. Balastier, Aug. 3, 1837, Jun. 4, 1838.

in Southeast Asian ports influenced these men to argue for a stronger Navy. This larger trade emanated from the expanding American trade at Canton. At this time American commission houses at Canton, already prospering, began to extend their interests to Batavia, Manila and Singapore. But there was no support for the establishment of an East Indian squadron at Canton.

Other proponents for the new squadron included officers who had served on the "Potomac" and the "Peacock." Two of these men published accounts of their cruises after returning to the United States.⁶⁰ Both authors voiced the same arguments as those expressed by consuls in East Indian ports. American commerce east of Cape of Good Hope, now worth ten million dollars yearly, required the "constant vigilance and protection of the government."⁶¹ But these men visualized competition from the English as great a threat to American foreign trade as pirates or foreign governments. This especially applied to the China trade, with the dissolution of the East India Company's monopoly in 1834.⁶² The Navy Department responded in the mid-1830's with the creation of the East

⁶⁰J.N. Reynolds, Voyage of the United States Frigate Potomac, under the Command of John Downes, during the Circumnavigation of the Globe, in the Years 1831, 1832, and 1834 (New York, 1935) and W.S.W. Ruschenberger, A Voyage round the World: including an Embassy to Muscat and Siam, in 1835, 1836, and 1837 (Philadelphia, 1838).

⁶¹Ruschenberger, Voyage round the World, p. 240.

⁶²Reynolds, Voyage of the United States Frigate Potomac, pp. 384-85. Ruschenberger, Voyage round the World, p. 388.

Indian Squadron, in addition to the Pacific Squadron.

Following the "Peacock," the next American vessels to visit China were members of the new Squadron. In April 1839 the U.S.S. "Columbia" under Commodore George C. Read arrived at Macao. Accompanying the frigate was the U.S. Sloop-of-war "John Adams". The Commodore and his vessels were on a routine cruise among East Indian ports. At Singapore in March Read received advices from the American consul that he should sail directly to China instead of Manila. The opium crisis at Canton had prompted these orders. By the end of March Commissioner Lin Tse-hsü had confined all foreigners to the Foreign Factories until they should surrender their opium. At first all the foreign residents, including the Americans, feared severe action by the Chinese. Immediately after the Commissioner's first demand for opium, American Consul Snow had written to the State Department asking for naval protection of American lives and property at Canton. But, knowing that his despatch would not reach Washington until late summer, Consul Snow also sent despatches to American consuls at Singapore and Manila. He asked these consuls to divert the East Indian Squadron to China as soon as possible. Read set sail in early April for China. Explaining his actions to the State Department, the consul at Singapore concluded that "the presence of so respectable a force in the waters of that Empire cannot fail to

afford security, for the time, to our countrymen there."⁶³

Commodore Read anchored his vessels at Macao on April 28, 1839. By the time he arrived, the crisis had subsided. Capt. Charles Elliot, the English Superintendent of Trade, had ordered the English to surrender their opium and deliveries of the drug had begun. The Americans understood that the Commissioner would shortly allow the chop boats, or lighters, to travel between Canton and Whampoa. This meant they could load and despatch their vessels. As a result of these circumstances, when Read announced the Navy's presence at Macao, Consul Snow advised the Commodore to remain there. The Americans at Canton, no longer fearing the Chinese, wanted naval assistance at Canton only if violence were perpetrated on them. In fact they did fear that an attempt by the Navy to force its way past the Bogue forts would result in riots at Canton.⁶⁴ Nevertheless, the Americans approved the vessels' presence at Macao. The crisis had not completely abated and the residents felt secure with American warships ready to protect them if necessary.⁶⁵

⁶³Consular Despatches: Canton, P.W. Snow, Mar. 22, 1839; Consular Despatches: Singapore, J. Balastier, Apr. 1, 1839; Consular Despatches: Manila, H.P. Sturgis, Apr. 21, 1839. The latter consuls sent reports of the situation at Canton, lest those from Snow not reach the United States. Snow's request for naval protection did not necessarily reflect the attitude of other Americans, as the consul often tended to be very excitable. Once the naval vessels arrived though, the Americans did not oppose their presence.

⁶⁴Foreigners feared that an incident caused by the Navy would provide an excuse for rioting mobs to plunder the Factories, in which the merchants stored tremendous amounts of gold and silver bullion. Taylor, Voyage Round the World, pp. 87-88.

⁶⁵Letter, Russell & Co. to J.M. Forbes, May 13, 1839, Forbes MSS. Consular Despatches: Canton, P.W. Snow, May 13 and 22, 1839.

In response to Consul Snow's request, Com. Read kept his vessels anchored at Macao. During May and June, although the English handed up all their opium, they left Canton and refused to resume trading with the Chinese. At issue was Commissioner Lin's demand that the foreign merchants sign a bond in which they forswore any involvement with opium. The Americans agreed to sign the bond and remained at Canton, whereupon the Chinese eagerly reopened the trade to them (before they actually signed.) As soon as the Commodore heard of a potential settlement between Americans and Chinese, he decided the Squadron's presence was no longer necessary. Writing to Robert Bennet Forbes, the chief of Russell & Co. and the unofficial spokesman of the Americans at Canton, Read explained: "The moment I hear of the Bond being suspended with and our Merchants again pursuing their business quietly & peaceably, I shall feel myself at liberty to depart." The Commodore added his own belief that the Americans should not sign the Commissioner's bond. He claimed that "I should not be disposed to put my name to such an Instrument were I even obliged to return to the United States without a cargo."⁶⁶ Disagreeing with Read about the bond, the merchants felt their cargoes to be of primary importance. Nevertheless, they did not want his Squadron to leave.

Receiving Read's letter, Forbes wrote back that the trade was not yet fully restored. He emphasized that Read had stated

⁶⁶Letter, Com. G.C. Read to R.B. Forbes, Jun. 26, 1839, Boston, Museum of the American China Trade, Forbes Family MSS. Read had received orders from the Secretary of the Navy to sail to the Society Islands to investigate an incident involving the American consul.

the Squadron would not leave until matters at Canton were settled for the American merchants. The Commodore, having lain at anchor for over two months and kept out of events at Canton, impatiently retorted: "I have become sick and tired of lying here--Do, settle matters in some way or other to let me set off. If you can do nothing better, try to make the Chinese commit some act of hostility so as to give us something to do."⁶⁷ By mid-July the merchants had resolved all matters with the Chinese without Read's assistance, but they once again requested that the Navy stay in China. They presented a signed petition that Read at least leave the sloop "John Adams" if the "Columbia" must depart. The Americans claimed the threat of hostilities between China and England might impinge on their own interests.⁶⁸ Read felt he had fulfilled his duties in China and must proceed on his cruise. Subsequently, he announced his intention of an immediate departure. His last advice to the Americans included an admonition to keep themselves and their trade separate from English interests.⁶⁹

⁶⁷ Letter, Com. G.C. Read to R.B. Forbes, Jul. 4, 1839, Forbes Family MSS.

⁶⁸ Apparently American merchants also anticipated a crisis between the United States and England. They wrote to Read: "We are, daily, expecting important intelligence from England, bearing upon the question of hostilities between the United States & that power. . . ." Letter, American merchants to Com. G.C. Read, Jul. 15, 1839, in "Captains' Letters," Com. G.C. Read, Jul. 23, 1839. Signers of the letter were: Russell, Sturgis & Co., Russell & Co., John D. Sword, Gideon Nye, A.A. Ritchie, James Ryan, S.B. Rawle and Joseph Hills.

⁶⁹ Letter, Com. G.C. Read to American merchants, Jul. 28, 1839, in "Captains' Letters," Com. G.C. Read, July 23, 1839. Taylor, Voyage Round the World, pp. 189-90.

On August 6, 1839 the East India Squadron left Macao. No American naval vessels appeared in China during the Opium War. The Americans shuttled between Macao and Canton as the War vacillated between stalemate and hostilities. They would have preferred to have a naval vessel nearby to protect them. Their attitude had changed from their earlier apathy towards naval assistance. Indicative of such a change was Russell & Co.'s statement to the house's correspondents before Read's departure: "We think the presence of the men of war have for once been useful here, & we shall much regret our being left without any protection."⁷⁰ Events during the spring and summer of 1839 had presaged fundamental changes in the "Canton system" of trade and the basis of relations between foreigners and Chinese. The Americans began to realize that the English would not consent to trade with the Chinese under the old rules and regulations. Chinese military incompetence in the Opium War confirmed the end of the "Canton system." American merchants concluded that, with circumstances in flux in China, their interests required protection. Unlike their position in the 1820's and early 1830's, they now wanted the Navy in China. But, as they discovered with Com. Read, their change in attitude could not be effected easily.

Operating under the handicaps of distance and poor communication, naval commanders in Asia received vague and general instructions. Read had complained to Bennet Forbes that he was

⁷⁰Letter, Russell & Co. to J.M. Forbes, Jul. 12, 1839, Forbes MSS.

"sent to sea with orders to go here & there & come home again without going into detail of the objects to which this squadron should devote itself--"⁷¹ Naval commanders were more or less free to determine their own actions to protect American persons and property abroad. But they were prohibited from entering into any diplomatic action, so they usually respected the recommendations of American merchants and consuls. In 1839-40 American merchants at Canton knew that, to obtain a change in policy, they must seek a change in attitude on the part of the American government.

IV

On January 9, 1840 Rep. Abbot Lawrence (Mass.) requested from the House permission to submit a memorial from a group of American merchants at Canton. The House agreed to accept the memorial and referred it to the Committee on Foreign Affairs.⁷² Written during the opium crisis between Commissioner Lin and the foreign merchants at Canton, this letter to Congress reflected the indignation and apprehension experienced by Americans confined to the Foreign Factories for over a month. The signers noted their strong opposition to the opium trade and their desire "to see the importation and consumption of opium in China entirely at an end."⁷³ But these Americans, outraged

⁷¹Journal of R.B. Forbes, May 23, 1839, Forbes Family MSS.

⁷²U.S., Congress, House, 26th Cong., 1st sess., Jan. 9, 1840, Congressional Globe, 109.

⁷³U.S., Congress, House, Committee on Foreign Affairs, A Memorial from American Merchants at Canton, China, Jan. 9, 1840, H. Doc. 40, 26th Cong., 1st sess., 1840-41. All quotations regarding the letter are from this citation.

by Chinese tactics aimed at ending the drug trade, complained:

"The measures of the Imperial Government should have been directed first against its own officers, who have been engaged and most active in the trade; but, taking advantage of the unprotected state of the foreign community at Canton, the commissioner has proceeded in his high-handed measures, regardless alike of the respect due to the representatives of the foreign powers resident in Canton, and of the laws or customs and usages that have heretofore been observed and considered the chief guaranties for the safety of the foreign trade." Consequently, the signers of the memorial believed that the United States government should express its disapproval of Chinese actions at Canton. The memorial suggested to Congress that the United States "act in concert with the Governments of Great Britain, France, and Holland, or either of them, in their endeavors to establish commercial relations with this empire upon an honorable and safe footing. . ."

In this last statement, those Americans who signed the memorial⁷⁴ appeared to have called for a policy of co-operation

⁷⁴Signers of this memorial included: Russell Sturgis, Warren Delano, Gideon Nye, Robert Bennet Forbes, Abbot A. Low, Edward King, S.B. Rawle and James Ryan. These men represented a minority of American merchants at Canton. Forbes, Low and King were in Russell & Co. and Sturgis and Delano were in Russell, Sturgis & Co. The others were single agents. These men signed themselves as private citizens, not representatives of particular houses. One assumes that Forbes composed the letter, since Lawrence introduced it as "a memorial from R.B. Forbes and others," He was probably the most influential American at Canton during the opium crisis. But one cannot assume that the memorial had the complete approval of all Americans at Canton. For instance, no member of Wetmore & Co. or Olyphant & Co. signed the letter.

with the English. Such a position is interesting, because it indicates an apparent departure from the strong opposition most American merchants in China had declared to co-operation with English interests. Throughout the opium crisis the American merchants as a community remained aloof from the English. Americans clung tenaciously to this stance when the English decided to leave Canton in late May. Asked by the English Superintendent of Trade to support the English by accompanying them, the Americans all refused. The question then is why Americans requested their own government to support the English.

American residents were highly incensed at their treatment by the Chinese. They had willingly adhered to Chinese regulations without opposition; they had traded at Canton on Chinese terms. Throughout the years American traders and merchants had attempted to maintain good relations with the Chinese authorities. They believed that the Chinese had reciprocated with a friendly attitude. When Commissioner Lin demanded the surrender of all opium in foreign hands, the Americans expected him to accept their word that they possessed none. Russell & Co., which had been holding opium owned by English speculators, had immediately transferred the drug to the English Superintendent. Consequently, Commissioner Lin's refusal to believe the Americans' avowal that they possessed no opium, plus his indiscrimination in treating all foreigners alike, infuriated the Americans. Although content to abide by Chinese laws, even those contrary to Western concepts, Americans believed that Commissioner Lin's actions had exceeded the limits of the "Canton system."

When these Americans despatched this memorial in late May, their primary motive was to retaliate against the Chinese authorities for their arrogant actions. The obvious reprisal would have been to leave Canton, along with the English merchants, and refuse to trade with the Chinese. But the Americans' commercial pragmatism precluded this alternative. Aware of the probable despatch of an English fleet to China in support of English merchants, Americans merely suggested that the United States join the English. At the time they composed the memorial, the signers must have realized the unlikelihood of the American government's pursuing such a policy. The biggest concern in their minds was the apprehension that, because of military power, the English would obtain commercial concessions from the Chinese government. Extremely conscious of competition, the Americans feared losing their preferred status in Chinese eyes. Only through their cultivation of Chinese friendliness had Americans been able to build a competitive and profitable trade at Canton to rival that of English merchants. By defeating the Chinese militarily, the English fleet could easily erase the one advantage which Americans possessed. Nevertheless, Americans knew they could not deter the English from their chosen course of action. As a result the Americans wanted to receive part of any concessions forced from the Chinese by the English. On the other hand, they did not desire to relinquish their commercial profits under the old system as long as it operated.

Their overriding concern for a secure position in the

future Canton trade was manifest in the Americans' memorial to Congress. The signers wrote that, if the American government did not wish to involve itself in matters at Canton, Congress at least should despatch an agent with adequate commercial knowledge. More importantly, the Americans requested that he be accompanied by a naval force. Although the merchants proposed naval co-operation with the English, they feared the actions of the English fleet at Canton. In the memorial the signers asked for "a sufficient naval force to protect our commerce and our persons from being held responsible for the acts of lawless traders and hostile operations of the British or foreign fleet. . . ." The signers also feared a paper blockade which would impede American commerce. Voicing their primary worry, the Americans desired naval assistance "to secure participation in any privileges which this Government may hereafter be induced to cede to other powers." At the end of May 1839 though, the Americans could not be certain as to future events in China. What did occur was a tremendous increase in trade for American merchants, who acquired the absent English merchants' business. At the same time, Com. Read with the U.S.S. "Columbia" and U.S.S. "John Adams" lay at anchor at Macao. None of the Americans sent any more proposals or requests to Congress. They were content, for the present, with the situation as it was. Although they approved of Com. Read's presence at Macao, they did not want American naval vessels inside Chinese territorial waters. As long as the "Canton system" continued to govern the foreign

trade, the Americans would obey its regulations.⁷⁵

When Congress received the merchants' memorial, the issues of American trade at Canton and the opium crisis were new and uncommon. The House had not discussed China since the 1820's and only then in the context of the Pacific Northwest. Although the Representatives agreed to print the memorial submitted by Lawrence, they quickly shunted the letter to the Committee on Foreign Affairs for consideration. Whether the Committee discussed the matter at all is not known,⁷⁶ but a month after Lawrence's resolution a member of the Committee rose in the House with further resolutions. On February 10, 1840 Francis S. Pickens resolved that the House request from the President any information "relating to the condition of the citizens of the United States doing business during the past year in China, the state of the American trade in that country, and the interests of the people and commerce of the United States,

⁷⁵At the same time that Forbes signed the memorial to Congress, he noted in his journal the separate identity possessed by Americans at Canton as favorable and profitable. He advocated the Americans' maintaining a position that avoided any connection with the English. In this way the Americans could remain at Canton, trade under the old system, and reap tremendous profits. Journal of R.B. Forbes, Apr. 19, 1839, May 25, 26 and 28, 1839, Forbes Family MSS. The journal gives a truer indication of American attitudes in 1839. In sending the memorial, the merchants must have been aware of past Congressional apathy and lethargy regarding Americans and their trade at Canton.

⁷⁶During this period the only records kept concerning Congressional Committees were printed documents presented to them. If the Committee made a report, it appears in the minutes of Congressional sessions. Otherwise, one must assume the Committee took no action.

as affected by the recent measures of the Chinese Government for the suppression of the contraband or forcible introduction of opium into China." The resolution also asked the President for any information about British intentions in China, especially concerning a blockade of Canton. Pickens offered a second resolution that the Secretary of the Treasury transmit to the House a statement of the commerce and navigation between the United States and China, from 1821 to 1839 inclusive, "accompanied by statistics concerning the value and quantity of imports and exports for each year."⁷⁷ The obvious motivation for such an inquiry by the House was the memorial sent to Rep. Lawrence.

Two weeks after the House approved Pickens' resolutions, the President complied with the request and despatched a group of documents to Congress. The documents, immediately handed over to the Committee on Foreign Affairs, consisted of Consul P.W. Snow's despatches to the State Department during the period March-September 1839 and Com. Read's despatches to the Navy Department during the summer of 1839.⁷⁸ Four months later, on July 1, the House received a set of documents concerning American trade with China in the 1820's and 1830's. These, too, were sent to the Committee of Foreign Affairs.⁷⁹ During the five months between Pickens' resolutions calling for information regarding

⁷⁷U.S., Congress, House, 26th Cong., 1st sess. Feb. 10, 1840, Congressional Globe, 172.

⁷⁸U.S., Congress, House, Committee on Foreign Affairs, Trade with China, Feb. 10, 1840, H. Doc. 119, 26th Cong., 1st sess., 1839-40

⁷⁹U.S., Congress, House, Committee on Foreign Affairs, China Trade, Jul. 1, 1840, H. Doc. 248, 26th Cong., 1st sess., 1839-40.

circumstances in China and the House's reception of relevant documents, Congress expressed virtually no concern for Americans or their trade at Canton. In the meantime the House had received another memorial from American merchants in the China trade asking for governmental assistance.

Introduced again by Abbot Lawrence,⁸⁰ this second memorial reflected the opinions of American merchants in the United States. Many of the signers, representing houses in Boston, Salem and New York, had previously resided at Canton.⁸¹ The purpose of this memorial was two-fold. Primarily, the merchants reiterated the request of their associates at Canton for naval protection. These men substantiated the predictions made by Americans in 1839 that the English would despatch a fleet to China with orders to retaliate militarily against the Imperial government. As evidence, the signers offered "intelligence recently received from undoubted sources in China, part of which only has appeared in the public prints." The commander of the English fleet, which had sailed from India, had power to blockade the port of Canton. This memorial concluded "that, upon the general ground of protection to our citizens and property from the violence and disorder which always accompany war, American

⁸⁰ Levi Lincoln of Massachusetts actually introduced this memorial to the House in the name of Lawrence, who was ill. 26th Cong., 1st sess., Apr. 9, 1840, Congressional Globe, 311.

⁸¹ Although the title of the memorial claimed the signers to be from Boston and Salem, a perusal of the signers (thirty-six individuals and houses) indicates merchants from New York as well. U.S., Congress, House, Committee on Foreign Affairs, China Trade,--Merchants of Boston and Salem, Massachusetts, Apr. 9, 1840, H. Doc. 170, 26th Cong., 1st sess., 1839-40. All quotations regarding the letter are from this citation.

interests require the presence of a respectable national force in the Chinese waters."

But, the signers of this memorial stated that "they would most earnestly deprecate the delegation to its commander, or to any other person at this time, of any powers to interfere in the contest between England and China, or to enter into any diplomatic arrangement whatever." Instead, they advocated that the government postpone any action until the outcome of hostilities between the English and Chinese were known. Removed from Canton but familiar with the "Canton system," these merchants were hesitant to support policies that might antagonize the Chinese authorities. These Americans could not be certain that the English might not retreat from their threats even in this incident, as they had on previous occasions. Merchants in the China trade did not want Americans at Canton to suffer retaliation from the Chinese because of their connection with the English.⁸² The signers therefore cautiously advised Congress not to initiate any action contrary to the "Canton system." Of course, these men could not know that the English had arrived in China and the Opium War had begun.

Whether heeding the advice of the second memorial or not,

⁸²The merchants publicly expressed a very cautious attitude. Privately, they believed the English would eventually be victorious. Most of them agreed that, after Chinese actions in the opium crisis regarding the foreigners' confinement, Chinese pride and superiority could afford a blow. See Letter, A.A. Low to R.B. Forbes, Nov. 9, 1840, in The China Trade Postbag of the Seth Low Family of Salem and New York, 1829-1873, ed. by Elma Loines (Manchester, Maine, 1953), p. 83. Letter, J.P. Cushing to Baring Brothers & Co., May 23, 1840, Bryant & Sturgis MSS. Cushing did not sign the memorial of April 9, 1840.

Congress nevertheless did not impel the Executive to appoint a diplomatic agent to China. By July the House Committee on Foreign Affairs possessed all the requested documents. Yet the Committee took no action. A new session of Congress convened in December and another Representative again broached the situation in China. On December 16, 1840 John Quincy Adams proposed that the President transmit more documents to the House. Adams, who averred that he "wished to know the exact footing on which we stand" in relation to China, solicited information on the position of past American consuls at Canton. He claimed to be "actuated by no motive but a desire for information as to what was passing between the United States and China at this time, and whether any officer, representing the interests of this country, had been recognized by that power."⁸³ The President, responding favorably at the end of January 1841, transmitted selected consular despatches from the State Department and Com. Read's despatches from the Navy Department. As usual the House voted the documents over to the Committee on Foreign Relations.⁸⁴ Congress took no further action.

Although Congress restricted itself to investigating affairs in China, American interest in the situation at Canton increased throughout 1840-41. Peter Parker, who returned to

⁸³Adams originally asked only for State Department documents. His resolution passed only after he accepted an amendment from Caleb Cushing to include a request for documents from the Navy Department. 26th Cong., 2nd sess., Dec. 16, 1840, Congressional Globe, 28-29.

⁸⁴U.S., Congress, House, Committee of Foreign Affairs, Political Relations between the United States and China, Jan. 25, 1841, H. Doc. 71, 26th Cong., 2nd sess., 1840-41.

the United States in 1840, traveled to Washington, where he lobbied for an American diplomatic mission to China. Various members of the Van Buren Administration, including the President, granted Parker appointments. But all of them evaded committing the government to any action. Parker, in the United States for eighteen months did not relent. After the election of 1840 he solicited assistance from Daniel Webster and John Quincy Adams in securing a diplomatic mission. Representing only himself and his missionary associates at Canton, Parker did not receive any encouragement from these men either, although Adams conceded that he might support "an intelligent & discreet & spirited informal commissioner" to investigate opening relations with China.⁸⁵

Later that year Adams publicly expressed himself on the Opium War. In a speech before the Massachusetts Historical Society, Adams claimed that the opium trade was not the major cause of the Opium War. Adams argued: "The cause of the war is the pretension on the part of the Chinese, that in all their intercourse with other nations, political or commercial, their superiority must be implicitly acknowledged, and manifested in humiliating forms." Concluding that such an attitude by the Chinese was uncivilized and unchristian, Adams strongly supported the English hostile policy of forcing China to treat foreigners on an equal basis. For Adams, the "Canton system" of trade was an "enormous outrage upon the rights of human nature, and upon

⁸⁵Claude M. Fuess, The Life of Caleb Cushing (2 vols.; Hamden, Connecticut, 1965), I, 405-06. Letter, P. Parker to J.Q. Adams, Mar. 15, 1841, in Niles' Weekly Register, LX, 4 (March 27, 1841), 50, gives a sample of Parker's arguments.

the first principle of the rights of nations. . . ." Concerning the role of the United States in War, although Adams claimed that he would "leave [it] to your meditations," there was little doubt that he advocated American support for the English.⁸⁶ Adams spoke as a member of the Society, but his speech evoked a response of outrage among many Americans, most of whom did not desire any American involvement in China. His speech had little noticeable effect on Washington, though it did serve Adams' purpose of arousing greater interest in China. The real catalyst in forcing the Administration to act was the conclusion of the Treaty of Nanking in 1842. When President Tyler and especially his Secretary of State Daniel Webster received news of this Treaty, they realized that the United States must also change the basis of its relationship with the Celestial Empire. The American government must now act diplomatically to protect American commerce at Canton.

⁸⁶Some publications even refused to print Adams' speech. Editors of the Chinese Repository pointedly stated they would print the speech, although they strongly disagreed with its argument that opium was not the cause of the war between England and China. Chinese Repository, XI, 5 (May 1842), 274-89.

CHAPTER VIII

KEARNY, CUSHING AND THE END OF THE "CANTON SYSTEM"

In November 1840, while Congress pondered the significance of the Opium War, the Secretary of the Navy ordered a squadron to Canton to protect American residents in China. News that the English fleet had blockaded Canton and hostilities had erupted between the English and Chinese prompted this response. Lacking adequate means of communication with China, the Van Buren Administration feared that the War threatened American lives and property. Secretary of the Navy James K. Paulding designated Commodore Lawrence Kearny to command a squadron composed of the U.S.S. "Constellation" and U.S.S. "Boston." Paulding instructed Kearny that, while protecting Americans in China was the squadron's primary mission, he should assiduously respect and observe the laws of the Celestial Empire. Kearny's orders included a very important addendum. Once in China he must convince the Chinese and foreign residents that one objective of his cruise was "to prevent & punish the smuggling of opium into China either by Americans or by other nations under cover of the American flag."¹ The Navy Department's desire to maintain the American position of strict neutrality in the Opium War determined this injunction.

¹U.S., Department of the Navy, Letters Sent by the Secretary of the Navy to Officers, 1791-1868 ("Letters to Officers of Ships of War"), Nov. 2, 1840.

Although American officials certainly knew about the opium trade in China, neither the Navy nor the State Department was aware of the deep American involvement in that trade before 1839.² American merchants who petitioned Congress in May 1839 did not disclaim American participation in the opium trade. But they emphasized that they condemned a revival of the drug trade and, in support of this end, they had voluntarily signed pledges to forego further trade in opium.³ Kearny and the Navy Department did not realize that Americans observed their pledges only during the early stages of the Opium War. The English, although they had assured Imperial Commissioner Lin Tse-hsü in March 1839 that they would end shipments of opium, had resumed opium speculation within several months. In November 1839, when hostile incidents between English and Chinese were still sporadic, an American merchant reported from Macao that "the opium trade is flourishing vigorously--" The leading English houses of Jardine, Matheson & Co. and Dent & Co. were receiving larger quantities of the drug from Bombay and Calcutta than they had

²American consuls at Canton rarely mentioned the opium trade in their despatches to Washington. In 1832 Com. John Downes, visiting China in the U.S.S. "Potomac," noted the American receiving-ship "Lintin" anchored at the island of Lintin. Downes notified the Navy Department that American merchants utilized the ship "to receive and dispose of opium. . . ." But the Department took no action. J.N. Reynolds, Voyage of the United States Frigate Potomac, under the Command of John Downes, during the Circumnavigation of the Globe, in the Years 1831, 1832, 1833, and 1834 (New York, 1835), p. 338.

³U.S., Congress, House, Committee of Foreign Affairs, A Memorial from American Merchants at Canton, China, Jan. 9, 1840, H. Doc. 40, 26th Cong., 1st sess., 1840-41.

imported previously.⁴ In fact, this trade never completely stopped. Reports of opium smuggling emanated from Macao in August, three months after Lin's destruction of the drug at Canton.⁵

American merchants refrained from the opium trade during 1839-41 because of commercial necessity. Robert Bennet Forbes, chief of Russell & Co. for part of this period, wrote that American merchants retired from the opium trade "as soon as they found it for their interest to do so, fearing that it would endanger their regular business. . . ." Once the English vacated Canton, the Americans, "knowing that they would be in the powers of the local authorities at Canton," had greater reason to avoid trafficking in opium.⁶ Their profits from the regular trade, now an American monopoly, were too large to lose. But the English at Macao and then at Hong Kong had nothing to gain from stopping their share of the drug trade. They first sustained the contraband trade from Macao. As strained relations with the Chinese finally deteriorated to the point of war, the English concentrated their opium trade along the China coast. Value of

⁴Letter, J. Coolidge to A. Heard, Nov. 29, 1835, Harvard Business School, Baker Library, Heard MSS. Coolidge claimed that in September 1839 Jardine, Matheson & Co. earned one million pounds sterling from the sale of opium. He explained that "this sounds large, but there must be some foundation for it, for I heard it from an enemy."

⁵Extract of Letter, W.P. Peirce to L. Saltonstall, Aug. 4, 1839, Library of Congress, Caleb Cushing MSS.

⁶R.B. Forbes, Remarks on China and the China Trade (Boston, 1844), pp. 50, 54-55. As of March 1840 Russell & Co. had not resumed any trade in opium. Before the crisis in 1839, that house had possessed the major share of the American opium trade. Letter, R.B. Forbes to S. Cabot, Mar. 3, 1840, Massachusetts Historical Society, Samuel Cabot MSS.

the drug, more difficult to obtain during the Opium War, increased over one-hundred percent. Ironically, the War impelled the trade to grow "more rapidly than ever before," as Chinese authorities concentrated their efforts on combatting the English Navy. In 1841 the English merchants anchored their opium vessels at Hong Kong, where they operated beyond the reach of local Chinese officials.⁷

As the Opium War progressed, American merchants' attitudes toward the opium trade changed. By the spring of 1842, if not earlier, Americans once again began to speculate in the drug. American opium clippers reappeared along the coast. Russell & Co. and A. Heard & Co. were the first American houses to re-enter the business, although they confined their trade entirely to the coast to avoid the risk of apprehension at Whampoa. Americans also sold their clippers to English houses, especially Jardine, Matheson & Co., for use in the opium trade. Some of these clippers continued to fly American colors in the hope that the American flag would grant greater access to trade.⁸

⁷U.S., Department of State, Consular Despatches: Canton, P.W. Snow, Jan. 11, 1840. Letter, E.C. Bridgman to American Board of Commissioners, Jul. 1, 1841, in Missionary Herald, XXXVIII, 3 (March 1842), 101. Bridgman wrote that the opium trade was "increasing now more rapidly than ever before." American missionary David Abeel described the English opium fleet's anchorage near Hong Kong in Journal of D. Abeel, Feb. 13, 1842, in Missionary Herald, XXXVIII, 12 (December 1842), 465.

⁸Letter, J.P. Cushing to R.B. Forbes, Jun. 1, 1842, Boston, Museum of the American China Trade, Forbes Family MSS. In this letter Cushing declined an offer to join the Forbeses in opium speculations. Letter, A. Heard to G. Lee, Feb. 10, 1842, Heard MSS.

The reasons for renewed American participation in the opium trade were commercial. By 1842 Americans realized that the Chinese were unable to prevent the drug trade. Chinese attempts to thwart the English militarily had been inadequate. The opium trade still grossed more profit than any other branch of trade at Canton. Events had outrun the circumstances which Kearny expected to find in China.

Kearny arrived at Macao on March 22, 1842. His passage of over a year had included stops on the east coast of Africa, the East Indies, and Manila to investigate commercial conditions at various ports.⁹ While the squadron was en route to China, the English had virtually won the Opium War. By March 1842 the English fleet had captured the Chinese ports of Amoy, Ningpo, Tinghai, and Chin-hai and had forced the Chinese authorities at Canton to ransom their city. After receiving the ransom, the English sailed north to Shanghai to recommence operations. At Canton the authorities opened the trade again to American vessels. For Americans, commerce resumed under pre-war conditions, which required no interference by a naval commander. Nevertheless, Kearny, who at age fifty-two had been in the Navy for almost forty years, regarded his orders as binding. The first matter

⁹Kearny reported that the Dutch were expanding their control in the East Indies and that the French were gaining control over Madagascar. At Sumatra the Commodore complained of American merchants' cheating the natives in the pepper trade. U.S., Department of the Navy, Letters Received by the Secretary from Commanding Officers of Squadrons, 1841-46 ("Squadron Letters"), East India Squadron, Jan. 25, 1842.

to attract the Commodore's attention was the opium trade.

Two days after the squadron's arrival, the Hong Kong Gazette, an English commercial newspaper, published one of its frequent shipping reports. Such reports included vessels engaged in the opium trade. The report which Kearny noticed listed an American vessel as an opium trader. Kearny quickly addressed a note to the American vice-consul at Canton with an admonishment to make "known with equal publicity, & also to the Chinese authorities, by translation of the same, that the Government of the United States does not sanction 'the smuggling of opium' on this coast, under the American flag, in violation of the laws of China." The Commodore emphasized that any American vessel seized by the Chinese could not "find support in interposition" from the naval squadron.¹⁰ This note to Vice-consul Warren Delano hardly constituted a significant threat to the opium trade, since it contained nothing new. Unlike English merchants, Americans had never sought governmental protection for their share of the opium trade.

Before Kearny could further investigate American vessels trafficking in opium, he had to deal with another matter. In the spring of 1841 the Chinese had seized two American merchants, Joseph C. Coolidge and William F. Morss, who were attempting to leave Canton. This incident occurred soon after Chinese mobs had attacked and burned the Foreign Factories. Mistaking Coolidge and Morss for Englishmen, the Chinese fired on their boat. Although the authorities released the Americans when they dis-

¹⁰ A copy of Kearny's notice of Mar. 31, 1842 is in "Squadron Letters," East India Squadron, Apr. 8, 1842.

covered their identity, the two foreigners had been imprisoned at Canton. Morss, moreover, had suffered wounds in the attack. He and Coolidge now sought indemnity for the Chinese and petitioned Kearny to procure it for them. On receiving this information, Kearny sailed the squadron up to Whampoa to investigate the matter with the Chinese authorities. These ships were the first American warships to sail beyond the Bogue forts. Amazingly, the Chinese offered no opposition to the ships' voyage up the river. There were not even warnings to leave once the ships reached Whampoa. Instead, Kearny received a friendly welcome from the Chinese.

Previously the Chinese had not sanctioned the presence of any foreign warship inside the Bogue. Other warships had forced their way with military and commercial repercussions, circumstances which resulted in the infrequent appearance of such vessels at Whampoa. But when Kearny sailed up the Pearl River, the Chinese had recently suffered serious military defeats from the English. Chinese army and naval forces alike failed to prevent English warships' ingress to Whampoa in 1841. Less than a year later, with the English in control of several coastal ports, the Chinese did not care to risk another incident. More importantly, the Chinese did not want to incur the hostility of Americans. Throughout the Opium War the Americans had maintained a neutral stance. Although Chinese officials would have preferred the Americans to have pressured the English into a settlement by severing all commercial connections, they at least appreciated the neutral political and military position of the

Americans. The latter merchants, furthermore, willingly resumed trading with the Chinese whenever they could reach Canton. To fire upon Kearny's ships therefore might antagonize the Americans and create another enemy.

Besides allowing American warships to anchor at Whampoa with impunity, Chinese authorities communicated with Kearny directly instead of through regular channels. In the past foreigners had always despatched petitions to Chinese officials through their consul or superintendent and the Hong merchants. The Governor-general or Viceroy sent his reply back through the same groups. Shortly after he arrived at Whampoa, Kearny sent a marine lieutenant to Canton with a letter which enumerated for Governor-general Ch'i Kung the offenses committed against Collidge and Morss. The lieutenant handed the letter to the Kwang-chau-hsien, a local military officer. Kearny received the Governor-general's reply aboard his ship from another Chinese military officer. Ch'i Kung's decision, extremely conciliatory in tone, instructed the Commodore to settle an appropriate indemnity, which the Governor-general would order the Hong merchants to pay the men.¹¹

After reaching a satisfactory agreement with American merchants, Kearny prepared to leave Whampoa. Ch'i Kung paid Kearny the unprecedented compliments of offering gifts to the squadron and of despatching an admiral of the Chinese Navy to

¹¹Letter, A. Heard to S. Russell, Apr. 29, 1842, Heard MSS. Kearny's communications with the named American merchants, especially Morss, and with the Governor-general, are in his despatches. Much of the correspondence went through American Vice-consul Delano. "Squadron Letters," East India Squadron, May 19, 1842; Jun. 4, 1842.

pay his respects. Kearny, delighted with the admiral's visit, reported to the Secretary of the Navy: "He was received with the highest honors known to our Navy, & otherwise made sensible of the friendly disposition of the United States toward the Imperial Government. He seemed well pleased; &, after a close scrutiny into every thing belonging to the armament of this ship, he visited the Boston." Kearny hastened to add that, with the exception of the English fleet's bombardment of Canton, his presence at Whampoa and the admiral's visit "are events unknown to history."¹² Reporting the event to his friends in Boston, the Hong merchant Houqua also expressed delight. He wrote that "the Chinese admiral, Woo, has paid Commo Kearny a visit and was much pleased and astonished at the kind and honourable reception he met and the great strength and beauty of every thing about the ships." Houqua echoed Kearny's sentiments as he concluded: "I am very glad to see America & China on such good and friendly terms."¹³

Before he left Whampoa, Kearny observed the opium trade at that anchorage. He reported to his superiors that at Whampoa the drug trade "is carried on more openly than hitherto. Many of the vessels engaged in it are at this anchorage, of which fact no notice is taken by the authorities." After repeated

¹²In this report Kearny also mentioned that he had communicated with the Chinese authorities without going through the usual channel of the Hong merchants. "Squadron Letters," East India Squadron, May 11, 1842. Visits by other high officers followed that of the Chinese admiral aboard the "Constellation." "Squadron Letters," East India Squadron, May 19, 1842.

¹³Letter, Houqua to J.M. Forbes, May 11, 1842, Harvard Business School, Baker Library, Houqua's Letterbook.

English military victories, local Chinese officials had virtually no power to interdict the opium trade. Kearny ascertained that "there is no evidence of either the citizens of the United States, or their vessels, of being engaged in that trade." Apparently though, some English smugglers still hoisted American colors over their schooners.¹⁴ Whether the clippers belonged to Americans cannot be determined. Probably both English and Americans were involved. Nevertheless, Kearny concluded that only Englishmen ventured in opium. The Chinese authorities agreed with the Commodore and lauded the Americans, who "have acted in a manner most highly respectful & obedient." Governor-general Ch'i Kung especially approved the Commodore's notice against the opium trade issued in March.¹⁵ This notice also predisposed Ch'i Kung to a friendlier attitude toward the American squadron's presence at Whampoa.

Satisfied that he had fulfilled his duties at Whampoa, in June Kearny ordered the two ships back to Macao. He remained stationed at that anchorage but made short trips to the ports of Hong Kong and Manila for observation. While at Hong Kong, the Commodore received news of the conclusion of a treaty between the English and Chinese. With the cessation of hostilities, the major reason for the squadron's voyage to China had evaporated. Kearny decided to remain, though, until the complete restoration

¹⁴Kearny claimed in this despatch that his notice "has had the effect of restraining one or two small schooners from hoisting our colors." Presumably these schooners were English. "Squadron Letters," East India Squadron, May 11, 1842.

¹⁵Edict of Ch'i Kung, Apr. 15, 1842, in "Squadron Letters," East India Squadron, Apr. 8, 1842.

of peace and the resumption of trade between foreigners and Chinese. By the spring of 1843 he was ready to depart, but the opium trade once more occupied his attention. After the Treaty of Nanking, American merchants' participation in the drug traffic returned to pre-1839 levels.¹⁶ The bulk of opium transactions now occurred on the coast, in the areas of the additional ports opened to English trade in the Treaty. Kearny first realized the immensity of the coastal opium trade after he left Macao. He had decided to visit one of the new ports, Amoy, before he headed across the Pacific Ocean.

At Amoy Kearny observed several American opium clippers engaged in the trade. Although his earlier notice had merely removed naval protection from any opium vessels seized by the Chinese, the Commodore now acted to stop the trade himself. He issued a warning to all foreigners not to ship any goods "on board any vessel in the 'opium trade,' sailing under the flag of the United States of North America."¹⁷ To emphasize the reality of his warning, he attempted to apprehend several of the illicit opium clippers. He succeeded in capturing the "Ariel," which belonged to Russell & Co. Kearny, acting under his orders, explained to the Secretary of the Navy: "With regard to the Ariel I have taken her papers & colors from her; & I have obliged her master to discharge the whole of her cargo here, and then he is to

¹⁶Letter, A. Heard to J. Cursetjee, May 11, 1843, Heard MSS. Letter, P.S. Forbes to R.B. Forbes, May 27, 1843, Harvard Business School, Baker Library, Forbes MSS.

¹⁷Kearny's notice of May 18, 1843, is in "Squadron Letters," East India Squadron, May 18, 1843.

return to Macao." The Commodore pointed to an American captain, George W. Frazer, as the owner of several opium clippers on the coast. Although Kearny claimed that "he does not belong to any mercantile firm whatever," Russell & Co. at least owned shares in the operation. More likely, he operated with illegal papers that covered the house's involvement. Kearny must have realized that American houses were involved in the opium trade, as he concluded in his despatch that the illegal trade would "continue while the public consular duties are confided to merchants whose interests are so deeply involved in the transactions. . . ."¹⁸ His reference included Warren Delano and Edward King, partners in Russell & Co.

American reaction to Kearny's action was predictable. In a letter to his cousins in Boston, Paul Sieman Forbes of Russell & Co. expressed the house's outrage over Kearny's seizure of the "Ariel": "Upon what pretext or rather what ground he acts we have not yet learned but not knowing of any law of the Uⁿite^d States forbidding vessels to take opium on board & sail where they may choose we presume he is acting solely on his own responsibility!!" Forbes asked his cousin Bennet to inquire if any laws did exist to enable naval commanders to seize opium clippers.¹⁹ Another American merchant, Augustine Heard, seeking a reason for Kearny's action, surmised that "there are many conjectures on the true reason the most likely I have heard is that the Capt. Frazer

¹⁸"Squadron Letters," East India Squadron, May 19, 1843.

¹⁹Letter, P.S. Forbes to R.B. Forbes, May 27, 1843, Forbes MSS.

is not Am. but an Eng." He added that foreign residents at Canton now referred to the U.S.S. "Constellation" as the "Consternation." As for his own opinion of the matter, Heard stated: "I doubt if there is any U.S. law authorizing ships of war to enforce Chinese laws."²⁰

In reality, Kearny's seizure of the "Ariel" and his notices to American merchants concerning the illegality of the opium trade had no effect on American trade in the drug. The merchants did not feel seriously threatened by his actions, since he could not vigorously enforce his prohibitions because of the limited size of his squadron. Moreover, the merchants were correct that Kearny did not have the jurisdiction of any law reinforcing his seizure. Most importantly, the Commodore's policy was ineffective, because "the Opium trade is permitted by the Chinese government." Paul Sieman Forbes wrote this statement in his journal after he had received his commission as American consul at Canton. He noted further that "what is the most peculiar about it [*i.e.* the opium trade] is, that it is the Mandarin boats which smuggle it, tho the very boats which are to prevent it."²¹ Forbes' comment characterized a situation parallel to that of early 1839 when Lin Tse-hsü arrived at Canton with Imperial orders to stop the opium trade. As long as local Chinese officials condoned and even abetted the illegal trade, no Imperial prohibitions could be effectively enforced. By the early 1840's the

²⁰Letter, A. Heard to J.P. Sturgis, May 28, 1843, Heard MSS. Letter, A. Heard to J.S. Amory, Jun. 18, 1843, Heard MSS.

²¹Journal of P.S. Forbes, Nov. 11, 1843, Forbes MSS.

Imperial system of administration in China had so decayed that the Court at Peking could no longer control its local authorities. English merchants had never actually stopped trading opium and American merchants could not afford to vacate the trade for long. Especially after the conclusion of the Treaty of Nanking, profits in the drug trade were too great to dismiss.

Kearny had followed his orders, nevertheless, in informing the Chinese government of the American government's disapproval of the opium trade. He had also protected American interests during the latter stages of the Opium War. After the English and Chinese concluded a treaty in August 1842, Kearny undertook to make certain that future American interests in China remained secure. Very aware of the power held by the victorious English, the Commodore sought to insure that the English did not utilize it against American commerce in their negotiations with the defeated Chinese. Consequently, during the winter of 1842-43 Kearny entered into his own deliberations with the Chinese.

II

When Kearny first heard of the conclusion of the Treaty of Nanking, his squadron lay in Hong Kong Bay on a visit to the new English colony. Although his immediate reaction was one of relief, he quickly reconsidered circumstances and decided not to leave China. He explained his prolonged stay to the Navy Department as a necessary measure to protect Americans and their trade in China. Kearny argued that the presence of American naval power in China would provide for a more favorable treaty, "for unless the Emperor & officers of the Chinese government are

convinced of our power, they will not fail to be governed by that policy which the British. . .will be inclined to carry out in opposition to the interests & trade of the United States."²² (Although the English and Chinese concluded the Treaty of Nanking in August 1842, the two sides planned further deliberations on specific regulations. These negotiations resulted in the Treaty of the Bogue, or Supplementary Treaty, of October 1843.) After Kearny returned to Macao from Hong Kong, he again stressed to the Secretary of the Navy his desire to secure American commercial interests. Taking advantage of his relations with the Governor-general, he postulated: "The good understanding which happily exists between the local authorities of Canton and the Americans and with myself, would seem to recommend this time a propitious moment for the United States to enter upon some understanding in regard to commercial privileges with the Chinese."²³

Assuming the Navy Department's approval, on October 8, 1842, Kearny wrote to Governor-general Ch'i Kung that he had knowledge of the Imperial Court's despatch of Commissioners to Canton "& that a commercial treaty is to be negotiated to operate in favor of 'British merchants' exclusively." The Commodore's major point was to draw Imperial attention to "the commercial interests of the United States, & he hopes that the importance of their trade will receive consideration, & their citizens in that matter be placed upon the same footing as the merchants of the nation most favored." In reply Ch'i Kung assured Kearny that "it shall not be permitted that the American merchants shall come

²²"Squadron Letters," East India Squadron, Sep. 23, 1842.

²³"Squadron Letters," East India Squadron, Oct. 7, 1842.

to have merely a dry stick, (that is, their interests shall be attended to.)" He again praised American merchants, because they "have been better satisfied with their trade than any other nation; & that they have been respectfully observant of the laws, is what the august Emperor has clearly recognized, & I. . .so well know." Mindful of the friendly relations between Americans and Chinese, the Governor-general promised that he would not allow the English to appropriate special commercial rights and privileges for themselves.²⁴ But, not having the requisite power to negotiate with foreigners, Ch'i Kung told Kearny that only the Imperial Commissioner could arrange matters properly.²⁵

Satisfied by the Governor-general's communication that American trade would not be prejudiced in any settlement between English and Chinese negotiators, Kearny declared his intention to leave. He sent Ch'i Kung's assurances to American Consul P.W. Snow, who had recently returned to Canton. The Commodore informed Snow that the task of overseeing American interests now belonged to him. With the Governor-general's promise in writing and his repeated display of friendship for Americans, Kearny believed the consul would face no difficulties. But Snow pleaded that the

²⁴Kearny's correspondence with Ch'i Kung in October is in "Squadron Letters," East India Squadron, Oct. 21, 1843.

²⁵Ch'ing-tai-ch'ou-pan-i-wu-shih-mo (Complete Account of the Management of Barbarian Affairs of the Ch'ing Dynasty) (130 vols.; Peiping, 1930). Of these volumes, forty are devoted to the reign of the Tao-kuang Emperor (1820-50). Earl Swisher, in China's Management of the American Barbarians: A Study of Sino-American Relations, 1841-61, with Documents (New Haven, 1951), has translated excerpts from the above Chinese documents which concern the Imperial government's relations with Americans. For Ch'i Kung's memorial, see I-wu-shih-mo: Tao-kuang, LXIII, 4-17, and Swisher, Management of American Barbarians, pp. 102-03.

"Constellation" remain until the Chinese concluded their discussions with the English.²⁶ Kearny compromised, announcing that he would visit Manila and return to China in January 1843. When he returned, news of an attack on the Foreign Factories by a Chinese mob greeted the Commodore. The Chinese at Canton, noted for their anti-foreignism, had assailed only one American establishment in their riot, the house of A. Heard & Co. Not very surprised by the incident, Heard earlier had commented that "the temper of the people is evidently bad toward foreigners & may show itself, violently, upon very slight provocation."²⁷ Nevertheless Heard, who was still transacting the business of the English house Jardine, Matheson & Co. (not all English merchants had yet returned to Canton), requested Kearny to demand repayment of funds looted by the mob. Kearny did so, but his major concern was the effect of Anglo-Chinese negotiations on the American trade.

Thinking he had already settled the matter of American trade with the Governor-general, Kearny now was not so sure. From his observations he concluded that "unless a special provision for other than British vessels to enter the five ports [opened to English trade in the Treaty of Nanking] is made, . . . the trade of the United States would be subject to be cut off, until a treaty could be entered into." An American vessel had

²⁶ Snow's letter of Oct. 20 is in "Squadron Letters," East India Squadron, Oct. 21, 1843.

²⁷ Letter, A. Heard to W. Appleton & Co., Dec. 20, 1842, Harvard Business School, Baker Library, William Appleton & Co. MSS. Letter, W.A. Lawrence to S.W. Comstock, Jan. 13, 1843, Harvard Business School, Baker Library, Comstock Brothers MSS. Lawrence and Comstock both were agents for the New York house of Howland & Aspinwall.

ventured to Ningpo, one of the new ports, but local officials had denied it permission to trade because of its American colors.²⁸ Confirming the unique status of English merchants, an English admiral had remarked to Kearny that "other nations must look out for themselves."²⁹ When Kearny sought an indemnity for A. Heard & Co., he decided also to straighten out the status of American merchants in China.

Ch'i Kung politely agreed that Heard should be reimbursed for his house's losses.³⁰ Regarding Kearny's inquiry on American rights and privileges, the Governor-general's response was more vague. He reiterated that he could not press for guarantees to the American trade until the Imperial Commissioner had deliberated with the English. The first Commissioner had recently died, so matters would remain static. Ch'i Kung anticipated the appointment of another Commissioner shortly. Kearny responded that he merely desired reassurances from the Governor-general that the Chinese government would protect American commercial interests. He proposed a treaty between the United States and China for that purpose, but the Governor-general quickly averred that a treaty was superfluous. Ch'i Kung, not wanting to complicate

²⁸The Emperor approved the actions of the local officials in an edict. I-wu-shih-mo: Tao-kuang, LXIII, 3-10, and Swisher, Management of American Barbarians, pp. 103-04.

²⁹"Squadron Letters," East India Squadron, Jan. 16, 1843. Letter, Russell & Co. to W. Appleton & Co., Jan. 27, 1843, William Appleton & Co. MSS.

³⁰Correspondence on this matter among Kearny, Heard, Consular-agent King, and Ch'i Kung is enclosed in "Squadron Letters," East India Squadron, Nov. 15, 1842.

further the Celestial Empire's foreign relations, explained that treaties between countries were necessary only when "harmony did not exist." He told Kearny: "But if our two countries carried on the trade as usual, there will, of course, be peace between us, & no formal compact will be necessary in addition." Once again assuring the Commodore that he need not fear for American commerce, Ch'i Kung added specifically that the new tariff would "pass into force in a uniform manner for every country."³¹

Kearny accepted the Governor-general's statements and, for the second time, announced his imminent departure. He felt that he could achieve nothing more in China. This time no one opposed his decision, except Augustine Heard. The latter had not yet received any compensation from local officials and blamed Kearny. Claiming that the Commodore was not forceful enough, Heard stated that "he seemed to think it so important to stand well with the Chinese that he did what amounted to nothing."³² Nevertheless, the "Constellation" left Macao in the summer of 1843 and American merchants were again left to themselves, with a consular-agent to oversee their commercial interests. Although Kearny had obtained for them promises that they would receive most-favored-nation treatment, the Supplementary Treaty had not yet been concluded. The American trade in China still

³¹Kearny's correspondence with Ch'i Kung of March and April is in "Squadron Letters," East India Squadron, Jan. 16, 1843.

³²Letter, A. Heard to J.S. Amory, Apr. 5, 1843, Heard MSS. Heard similarly complained in Letter, A. Heard to W. Appleton & Co., Mar. 25, 1843, William Appleton & Co. MSS. Letter, A. Heard to J.P. Sturgis, Apr. 3, 1843, Heard MSS.

centered at Canton and operated more or less under the old auspices.

After the Treaty of Nanking in August 1842, foreign merchants anticipated two major changes in the commercial system. The Treaty opened four more ports to foreign shipping and replaced all port charges with a tariff. But the new commercial regulations did not become effective until the conclusion of the Supplementary Treaty (Treaty of the Bogue) in the autumn of 1843. During this interval English merchants began to trade at the new ports of Amoy, Foochow, Ningpo and Shanghai. But Americans continued to trade almost solely at Canton. Except for Amoy, Chinese at the other ports did not welcome foreign intruders, and Americans could not force their way with warships. Kearny sought to procure the legal right for Americans to trade at the new ports because of their lack of military power. More importantly, American commercial houses, which operated successfully at Canton, were not large enough to expand immediately by establishing branches elsewhere. Although they had reaped huge profits during the Opium War, the hostilities had interrupted normal business routines. With the conclusion of peace American merchants had to rearrange their affairs. Although they were intrigued with the new system, they confined their enterprises to established Chinese merchants at Canton.

In the commercial cities of New York, Boston, and Philadelphia, news of more Chinese ports open to trade excited the American mercantile community. Merchants with visions of abundant profits awaiting their cargoes of cotton, textiles and sundries

rushed into the China trade. These men were quite unaware of the situation at the new ports or at Canton itself. In January 1843 Robert Bennet Forbes confided to Russell & Co. in a private letter that the "China Trade seems to be much overdone." Reminiscent of the reaction of established merchants in the China trade to the flood of adventurers in the early 1820's, Forbes added: "I hope $\frac{1}{2}$ [sic] of the interlopers will burn their fingers. . . ." ³³

Merchants who had invested in China ventures before 1839 took a more sanguine view of future trade in China. William Appleton & Co. of Boston, the leading manufacturer of American Domestic (cotton cloths) sold in China, typified such an attitude. The house referred to China's opening more ports in a communication to Russell & Co. in December 1842: "If carried out in good faith it may lead to great changes in the China Trade in the course of some years, but we do not anticipate any favorable effects from it immediately. . . ." ³⁴

Although older merchants were hesitant to predict an automatic boom in the China trade, they could not prevent the "interlopers" from despatching vessels to Canton. The indefinite state of affairs in China combined with the influx of new traders to create unstable commercial conditions. American merchants at

³³Private Letter, R.B. Forbes to Russell & Co., Jan. 1, 1843, Forbes MSS. Newer merchants in the trade voiced opposite feelings: "And lastly the restoration of peace in China, & the opening of several new ports in that Country, of immense consumption, present an opening for a person of your experience & intelligence, which does not often offer, & we think there is room enough for a little more talent in the commercial community of Canton." Letter, Howland & Aspinwall, Dec. 23, 1842, Comstock Brothers MSS. Letter, J.N. Rodgers to A. Heard, Jan. 20, 1843, Heard MSS.

³⁴W. Appleton & Co. to Russell & Co., Dec. 31, 1842, William Appleton & Co. MSS. The Appletons consigned equally to Russell & Co. and to A. Heard & Co. in their China trade.

Canton warned their correspondents in the United States not to think of the new ports as an immediate source of huge profits. One house wrote: "Foreigners will suffer severe losses, if, on a/c of the open northern ports, they pour in upon China a very great quantity of western products; for, though the consumption of them in time must be greatly increased, the change cannot be instantaneous." Foreign merchants would have to introduce commercial operations into the ports, "& the people there will require time both to turn their capital into the channels of trade, and to become acquainted with foreigners." No group of Chinese merchants like the Hong merchants existed at the new ports. Although the Treaty of Nanking prohibited a monopolistic organization like the Co-hong, that body had provided a structured way for Chinese merchants to deal with foreigners at Canton. Without any direction or regulations to follow, as had existed under the "Canton system," the foreigners would have to establish the procedures of trade. Not realizing all this, speculators were pouring goods into Canton, "& ruinous prices will be the consequence for a year or more to come."³⁵

Even as the English and Chinese neared the end of negotiations in the summer of 1843 American merchants at Canton continued to operate under uncertain commercial conditions. All foreigners suspended their business to await the implementation of

³⁵Letter, A. Heard & Co. to W. Appleton & Co., Apr. 6, 1843, William Appleton & Co. MSS. Letter, A. Heard to G. Heard, May 6, 1843, Heard MSS.

a new commercial system governed by a tariff instead of the Co-hong.³⁶ Since summer was the slack season, the merchants could afford to be patient. But the Americans, concerned over their place in the new system, anxiously desired a response from the Chinese authorities. They had received no definite communication from the Chinese since Governor-general Ch'i Kung's general assurances to Kearny in June. At the end of July, Consular-agent Edward King requested permission for the American merchantman "Mary Chilton," consigned to Russell & Co. in which King was a partner, to trade under the proposed tariff. King received an affirmative answer from Imperial Commissioner Ch'i-ying, who was conducting negotiations with the English concerning the Supplementary Treaty.³⁷

Three days later, on August 1, the Imperial Commissioner sent another communication to the consular-agent. He explained that this note was in reply to Kearny's earlier inquiry about American trade under the new regulations. The Commissioner had been unable to attend to American affairs previously, because the Chinese and English had only recently finalized specific regulations. Ch'i-ying now stated: "As it [*i.e.* the new system] respects the American Merchant Ships, we great Ministers of State will as it behooves us, address the Emperor, requesting him with the same benevolence to permit them to repair to the four ports

³⁶ Letter, Wetmore & Co. to G. Peabody, Jul. 26, 1843, Salem, Essex Institute, George Peabody MSS.

³⁷ Correspondence between King and Ch'i-ying of July 28 and 29 is in Consular Despatches: Canton, E. King, Sep. 20, 1843.

of Foochow, Amoy, Ningpo & Shanghai for the purpose of Trade, hereby manifesting his liberality." In this statement the Commissioner, representing the Emperor, granted the same commercial rights and privileges as the English had obtained by treaty. In turn, Ch'i-ying asked King: "With regard to the paying of Duties and restraining of Sailors &c it behooves us to inquire, whether the American Nation will or will not appoint consular officers to proceed to each port to make arrangements?" The Commissioner enclosed a copy of the General Regulations, which would govern English trade at the five Chinese ports, for King to transmit to his government.³⁸

Although Governor-general Ch'i Kung earlier had promised American merchants equal commercial privileges at the new ports, without the influence of Imperial Commissioner Ch'i-ying, they would not have received those privileges from the Imperial government. When the Governor-general first memorialized the Emperor about Kearny's request, the Court's answer was a command to adhere strictly to the old regulations. The local authorities were to grant the Americans nothing. But shortly after his appointment to negotiate with the English, the original Imperial Commissioner, I-li-pu, recommended that Americans receive the same treatment as the English. He argued that local Chinese officials could not distinguish between Americans and Englishmen anyway. I-li-pu further advised the Emperor that a position which

³⁸Ch'i-ying used the plural "us," since his communications always included the names of lesser officials as co-signers. Both his letter to King of Aug. 1 and a copy of the General Regulations are in Consular Despatches: Canton, E. King, Sep. 20, 1843.

might cause American merchants to resent the Imperial Court could result in American support for the English. Primarily the Chinese did not want the Americans and English to unite. So far the Americans had maintained a separate identity and the Chinese encouraged this position. After I-li-pu's death, his successor Ch'i-ying agreed with the recommendation against discrimination. In July the Emperor issued an edict authorizing the Imperial Commissioner to negotiate with the Americans and grant them access to the new ports. On August 1 Ch'i-ying officially notified the American consular-agent of the Emperor's decision.³⁹

During the autumn of 1843 both foreign and Chinese merchants attempted to adjust their commercial enterprises to the new system. Generally all trade was in flux, as vestiges of the "Canton system" did not immediately disappear. One mercantile house reported to its London banker: "A fair extent of business has been done at Canton, but a good deal of inconvenience is occasioned by the change in the manner of carrying it on, & besides no provision has yet been made by the Mandarins for payment of the expenses of collecting the Revenue, . . .there is consequently a good deal of confusion yet under the new System, & some time will require to get it to work well."⁴⁰ Although Hong merchants were equal in status to Outside merchants or to anyone who wished to trade, the foreign houses continued to con-

³⁹For memorials from I-li-pu and Ch'i-ying and edicts to the same officials concerning extending commercial privileges to American merchants on the same basis as granted to Englishmen, see I-wu-shih-mo: Tao-kuang, LXIII, 18; LXIV, 3-37; LXV, 27; LXVII, 4-45; LXVIII, 29; and Swisher, Management of American Barbarians, pp. 103, 107, 113, 121, 126.

⁴⁰Letter, Wetmore & Co. to G. Peabody, Sep. 9, 1843, George Peabody MSS.

duct most of their trade through the Hong merchants. These Chinese merchants possessed more commercial skill, experience and, most importantly, more capital.

Unfortunately, the Chinese government's attitudes and policies toward trade penalized China's most capable and efficient merchants. While Chinese merchants struggled to normalize their trade under the new tariff system, local Chinese authorities attempted to extort from these men the five million dollars which the Chinese had been forced to pay the English when Cantonese mobs had attacked the English Factories in May 1841. At that time Canton officials had "persuaded" the Hong merchants to guarantee the money. Wrestling with the government over this matter precluded their total involvement in business. Other Chinese merchants unsuccessfully sought to absorb the foreign trade, but they were "men of insufficient capital, and without the facilities necessary for the conduct of so large a business, and foreigners have, thus, been to much inconvenience."⁴¹

In August the Americans' position in the China trade suffered an additional setback when Houqua (Wu Ping-chien), the foremost Hong merchant, died. Although he had retired from business years earlier, he had continued to advise American merchants at Canton and to speculate in the foreign trade through American commission houses. Two sons replaced him in his Hong, each one taking the name Houqua in succession. The second son to head the Hong, Wu Ch'ung-yüeh, also regarded Americans as

⁴¹Letter, A. Heard & Co. to W. Appleton & Co., Sep. 26, 1843, Heard MSS.

friends. He replaced his father as leader of the Co-hong in the late 1830's. But American merchants continued to regard the elder Houqua as their confidant and advisor. He aided them during their confinement at Canton in the spring of 1839 and, by assuaging their fears, kept them at Canton after the English left. Though interested in all Americans, he was a special friend and benefactor of Russell & Co. Houqua was instrumental in the many partners of the house in the 1830's and 1840's returning home with a fortune. His significance to these men was evident in the journal of Paul Sieman Forbes, who arrived at Canton in 1843 to begin a career in Russell & Co. Remarking on Houqua's death, Forbes wrote that when he "considered that Old Houqua had become identified with all my hopes & plans, that his life insured me a fortune & a short stay in this country; that with him was not only connected my own prosperity but that of all my children." Less emotionally, Forbes also commented that "his great characteristic was honesty, & in his unbounded confidence in Americans he has never been equalled. . . ."⁴² Along with the Anglo-Chinese treaty, the death of Houqua signified an end of an era in the American China trade.

During the months that commercial affairs remained fluid, American merchants received important news from the United States. In September Consular-agent King relinquished his duties in favor of a duly-appointed consul. Paul Sieman Forbes received a consular commission from Secretary of State Daniel Webster, who

⁴²Journal of P.S. Forbes, Sep. 9, 1843, Forbes MSS. Houqua had been a special friend to Forbes' cousins R.B. and J.M. Forbes. At the time of his death the Chinese merchant had begun to invest in various American railroads, the construction of which was financed by the Forbes brothers.

made the appointment at the request of Forbes' cousin Robert Bennet Forbes. Enclosed in the commission was Webster's notification of the Administration's decision to despatch an envoy to China. Congress had appropriated funds for a diplomatic mission to settle commercial and political relations between the United States and China. The Secretary instructed Forbes to inform the Chinese government of the intended arrival of a special envoy from the United States.⁴³ On October 2 the new consul met with Imperial Commissioner Ch'i-ying and Governor-general Ch'i Kung to present his credentials. He dutifully advised the Chinese officials of the American mission and reported that Commissioner Ch'i-ying "stated that not only the Emperor & himself but also the people of China looked upon the Americans as friends. . . ."⁴⁴ That same month the Chinese government officially opened the ports of Amoy and Shanghai to foreign trade. The English despatched consuls to the new ports, as commercial affairs began to operate "tolerably well" under the new system. American merchants did not wait for the mission to arrive but despatched their own vessels to the coastal ports. They nevertheless anxiously awaited the envoy's arrival to give the status of Americans in China under the new system a legal foundation.⁴⁵

⁴³U.S., Department of State, Consular Instructions: Canton, May 18, 1843. Forbes acknowledged the instructions in Consular Despatches: Canton, P.S. Forbes, Oct. 7, 1843.

⁴⁴Consular Despatches: Canton, P.S. Forbes, Oct. 7, 1843. Ch'i-ying memorialized to the Emperor on the same meeting, in I-wu-shih-mo: Tao-kuang, LXIX, 3, and Swisher, Management of American Barbarians, pp. 133-34.

⁴⁵Letter, Nye, Parkins & Co. to A.A. Low, Nov. 4, 1843, Library of Congress, Low Family MSS. Letter, A. Heard & Co. to W. Appleton & Co., Feb. 11, 1844, William Appleton & Co. MSS. The quotation is Heard's, in Letter, A. Heard to S. Russell, Dec. 13, 1843, Library of Congress, Russell & Co. MSS.

III

President John Tyler first proposed a diplomatic mission to China in a special message to Congress in late December 1842. News of the conclusion of a treaty between England and China had recently reached the Administration. Influenced by his Secretary of State, Daniel Webster, and his friend and supporter in Congress, Caleb Cushing, Tyler sent a message to the House of Representatives on December 30. Written by Webster, the President's message discussed American relations with both the Sandwich Islands and China. Concerning China, Tyler argued that the recent opening of new ports to English merchants "cannot but be interesting to the mercantile interest of the United States. . . ." The President explained that the Treaty of Nanking "provides neither for the admission nor the exclusion of the ships of other nations. It would seem, therefore, that it remains with every other nation having commercial intercourse with China, to seek to make proper arrangements for itself, with the Government of that empire, in this respect." The need for such arrangements revolved around American trade in China, especially in the export of American textiles to the Celestial Empire. Tyler requested that the House approve appropriations for an American commissioner to reside in China "to exercise a watchful care over the concerns of American citizens, . . .to hold intercourse with the local authorities, and. . .to address himself to the high functionaries of the empire, or through them to the Emperor himself."⁴⁶

⁴⁶Regarding the Hawaiian Islands, Tyler's Special Message disclaimed any American desire for exclusive privileges in the Islands. But he stated that the Islands' commercial value and their proximity to the United States predicated a special American

After the House received Tyler's special message, it routinely referred the document to the Committee on Foreign Affairs. The Committee's chairman, John Quincy Adams, characterized the message as "an elaborate and able argument. . . ." Through the month of January 1843, Adams worked to prepare a bill in his Committee. He conferred with Secretary Webster on the amount of the appropriation and agreed with Webster's suggestion of forty thousand dollars. The subsequent proposed bill received the Committee's unanimous recommendation, and on January 24 Adams reported it to the House.⁴⁷ Within a month the Committee of the Whole took up H.R. 720, "A bill providing the means of future intercourse between the United States and China." After some heated discussion and two unsuccessful attempts to reduce the appropriation, the bill passed ninety-six to fifty-nine.⁴⁸ The House immediately transmitted the bill to the Senate for concurrent approval.

interest. Consequently, Tyler warned, the United States would not accept any intention of another power "to take possession of the islands, colonize them, and subvert the native Government." The President also requested appropriations to support a resident consul at the Islands. This bill passed easily. U.S., Congress, House, Committee on Foreign Affairs, Sandwich Islands and China, Dec. 31, 1842, H. Doc. 35, 27th Cong., 3rd sess., 1842-43. Harold Bradley, The American Frontier in Hawaii: The Pioneers, 1789-1843 (Stanford, 1942), pp. 444-45.

⁴⁷ John Quincy Adams, Memoirs of John Quincy Adams, Comprising Portions of His Diary from 1795 to 1848, ed. by Charles Francis Adams (12 vols.; Philadelphia, 1876), XI, 284, 289-90, 300. U.S., Congress, House, 27th Cong., 3rd., Jan. 24, 1843, Congressional Globe, p. 195.

⁴⁸ U.S., Congress, House, 27th Cong., 3rd sess., Feb. 21, 1843, Congressional Globe, pp. 323, 325.

On February 28, William S. Archer reported the bill from the Senate Committee on Foreign Relations "with the recommendation that it pass." The Senate did not discuss the bill until March 3, the last day of the session. As in the House, the bill met vociferous opposition from anti-Administration Senators. The bill passed, but only after C.M. Conrad proposed an amendment that the minister to China be appointed with the consent of the Senate.⁴⁹ That same night Tyler nominated Edward Everett, currently Minister to England, as the designated agent. The Senate, while rejecting other appointments, confirmed Everett's nomination. This all occurred without any participation on Everett's part. Only a week later, on March 10, Webster officially communicated a proposal to Everett concerning the mission to China. Everett, who was quite content with his post in London, politely declined the Secretary of State's offer with the excuse that family matters would not permit him to go to China.

Many contemporaries and most historians viewed Everett's appointment as a ploy by Daniel Webster to obtain the ministerial post in London for himself. Enmeshed in the split in the Whig Party between Tyler and Henry Clay, Webster had singularly elected not to resign from Tyler's Cabinet in 1842. The Secretary of State had remained because of his negotiations with the English over a northern boundary settlement. Having successfully concluded matters with Lord Ashburton, Webster realized

⁴⁹U.S., Congress, Senate, 27th Cong., 3rd sess., Feb. 28, 1843, Mar. 3, 1843, Congressional Globe, pp. 363, 391-92. Major opponents of the bill included Silas Wright and Thomas Hart Benton. The latter argued that a treaty with China was unnecessary, since American trade previously had operated efficiently without one.

the next major issue of foreign policy would be Texas. Consequently, the Secretary searched for a graceful egress from the Cabinet. An appointment to the Court of St. James seemed to be the answer, assuming that Everett would accept the mission to China. On March 4 John Quincy Adams remarked in his diary that Everett's nomination "is the back door by which Webster skillfully secures to himself a safe retreat from the Tyler Cabinet. If Everett declines the China mission, Webster can take it himself." But Webster did not want to go to China either.⁵⁰

Although in May Webster finally decided merely to resign, the appointment to China was still vacant. Tyler turned to his staunch supporter in Congress, Caleb Cushing of Massachusetts, as an alternative to Everett. Cushing, whom his biographer described as "a tall, robust figure, with bright restless eyes, a resolute jaw, a dignified bearing, and handsome features," had been a lawyer and teacher previous to his career in Congress. Until his break with the Whigs over Tyler's vetoes of Whig financial policies, Cushing had been extremely popular with his colleagues in the House. Next to those of Webster, his speeches drew the largest galleries in Congress. Webster had so trusted him as to request Cushing's appointment as Chairman of the House Committee on Foreign Affairs in 1842, much to the frustration of Adams. Only when Cushing refused to soften his speeches against England during the Webster-Ashburton negotiations did Webster

⁵⁰ Adams, Memoirs, XI, 335. See also Claude M. Fuess, Daniel Webster (2 vols.; Boston, 1930), II, 126-28, and Claude M. Fuess, The Life of Caleb Cushing (2 vols.; New York, 1923), I, 408-11. The latter biography, based on Cushing's private papers, is the only one on Cushing in print. It lacks proper documentation though.

align more closely with Adams. An Anglophobe from youth, Cushing never wavered from a distrust of England.⁵¹

Cushing, elected to the House in 1834 as an ardent Whig, had become just as zealous in his defense of Tyler after his succession to the Presidency. As a result, he incurred the acrimony of Henry Clay and the majority of the Whig party. In 1842, out of political expediency, Cushing decided not to run again for Congress. He anticipated an appointment from Tyler to the Cabinet and the President did not fail him. The Whigs in Congress were not about to confirm Tyler's nomination of a man who had deserted them. Consequently, the Senate rejected Cushing's name three consecutive times as Secretary of the Treasury. But Cushing, as Adams noted, "has not made his court to Captain Tyler in vain. His obsequiousness and sacrifice of principle lost him the favor of his constituents, . . . but Mr. Tyler had more precious favors in his gift, and has lavished them in profusion upon Cushing."⁵² The President's appointment of Cushing as minister to China occurred while Congress was not in session. When the Senate discussed the matter in the next session, Cushing was already in China.⁵³

Aside from Adams' crusty comment, most Whigs interested in foreign affairs did not seriously object to Cushing's appoint-

⁵¹Claude M. Fuess, "Caleb Cushing, a Memoir," Massachusetts Historical Society, Proceedings, LXIV (1930-32), 440-41. Fuess, Life of Caleb Cushing.

⁵²Adams, Memoirs, XI, 338.

⁵³Fuess, Life of Caleb Cushing, I, 412. See earlier chapters in Fuess, Life of Caleb Cushing and Fuess, Daniel Webster for the growth of the split between Tyler and the Whigs and Cushing's role in it.

ment. Webster, formerly a very close friend of Cushing, affirmed Tyler's choice before its public announcement. Other Whigs who had risen politically with Cushing, men like Levi Lincoln and Rufus Choate, also endorsed Tyler's choice. Even Adams, a colleague of Cushing on the Committee on Foreign Affairs, breakfasted with the minister shortly before he embarked for China.⁵⁴ Adams, like the others, recognized Cushing's intelligence and oratorical ability. Always interested in foreign affairs himself, Cushing had pressed for greater governmental concern for China as early as 1840. He feared that England might obtain exclusive commercial privileges from the Chinese to the detriment of American merchants. In 1842 he had written Tyler that the United States should, "by the extent of our commerce, act in counterpoise to that of England, & thus save the Chinese from that which would be extremely inconvenient for them, viz., the condition of being an exclusive monopoly in the hands of England. . . ."⁵⁵ This concern for the state of foreign commerce in China helped prompt the Administration to action in late 1842. Cushing's appointment in May 1843, then, was more than a political reward to a friend. Both Tyler and Webster believed the mission to China an important diplomatic post that required a talented agent.

Cushing received his commissions and official instruc-

⁵⁴Fuess, Life of Caleb Cushing, I, 413.

⁵⁵Fuess, Life of Caleb Cushing, I, 406-07. Cushing had displayed such an attitude toward England in Congress as early as 1840, when the House first discussed the situation in China. U.S., Congress, House, 26th Cong., 1st sess., Mar. 16, 1840, Congressional Globe, p. 275.

tions from Secretary of State Webster in May. The Secretary wrote that the primary object of his mission to China was "to secure the entry of American ships and cargoes into these [new] ports on terms as favorable as those which are enjoyed by English merchants." Future American trade in China depended on access to the coastal ports, about which Webster commented: "These ports belong to some of the richest, most productive, and most populous provinces of the empire, and are likely to become very important marts of commerce." Aside from obtaining the stated commercial objectives, Cushing received an admonition to impress upon the Chinese the friendly attitude of the United States toward the Chinese Empire. Webster emphasized that the only interest the American government had in China was trade. Cushing was not "to enter into controversies which may exist between China and any European State," although he did have permission to stress American independence from England. A letter of authorization for expenses accompanied Cushing's formal instructions.⁵⁶

As soon as he received his commission Cushing, who "displayed an amazing capacity for sustained labor, together with a faculty for intense concentration on the subject immediately at hand," immersed himself in collecting all the information on China he could find. He read newspaper articles, books and pamphlets as well as advices with which American merchants in the

⁵⁶U.S., Department of State, Diplomatic Instructions: China, May 3, and May 8, 1843. Further instructions reached Cushing before he left the United States. These included an order to inquire into American involvement in the opium trade, especially that of Consul P.S. Forbes, and two letters signed by President Tyler and addressed to the Emperor of China. These instructions were dated Jun. 13 and Jul. 12, 1843.

China trade had responded to Webster's inquiries about the situation in China. Cushing also procured material on international law and diplomacy. By the time the mission sailed in July, he had quite adequately prepared himself for conducting negotiations with the Chinese. Cushing's one deficiency was in language, although in the nineteenth century very few Westerners were fluent in Chinese. American merchants had recommended the services of Peter Parker, American medical missionary at Canton, as interpreter for the mission because of his familiarity with both Chinese customs and language.⁵⁷ Accompanying Cushing as his secretary was Fletcher Webster, son of the Secretary of State. Besides Webster and a surgeon, four young gentlemen also joined the mission as "unpaid attaches." The latter merely added "dignity and importance to the occasion. . . ." Although Cushing and his suite planned to embark from Washington in vessels of the East India Squadron on July 1, they did not leave the United States until July 31.⁵⁸

⁵⁷Fuess, "Caleb Cushing, a Memoir," 440-41. Fuess, Life of Caleb Cushing, I, 413-14, 417-18. At Macao Cushing's official interpreters were Parker and another American missionary, Elijah C. Bridgman, although Parker did more translating. Cushing himself decided to study the Manchu language, since he believed that language to be spoken at Court. Manchu, unlike Chinese, had an alphabet. But the official language of the Imperial Court was Mandarin Chinese. Although Cushing studied Manchu on his voyage to China and at Macao, he did not use it. His attempt was indicative of his serious concern for his mission.

⁵⁸Diplomatic Instructions: China, May 3, 1843. Fuess, Life of Caleb Cushing, I, 414-16. Vessels comprising the squadron included: the frigate "Brandywine," the steam frigate "Missouri" the sloop-of-war "St. Louis," and the brig "Perry." Members of the mission besides Cushing and Webster included: Dr. Elisha K. Kane (surgeon), John H. O'Donnell, Robert L. Mackintosh, John R. Peters and George R. West.

Cushing did not reach China until the end of February 1844. American Consul Forbes and the local Chinese authorities had been expecting his arrival since December.⁵⁹ The voyage had lasted six months because of delays caused by a fire at Gibraltar aboard the U.S.S. "Missouri," the ship carrying members of the mission. At this point Cushing decided to send the remaining three ships of the squadron around Cape of Good Hope while he traveled through the Mediterranean and Red Seas. He planned to rejoin the squadron and his suite at Bombay. Taking passage on British steamers, Cushing visited various Mediterranean ports, on which he wrote detailed reports for the State Department.⁶⁰ At Bombay he boarded the squadron's flagship, the U.S.S. "Brandywine," and finally arrived in Macao Roads on February 24. Cushing decided that he would stay at Macao rather than Hong Kong, because his presence at the latter might give the impression of close ties with England.⁶¹ Three days later the mission disembarked at Macao, where they were greeted by W.P. Peirce, American consular-agent at that port. Peirce immediately notified Consul Forbes at Canton of Cushing's request that the consul come to Macao for a conference. Cushing had decided not to travel

⁵⁹Consular Despatches: Canton, P.S. Forbes, Dec. 2, 1843. Chinese Repository, XII, 9 (September 1843), 503.

⁶⁰Cushing could save only his official papers from the fire. He lost everything, including a flamboyant uniform ("a blue coat with gilt buttons, richly embroidered, a white vest, white pantaloons with a gold stripe down the seam, and a chapeau with a white plume"). Fuess, Life of Caleb Cushing, I, 417, 423-24. Cushing's reports on the fire and on the ports he visited are in U.S., Department of State, Diplomatic Despatches: China, C. Cushing, 1843. Copies of these despatches are also in the Caleb Cushing MSS, Library of Congress.

⁶¹Diplomatic Despatches: China, C. Cushing, Feb. 26, 1844.

to Canton, inside the Celestial Empire, unless invited by the Imperial government.⁶²

Within a week Cushing sent a formal notification of his arrival to the Governor of Kwangtung province, Ch'eng Yü-ts'ai.⁶³ He despatched John H. O'Donnell, one of the "unpaid attaches," to Canton with an official letter for the governor. Consul Forbes arranged a meeting between O'Donnell and local officials. The letter informed the governor that Cushing carried two commissions from the President of the United States. As American Commissioner to China, he had authority to conclude a treaty of amity and commerce between the United States and the Celestial Empire. Cushing was also an Envoy Extraordinary and Minister Plenipotentiary of the United States with letters from President Tyler to be delivered to the Emperor. In the role of the latter, Cushing announced that as soon as his squadron had fresh supplies he would travel to Peking.⁶⁴ After O'Donnell delivered the letter, Cushing turned his attention to his correspondence and awaited a reply from the Chinese.

Cushing's intention to visit Peking at first startled Governor Ch'eng Yü-ts'ai. When Forbes had informed the authorities in October 1843 that the American government planned to

⁶²Diplomatic Despatches: China, C. Cushing, Feb. 26 and 28, 1844.

⁶³Normally Cushing would have dealt with the governor-general (or viceroy) of Liang-kwang (Kwangtung and Kwangsi provinces), who was the highest-ranking local official. In 1843 Ch'eng Yü-ts'ai, governor of Kwangtung, was also acting-governor-general because of a vacancy in that post. When Ch'i-ying came to Canton as Imperial Commissioner, he became governor-general of Liang-kwang. In the 1840's Westerners transliterated Chinese names differently than at present. Americans referred to Ch'eng

despatch a mission to China, the consul had then included the possibility of Cushing's seeing the Emperor. The Chinese believed they had successfully dissuaded the consul of the desirability of such an idea at that time. Forbes' meeting had been with Imperial Commissioner Ch'i-ying, who had just signed the Supplementary Treaty with the English. The Commissioner argued that the envoy's presence at Peking would be very inconvenient and completely unnecessary. Ch'i-ying instructed the consul that he, as Imperial Commissioner, had the requisite power and authority "to deliberate upon and manage the foreign affairs" of the Chinese Empire. He further emphasized that on his own initiative he "did not wait for the American Merchants to make the request, but immediately informed beforehand the Consular Agent of the U.S.A. E. King, Esq. that according to the new Laws their duties would be levied and also that they were permitted to resort to the newly opened ports and in the manner (with the English) to trade." In Ch'i-ying's estimation the American government had no reason to send an envoy to China. Forbes could only promise the Commissioner that he would duly notify his government of the Commissioner's statements.⁶⁵ From this answer, the Chinese concluded that probably no American envoy

Yü-ts'ai as Ching and to Ch'i-ying as Tsiyeng or Kiyung. For a biographical sketch of Ch'i-ying, see Eminent Chinese of the Ch'ing Period, ed. by Arthur W. Hummel (2 vols; Washington, 1943-44), I, 130.

⁶⁴Cushing's letter to Ch'eng and his correspondence with Forbes is in Diplomatic Despatches: China, C. Cushing, Mar. 4, 1844.

⁶⁵Ch'i-ying's reply is in Consular Despatches: Canton, P.S. Forbes, Oct. 7, 1843.

would come to China.⁶⁶ When the anticipated mission did not arrive in November or December, Ch'i-ying decided he need not wait any longer at Canton. Subsequently, he relinquished his appointment as Imperial Commissioner for a new position as Governor-general of Liang-chiang (Kiangsi and Kiangsu provinces).

Governor Ch'eng learned of Cushing's unexpected arrival on February 28, a day after the "Brandywine" anchored, from a minor Chinese official at Macao. Before Ch'eng could investigate the report, Forbes sent him notification. At first the governor, who believed Forbes' letter in October had prevented the mission's departure from the United States, questioned the reports. His subordinates quickly confirmed Cushing's presence after an interview with American missionary Peter Parker, whose word the governor apparently trusted. Parker explained that the envoy had never received the consul's letter. The governor proceeded to meet with Forbes and O'Donnell, but he lectured them on the inconvenience and impossibility of Cushing's going to Peking. He reiterated the statements Ch'i-ying had made to Forbes in October. After the Americans left, Ch'eng hurriedly despatched a memorial to Peking. Relating recent events, he commented on Cushing: "Our officers found his language extremely respectful and obedient but his purpose very obstinate." The governor stated he seemed to have detained the American envoy for the present. But he worried that Cushing might impetuously decide to go anyway, since "barbarians are by nature impatient. . . ."⁶⁷

⁶⁶I-wu-shih-mo: Tao-kuang, LXIX, 5-37, and Swisher, Management of the American Barbarians, pp. 133-34, 136.

⁶⁷I-wu-shih-mo: Tao-kuang, LXXI, 4-12, and Swisher, Management of the American Barbarians, pp. 139-42.

Within two weeks after O'Donnell left for Canton, Cushing received a reply from Ch'eng. Dated March 17, the letter formally stated that a trip to Peking was unfeasible. Regarding Cushing's desire to see the Emperor, the governor explained that "it is exceedingly to be feared that there will be no means of presenting the subject [*i.e.* Cushing] intelligibly." Since Peking was inland, Cushing would have to disembark at its port of Tientsin. This further complicated matters, "there being no High Commissioner residing at Tientsin who will negotiate with the Plenipotentiary the regulations for intercourse of the people of the two nations." Ch'eng also argued that Cushing's mission was useless. As Ch'i-ying had stated to Forbes, the governor wrote that, unlike the English, all the American merchants at Canton had "observed the laws of China without any disagreement." In response, the Chinese had not failed in "treating them with courtesy, so that there has not been the slightest room for discord; and, since the two nations are at peace, what is the necessity for negotiating a treaty?"⁶⁸

Chinese officials, unfamiliar with Western concepts of international law, could not understand Cushing's desire for a treaty. They believed the Emperor's policy of granting American merchants equal commercial rights and privileges at the new ports to be sufficient. Previously, the Americans had peacefully acquiesced to Chinese regulations and had remained uninvolved in the political disputes initiated by the English. The Chinese had

⁶⁸Ch'eng's communication is in Diplomatic Despatches: China, C. Cushing, Mar. 28, 1844.

misapprehended the intense impact of England's victory in the Opium War on their foreign trade and relations. Even though the English had forced them to concede operational changes in the "Canton system," the Chinese continued to mold their attitudes around the fundamental assumptions of that system. More importantly, they presumed that the Americans, who had adhered to the "Canton system" even during the Opium War, did so too. The Imperial Court and its officials did not realize that the Americans, fearing the commercial advantages England could reap through its military power, were determined to compete profitably in the "new China trade." Unlike the Chinese, American merchants knew that the English had effectively destroyed the "Canton system."

Cushing himself shared the conviction that the English military victory and treaties had created a different situation in China. A resolute person, Cushing rarely swerved from his determined purposes. In Congress this characteristic had pushed him to Tyler's defense and ostracism by Henry Clay's Whigs. Cushing, therefore, refused to be swayed by Ch'eng's arguments. He re-emphasized to the governor that he carried two commissions from the President, to conclude a treaty and to present his credentials to the Emperor. When Cushing arrived in China, he fully intended to accomplish both instructions. But Cushing's primary objective throughout his mission remained the negotiation of a treaty with China. Only when Governor Ch'eng refused to treat the American envoy with the respect and urgency Cushing felt he deserved, Cushing made the trip to Peking into a major issue. In reply to Ch'eng's communications of March 17, he perfunctorily

told him that he, a Minister Plenipotentiary, would not negotiate with a minor official like the governor. Cushing wrote that he could not, "consistently with the views and instructions of his Government, discuss either questions with any person, however eminent in character and station, except that person be an Imperial Commissioner." But Cushing did imply that he might consider the treaty his more important task. He admitted to Ch'eng that he would settle commercial matters at Macao, if an Imperial Commissioner would come there.⁶⁹

But, sensing that only a threat such as his proposed trip would force Ch'eng to act quickly, Cushing reiterated his plan to leave Macao as soon as his squadron was ready. Correspondence between Cushing and Ch'eng continued throughout the next few weeks with each man repeating the same arguments. The governor, awaiting a response from the Imperial Court to his memorial, sought to placate Cushing to keep him at Macao. He conjoled the American envoy to wait for "the Imperial will pointing out the proper course of procedure."⁷⁰ Cushing himself became increasingly impatient. The notes from Ch'eng contained no indication of action by the Imperial government. Cushing expressed his dissatisfaction to his chief translator Peter Parker, who resided at Canton. Parker, stressing the friendliness that had characterized relations between Americans and Chinese in

⁶⁹Cushing's letter to Ch'eng, dated Mar. 23, is in Diplomatic Despatches: China, C. Cushing, Mar. 26, 1844.

⁷⁰Ch'eng's letter of Apr. 1 is in Diplomatic Despatches: China, C. Cushing, Apr. 10, 1844. See also despatch of Apr. 16, 1844 with enclosures.

the past, advised him not to overreact. The missionary believed the Chinese would eventually yield "when they see that your course is a friendly, reasonable & straight-forward & dignified one."

On April 12 Parker relayed the information that the Emperor had reappointed Ch'i-ying as Imperial Commissioner to treat with Cushing. No one could estimate his arrival at Canton though.⁷¹ Even the news of Ch'i-ying's appointment was not absolute, as local Chinese had not yet received an edict from Peking. Actually, the Emperor had issued such an edict only three days earlier, on April 9. Contrary to Cushing's belief that the Chinese were vacillatory, the Emperor had acted within days of receiving Ch'eng's report regarding Cushing's arrival. Official communication between Canton and Peking, a distance of over a thousand miles, required usually thirty-two days.⁷² The Emperor ordered that his edicts of April 9, the first instructing Ch'i-ying to proceed to Canton as Imperial Commissioner and the second announcing the appointment to Ch'eng, travel at top speed.⁷³ Even so, Ch'eng would not receive his edict until the

⁷¹Letters, P. Parker to C. Cushing, Apr. 11 and 12, 1844, Caleb Cushing MSS.

⁷²The Imperial government had established an extremely efficient courier system for the transmission of despatches, the I-chan or I-ch'uan system. This system consisted of two networks, the first for routine government communication via couriers on foot and the second for urgent correspondence via mounted couriers. Couriers on foot averaged 100 li (33 miles) per day, whereas horse-riders traveled 300 li (100 miles) or more per day. Each network had its own staff, stationed at post-stations (i-chan) throughout the Empire. Correspondence concerning foreign affairs usually went via the second network of horse-riders.

⁷³I-wu-shih-mo: Tao-kuang, LXXI, 3-14, and Swisher, Management of American Barbarians, pp. 143-45.

latter part of the month.

Although Parker had recommended that Cushing accommodate himself to Chinese tardiness, by mid-April the latter resolved to act. He wrote another strong complaint to Ch'eng, but this time he despatched Commodore Foxhall A. Parker in the frigate "Brandywine" to deliver the message. On his arrival at Whampoa on April 20, the Commodore received a visit from local officials who asked him his purpose. The Chinese still declared the presence of foreign warships at Whampoa illegal. Parker responded that he wished to pay his respects to the governor and fire a salute from the "Brandywine." Governor Ch'eng immediately thanked the Commodore for his proffered compliments, but he stated that both an interview and a salute were "against all the settled laws of the land." Ch'eng emphasized that "the laws of China and other nations are unlike; and as our countries are now at peace, still more incumbent is it for each to maintain the laws."⁷⁴ Parker decided not to create an incident and returned downriver.

At Macao Cushing's frustration had not diminished. Yet he continued to wait for the arrival of the Imperial Commissioner.⁷⁵ Since a treaty with China was the primary objective of his mission, Cushing realized that, if he forced his way to Peking, he could jeopardize the treaty and, more importantly, the friendly attitude of the Chinese toward Americans. The trade of his countrymen outweighed the honor of presenting his credentials to

⁷⁴Fuess, Life of Caleb Cushing, I, 430. Ch'eng's correspondence with Com. Parker is in Diplomatic Despatches: China, C. Cushing, Apr. 22, 1844. Parker himself reported on his trip to Whampoa in "Squadron Letters," East India Squadron, Apr. 1844.

⁷⁵Letter, A. Heard to G. Heard, Apr. 28, 1844, Heard MSS. Diplomatic Despatches: China, C. Cushing, May 27, 1844.

the Emperor. He still intended to fulfill his commission to go to Peking, but Cushing now decided to settle negotiations first. Finally, on May 4, Ch'eng officially confirmed Ch'i-ying's appointment as Imperial Commissioner and announced his imminent arrival. Cushing replied that he felt "particular satisfaction in the appointment of a statesman of so much ability and experience as Tsiyeng [Ch'i-ying], to conduct, on behalf of China, the negotiations between China and the United States." But he also told the governor that he still planned to present "to the Emperor, in person, the letters which I bear from the President of the United States."⁷⁶

IV

Imperial Commissioner Ch'i-ying arrived at Canton on May 31, 1844. He immediately despatched a note of greeting to Cushing with an apology that he would not reach Macao until he had settled some affairs at Canton. Finally, on June 12, the Imperial Commissioner and his suite arrived at Wang-hsia (Wanghia), a Chinese village outside Macao. Ch'i-ying decided not to stay inside the walls of Macao, since "barbarians" (Portuguese) governed the city. On June 18 the Commissioner, accompanied by a retinue of advisors, minor officials and troops, ceremoniously visited Cushing at his residence inside Macao. Cushing related that "the interview was, at his request, a purely friendly one--no business being transacted, the time being passed in conversation, in expressions of mutual esteem, and in

⁷⁶A copy of the Emperor's edict of Apr. 9 and Cushing's reply to Ch'eng of May 14 are in Diplomatic Despatches: China, C. Cushing, May 12, 1844.

exchange of assurances of the reciprocal good will of the United States and China." The Americans repaid Ch'i-ying's visit the following day. Besides Cushing, the party consisted of his secretary Fletcher Webster, the young attaches, Com. Parker and several officers of the naval squadron, and his interpreters Peter Parker and Elijah Bridgman. Ch'i-ying received the Americans at his residence, a temple, in Wang-hsia. Except for an agreement by both envoys to begin their negotiations shortly, this second meeting was also entirely social. The two Commissioners appointed their respective subordinates who would meet daily to discuss the details of a treaty.⁷⁷

After their initial courtesy calls, Cushing and Ch'i-ying met infrequently. Although they corresponded concerning final agreements on various points, lesser officials conducted the bulk of negotiations. Cushing delegated his secretary and his interpreters as representatives of the United States. The Chinese counterparts of Webster, Parker and Bridgman included three minor officials, whom Ch'i-ying chose for their familiarity with foreign affairs. Two of them, Huang En-t'ung and Chao Ch'ang-ling, had previously served Ch'i-ying in his negotiations with the English in 1843. The third Chinese agent was P'an Shih-ch'eng, a member of the Hong merchant Pwankeiqua's family and a special friend to American merchants.⁷⁸ These six men conducted their

⁷⁷Diplomatic Despatches: China, C. Cushing, Jul. 8, 1844.

⁷⁸Diplomatic Despatches: China, C. Cushing, Jul. 8, 1844. Swisher, Management of American Barbarians, pp. 32-33. Americans transliterated the names of Ch'i-ying's advisors differently. Huang En-t'ung became Hwang, Chao Ch'ang-ling became Chow, and P'an Shih-ch'eng became Pwan. For sketches of Huang and P'an, see Hummel, Eminent Chinese of the Ch'ing Period, I, 132; II, 606.

talks in Cantonese, a dialect of Chinese, and Pidgin English. Even the American missionaries who interpreted for Cushing could barely understand Mandarin Chinese, the official Chinese dialect. P'an Shih-ch'eng, reared at Canton, provided the link between the Americans and his Chinese colleagues.⁷⁹

Official discussions for a treaty began on June 20. Ch'i-ying, through his negotiators, asked the Americans to submit the basic points they desired in a treaty with the Celestial Empire. In response Cushing returned an abstract of such a treaty to the Imperial Commissioner. He explained that this document "covers all questions, except two or three, of a specific nature, and of great importance, which I desire to present to your excellency separately at an early date." Cushing's abstract basically followed the Treaty of Nanking, although the American envoy emphasized in reference to Hong Kong that the United States did not seek to possess "any portion of the territory of China." Cushing therefore proposed several different articles "of commercial regulation for the security of citizens of the United States residing or prosecuting trade in China."⁸⁰ Specifically, Cushing offered two new regulations: (1) American vessels having anchored and paid tonnage duties at

⁷⁹I-wu-shih-mo: Tao-kuang, LXXII, 1-4, and Swisher, Management of American Barbarians, pp. 154-55.

⁸⁰Diplomatic Despatches; China, C. Cushing, Jul. 9, 1844. Enclosed in this despatch is much of the correspondence between Cushing and Ch'i-ying regarding the treaty. See Cushing's communication to Ch'i-ying, Jun. 21, 1844. An undated outline, in Cushing's handwriting, for discussion with the Chinese is in Caleb Cushing MSS. The outline covered topics such as commerce, blockade, opium and American diplomacy.

one port need not pay the same tonnage duties at another port, and (2) American vessels having anchored in port need not pay any duties if the vessel departed within forty-eight hours and did not break bulk.⁸¹

Cushing's proposals to regulate the payment of tonnage duties were secondary to his overriding concern for the safeguard of Americans and their property at the new ports. The English, in obtaining Hong Kong, planned to utilize its excellent harbor as their base. Like the Portugese at Macao, the English could reside and transact business at Hong Kong without Chinese interference. English vessels would trade at the new ports, but they would always return to Hong Kong. The Americans, without the support of an imperial government and navy, had to establish Factories at each port. In previous years at Canton, American merchants residing in the Foreign Factories had experienced few difficulties with the Chinese. Although even among the Chinese the Cantonese had a reputation for their extreme anti-foreign attitude, nothing more than verbal abuse characterized their treatment of Americans. Most American residents tolerated it as an unavoidable nuisance. The Chinese with whom they transacted business displayed nothing but friendliness, and these Chinese had a greater impact on American residents' attitudes.

Beginning with the opium crisis in 1839, relations between foreigners and Cantonese had deteriorated. Several riots

⁸¹These proposals became Arts. VI and X of the Treaty of Wang-hsia. An original copy of the Treaty, written in Chinese on silk, is in Caleb Cushing MSS, and an English version is printed in United States Policy toward China: Diplomatic and Public Documents, 1839-1939, ed. by Paul H. Clyde (Durham, 1940), pp. 13-21.

erupted in the area of the Foreign Factories. Incited by Commissioner Lin Tse-hsü's suppression of the opium trade, the Cantonese did not distinguish between Americans and Englishmen. The Opium War further catalyzed and strengthened anti-foreign feelings in the Chinese. During the War the Cantonese directed these feelings basically at the English. When hostilities ceased, Cantonese anti-foreignism did not abate. In 1842-44, several outbursts against foreigners involved Americans as well as Englishmen.⁸² One of these occurred in May 1844, while Cushing resided at Macao. This incident centered on a new flagstaff, which Cushing had carried to China for the American consulate at Canton. On top, the flagstaff had "a glittering arrow whose erratic movements the Chinamens [*sic*] superstition construed into some thing portentous of evil, and they wanted it down." At the request of several Chinese merchants, Consul Forbes agreed to remove the vane. But while several Americans proceeded to do so, a mob attacked the group and attempted to seize the flagstaff. Very quickly other Americans appeared with muskets. Subsequently, according to Forbes, "the mob discharged a volley of stones, when contrary to my orders several muskets were discharged." The Americans feared that the mob would ransack the Factories if not stopped. Finally, "Mandarins with 200 soldiers arrived and restored tranquillity."⁸³

⁸² Correspondence in 1843 between Consul Forbes and Governor Ch'i Kung concerning disturbances between Cantonese and foreigners is in Consular Despatches: Canton, P.S. Forbes, Dec. 2, 1843.

⁸³ Letter, P.S. Forbes to J.M. Forbes, May 17, 1844, Forbes MSS.

Cushing and the American residents feared that this type of incident would reoccur, unless they had more security in their Factories. In 1841-42 mobs had twice attacked and burned the Foreign Factories at Canton. Since Americans would operate on the same basis in the new ports, they were apprehensive for their lives and property there. Cushing believed the matter of security important enough to warrant special negotiations with the Imperial Commissioner. The minister, therefore, planned to despatch his views on this matter along with his abstract of a treaty to Ch'i-ying. While his interpreters were translating the communication, Cushing received from the Commissioner a note which informed him of another incident at Canton. A fight between Chinese and Americans had resulted in the death of a Chinese man named Hsü A-man. Ch'i-ying asked Cushing to "act with perfect equity and strict justice. . . ." Under Chinese law, equity and justice meant discovering the identity of the man responsible for Hsü's death and executing him. Cushing responded immediately that he regretted the occurrence and that he had already "instituted a careful inquiry into all the facts of the case, and shall take every step in my power to see that full justice be done. . . ." He also enclosed his statement on the need for better security in the Factories and cited this incident as more evidence in his argument.⁸⁴

⁸⁴Americans transliterated Hsü A-man's name as Sue Aman. Correspondence with Ch'i-ying of Jun. 22 and 24 is in Diplomatic Despatches: China, C. Cushing, Jul. 9, 1844. When Com. Parker heard of the riot at Canton, he despatched a detachment of seamen to guard the Americans. On arrival, they discovered Lieut. Tilton of the "St. Louis" already there with sixty seamen and marines. The Americans did not stay long. Charles O. Paullin, Diplomatic Negotiations of American Naval Officers, 1778-1883 (Baltimore, 1912), pp. 209-10. See also Parker's report in "Squadron Letters," East India Squadron, Jun. 1844.

On June 24 Cushing personally conferred with Ch'i-ying at Macao to discuss "the principles of the treaty and sundry incidental questions." The American envoy hoped they would settle the matter of security, which he deemed most important and urgent. Ch'i-ying, however, first wished to conclude another matter, namely Cushing's desire for an audience at Peking. According to the Chinese system of relations with "barbarians" or foreigners, an appearance at the Imperial Court by a "barbarian" who did not bear tribute was utterly intolerable. Such an action would violate the harmony that governed the world familiar to centuries of Chinese. Although China had admitted defeat to the English and had conceded to open more ports to English trade, the Imperial Court had not changed its basic attitude toward "barbarians." Westerners remained inferior peoples who must not be allowed to encroach upon Chinese traditions. The Chinese might agree to phrase their communications in terms of equality with Western officials, but they refused to admit that Western states were actually equal to the Celestial Empire. Only "barbarians" who wished to pay tribute to the Emperor could enter into that Empire.⁸⁵ Ch'i-ying hoped to impress this fact on Cushing. But the Imperial Commissioner, also aware of Western military capability, did not want to incur Cushing's hostility.

At their conference on June 24, Ch'i-ying once again explained to Cushing that Chinese regulations did not provide

⁸⁵ Foreigners only obtained the right for their diplomatic representatives to reside at Peking in the Treaty of Tientsin (1858). The Imperial government's attitude toward foreigners was still a crucial one in 1900 and was partially responsible for the Boxer Rebellion in 1902.

for his appearance at Peking. Seeking further to persuade Cushing not to leave Macao, the Imperial Commissioner said that he could not conclude a treaty with the Americans, if they persisted in disobeying orders from the Emperor. Ch'i-ying added that he had perused Cushing's abstract and found most points acceptable. Privately, the Commissioner shrewdly concluded that Cushing's major purpose was to negotiate a commercial treaty with China and that the Minister used the trip to Peking as a threat to insure that treaty.⁸⁶ Although Cushing did believe that, to obey his instructions, he must deliver the President's letters to the Emperor, he was unwilling to prejudice the treaty by an obstinate stand on a secondary point. He answered Ch'i-ying that he had "concluded to yield on this point, as the strongest proof that I could give of a disposition to cultivate the friendship of China." But Cushing also told the Chinese that, unless their negotiations arrived at a satisfactory conclusion, he would necessarily proceed to Peking.⁸⁷

With the problem of Cushing's trip to Peking settled, the discussions turned to the security matter. Cushing included

⁸⁶Ch'i-ying also believed that Cushing's proposed trip to Peking was an attempt to outdo the English. I-wu-shih-mo: Tao-kuang, LXXII, 1-3, and Swisher, Management of American Barbarians, pp. 153-54.

⁸⁷Cushing did not like Governor Ch'eng Yü-ts'ai, especially the governor's presumptuous attitude in attempting to negotiate with Cushing. The latter believed his mission to be none of the governor's business. He therefore purposely maintained an uncompromising stand in correspondence with Ch'eng. Cushing's tone with Ch'i-ying was much friendlier. The envoy explained this course of action in Diplomatic Despatches: China, C. Cushing, Jul. 9 and 15, 1844.

in his abstract several general articles he believed necessary for the safety of Americans in China. He first proposed that Americans have the right to rent land and construct churches, hospitals, and cemeteries as well as residences and businesses. The Minister further proposed that Americans have the right to employ language-instructors and to purchase books. For centuries the Chinese had forbidden all these practices to maintain the transient status of foreigners in China. Cushing argued that the situation had changed. Pointing to the Portugese at Macao and the English at Hong Kong, he claimed that other foreigners had seized Chinese territory on which to reside. Americans merely asked that the Chinese grant them basic securities for residing at the new ports.

Ch'i-ying at first refused to approve Cushing's proposals, but on second thought he agreed to them. The practices of hiring Chinese tutors and of purchasing books were already widespread, so the treaty would be only a recognition of fact. Cushing's comparison of Americans with the Portugese and English in reference to territory persuaded Ch'i-ying to grant the rights to rent land and construct buildings. Nevertheless, he insisted on strict regulation of leases.⁸⁸ Cushing offered detailed proposals for other Chinese guarantees to protect Americans and their commerce. The Imperial Commissioner felt these to be "either

⁸⁸Cushing's proposals became Arts. XVII and XVIII of the final Treaty. Ch'i-ying explained his acceptance of the proposals in I-wu-shih-mo: Tao-kuang, LXXII, 3-18, and Swisher, Management of American Barbarians, pp. 162-63.

impracticable or highly defective," and refused to accept them. Consequently, the two envoys, having agreed on the basic outline of rights for American residents, left the details to Peter Parker and Huang En-t'ung to negotiate.⁸⁹

Next Cushing and Ch'i-ying discussed the one remaining issue of Cushing's treaty abstract--legal jurisdiction. In preparing for negotiations with the Chinese, Cushing had devoted much thought to this question. His background as a lawyer precluded an arbitrary stand on his part. But he did believe the Chinese system of law and justice should not govern Westerners, whose own legal system was more sophisticated and "civilized" in Cushing's opinion. The American envoy built his beliefs on the contemporary assumption that Western civilization, grounded in the tenets of Christianity, towered above all other societies. International law, on which Western states based their relations, likewise emanated from Christianity. Since the Chinese had an entirely different form of society, the Celestial Empire could not fall under the aegis of international law. Western states, therefore, had to deal with China on a different basis. Cushing argued that the concept of extraterritoriality should replace international law in reference to the residence of Westerners in China. He pointed to the precedent of relations between European and Mohammedan (Arabian) states. On the journey to China in 1843, Cushing had observed that Western residents in these states lived under the jurisdiction of their own govern-

⁸⁹I-wu-shih-mo: Tao-kuang, LXXII, 3-18, and Swisher, Management of American Barbarians, pp. 161-62. Diplomatic Despatches: China, C. Cushing, Jul. 8, 1844.

ments. He concluded that the position of Westerners in Confucian China was similar to their status in Mohammedan states.⁹⁰

In his abstract Cushing included an article of extra-territoriality which provided that Chinese and Americans, "charged with crimes, shall be subject only to the exclusive jurisdiction, each of the laws and officers of their respective Governments."⁹¹ At the time Cushing proposed this article, the affair involving Hsü A-man's death had not yet been settled. Ch'i-ying had already asked that the guilty American be surrendered to Chinese authorities. Cushing did not want a repetition of the Terranova Affair of 1821. Circumstances had changed with the end of the "Canton system" and the beginning of support by the United States government for American residents in China. The American envoy had determined not to compromise on this issue. Ch'i-ying did not ask him to do so, as he accepted Cushing's article without comment. The Chinese, in their relations with "barbarians" in previous centuries, had allowed them to govern themselves without interference. This form of extraterritoriality was not as sweeping as that proposed by Cushing, because it was an act of benevolence, not a right. Nevertheless, Ch'i-ying was not

⁹⁰Cushing first noted the concept of extraterritoriality as practiced in Arabian ports in Dec. 1843. He later wrote a full exposition of his views on the matter to Secretary of State John C. Calhoun as a defense of the article on extraterritoriality in the Treaty. Diplomatic Despatches: China, C. Cushing, Dec. 1, 1843, Sep. 29, 1844.

⁹¹An abstract of the Treaty is printed in U.S., Congress, Senate, Committee on Foreign Relations, Abstract of the Treaty between the United States of America and the Chinese Empire, S. Doc. 58, 28th Cong., 2nd sess., 1844-45.

totally unfamiliar with the concept. The Imperial Commissioner, furthermore, added his own article to the treaty, thus making Cushing's article of extraterritoriality acceptable.

Ch'i-ying's article concerned smuggling and contraband, especially opium. The Imperial government still worried about the opium trade, which had not abated with the War. Although the English authorities had issued a denunciation of the opium trade, they had refused to include such a statement in any treaty with the Chinese. Ch'i-ying wanted the Americans officially to condemn trade in the drug as smuggling. Cushing willingly consented to Ch'i-ying's request, as the Secretary of State's instructions had advised him to acknowledge that the American government would not sanction any breach of Chinese commercial regulations by American citizens.⁹² Com. Lawrence Kearny in 1842 had already conveyed his government's disapproval of the opium trade and Cushing legalized this official position. The United States would not countenance nor protect any American who traded elsewhere than the five designated ports or who engaged in smuggling any opium or other contraband. Ch'i-ying, pleased with Cushing's position on opium, did not oppose extraterritoriality.⁹³

Even as treaty negotiations continued, Cushing moved to settle the affair of Hsü A-man's death. Ch'i-ying offered no

⁹²Diplomatic Instructions: China, May 3, 1843.

⁹³Arts. XXI and XXXVIII of the Treaty concern extraterritoriality and opium respectively. Diplomatic Despatches: China, C. Cushing, Jul. 15, 1844.

official Chinese resistance to Cushing's actions. On receiving notification of the death from Consul Forbes, Cushing had ordered an investigation. But he also informed Forbes that he intended to handle this affair under the aegis of extraterritoriality. Using the arguments of Christianity and international law, Cushing wrote that he had decided to "refuse at once all applications for the surrender of the party who killed Sue Aman" (Hsü A-man).⁹⁴ Subsequently, Cushing announced to the Chinese that he had instructed Forbes to inquire into the matter. Ch'i-ying replied that he was satisfied with the envoy's actions. His major worry was the reaction of the Cantonese rabble, "a vagrant, idleness-loving set, who set in motion many thousand schemes, in order to interrupt peace between this and other countries." He claimed that, since the Opium War, many of these Cantonese had formed secret societies with the purpose of ridding the city of foreigners. Although Ch'i-ying did not condone the Americans' killing of Hsü, he implied that the rabble most likely incited the affair. The Commissioner did not repeat his earlier demand for the surrender of the guilty man, but he did ask that Cushing not do anything to inflame the populace.⁹⁵ Subsequently, Forbes conducted an inquiry and submitted the evidence to a jury of six American merchants, who ruled the killing as self-defense. Cushing so informed Ch'i-ying.⁹⁶

⁹⁴The letter to Consul Forbes of Jun. 28, 1844, is in Diplomatic Despatches: China, C. Cushing, Jul. 24, 1844.

⁹⁵Ch'i-ying's communication is in Diplomatic Despatches: China, C. Cushing, Jul. 9, 1844.

⁹⁶Forbes confidentially related the details of the incident in letters to his cousin Bennet. The person responsible for Hsü's death was Daniel N. Spooner, a partner in Russell & Co. Forbes

With the matter of extraterritoriality settled, the two sides were ready to sign a treaty. Altogether, negotiations lasted only two weeks. Cushing's abstract had provided an excellent outline from which to work. The negotiators had only to address themselves to the articles over which they disagreed in interpretation. Cushing had painstakingly composed the abstract, and he prided himself on the care with which he considered Chinese rights and aims as well as those of American residents. He constantly emphasized to the Chinese "that it was not the policy or the wish of the United States to take territory from China, to extort money payments, or any other aspect to wound the national pride or injure the political interests of the Empire."⁹⁷ Although Ch'i-ying still considered Americans as "barbarians," Cushing's statements and actions convinced the Imperial Commissioner that he and his country acted in good faith. The Imperial government must therefore treat the Americans with benevolence. Such an attitude also facilitated the

did not reveal Spooner's identity to Cushing or to the Chinese authorities. Letters, P.S. Forbes to R.B. Forbes, Jul. 1 and Aug. 1, 1844, Forbes MSS. Forbes' description of the incident to Cushing and Cushing's correspondence with Ch'i-ying on the matter are in Diplomatic Despatches: China, C. Cushing, Jul. 24, 1844. Shortly after the conclusion of this affair, two Americans who had constructed facilities for repairing vessels on Chinese territory near Hong Kong asked Cushing for extraterritorial protection. Cushing refused, as their establishment was outside any of the five ports. The two proprietors were Charles Emery and George Frazer, former seacaptains. Frazer had run opium clippers on the China coast for Russell & Co. Without Cushing's support, the two men had to abandon their enterprise. See correspondence among Cushing, Emery and Frazer, and Ch'i-ying in Diplomatic Despatches: China, C. Cushing, Aug. 14, 1844.

⁹⁷ Diplomatic Despatches: China, C. Cushing, Jul. 9, 1844.

conclusion of the treaty.

On July 3, 1844 Cushing and his party met the Chinese delegation for the last time at the temple of Wang-hsia. The appropriate representatives formally signed the Treaty of Wang-hsia, which had been made into eight copies of which four each were in English and Chinese. Afterwards, Ch'i-ying and the Chinese went to Cushing's residence at Macao for a banquet. Cushing had invited numerous American residents, as well as their wives, to attend. Ch'i-ying, unfamiliar with the "barbarian custom" of extolling women, commented that in their presence he "was composed and respectful but uncomfortable, while they were greatly honored."⁹⁸ The Imperial Commissioner reciprocated with a banquet of his own, for the American gentlemen. Lasting four hours, the dinner consisted of numerous Cantonese delicacies and fiery Chinese wine. In following weeks Cushing despatched the letters he carried from President Tyler to Ch'i-ying for presentation to the Emperor.⁹⁹ He also sent an engraving of the President to the Imperial Commissioner, who

⁹⁸I-wu-shih-mo: Tao-kuang, LXXIII, 8-20, and Swisher, Management of American Barbarians, pp. 174-75.

⁹⁹Cushing carried two letters for the Emperor from President Tyler. Written by Daniel Webster, the style and language of the first letter was simplistic and reminiscent of traditional American treatment of "barbarians." Although sometimes also attributed to Webster, the second letter was the work of Webster's successor, A.P. Upshur. This letter contained Cushing's instructions. Diplomatic Instructions: China, Jun. 13, 1843. See also Tyler Dennett, Americans in Eastern Asia: The Policy of the United States with Reference to China, Japan and Korea in the 19th Century (New York, 1922), pp. 140-41.

showed his appreciation by returning portraits of himself to Cushing and members of the mission. After several weeks Cushing said fairwell to Ch'i-ying and the American residents at Macao and embarked for the United States.¹⁰⁰ Cushing's treaty, the Treaty of Wang-hsia, marked a new era in American relations with China.

¹⁰⁰Various authors have discussed the Cushing mission. Using only American sources, Dennett, in Americans in Eastern Asia, Chap. VIII, and Kenneth S. Latourette, in "The Story of Early Relations between the United States and China, 1784-1844," Transactions of the Connecticut Academy of Arts and Sciences, Vol. XXII (New Haven, 1917), Chap. X, utilized Cushing's major despatches to the State Department, as published in U.S., Congress, Senate, Committee on Foreign Relations, S. Docs. 58 and 67, 28th Cong., 2nd sess., 1844-45. Fuess, in Life of Caleb Cushing, I, Chap. 10, employed Cushing's private papers. Kuo Pin-chia wrote an article, "Caleb Cushing and the Treaty of Wanghia," Journal of Modern History, V (1933), 35-54, in which he combined the Senate documents, Fuess' biography, and Chinese documents from I-wu-shih-mo. Kuo lays extraordinary emphasis on Chinese fears regarding Cushing's trip to Peking. Several historians who wrote primarily on Anglo-Chinese relations give passing reference to Cushing and the American treaty. Of these, the most cogent interpretation is in John K. Fairbank, Trade and Diplomacy on the China Coast: The Opening of the Treaty Ports, 1842-1854 (Cambridge, 1953), pp. 196-99.

CONCLUSION

Several days before the formal signing of the Treaty of Wang-hsia, Consul Paul S. Forbes wrote to his Boston cousins that Caleb Cushing "has settled the principles of a very satisfactory Treaty. . . ." Other American merchants at Canton agreed with Forbes, although many of them had previously viewed Cushing's mission skeptically.¹ At the end of the Opium War the majority of American residents had felt satisfied with the new commercial conditions established by the English. After Imperial Commissioner Ch'i-ying promised Commodore Lawrence Kearny that American merchants and their vessels would possess equal commercial rights and privileges at the new ports, American residents believed they had obtained all that was necessary to insure profitable trading in China. Sixty years' experience had accustomed Americans to accept Chinese commercial regulations and restrictions. During this time acquiescence to the "Canton system" formed the cornerstone of a very successful commercial enterprise. Although American merchants at Canton numbered very few and enjoyed no military support, they had competed successfully with the overwhelmingly larger and more powerful

¹Letter, P.S. Forbes to R.B. Forbes, Jul. 1, 1844, Harvard Business School, Baker Library, Forbes MSS. Letter, Wetmore & Co. to G. Peabody, Jul. 20, 1844, Salem, Essex Institute, George Peabody MSS.

English community. Their experience at Canton led Americans to assume they could transact business profitably in additional ports under the new "treaty system." Americans who had resided in China before the Opium War were willing to accept the assurances of an Imperial Commissioner as sufficient evidence that the Chinese would not discriminate against their trade in the new system. Some Americans even feared that attempts to negotiate a treaty might offend the Chinese and thus jeopardize their relations with the Celestial Empire. But the Treaty of Wang-hsia, which Cushing virtually composed himself, served American commercial and diplomatic interests in China. Most importantly, Cushing obtained the protection of international law for Americans and their trade at the new ports.

International (or Western) law was a novel concept in Sino-Western relations. Until the Opium War, China had dictated the basis for its contact with the West in a set of regulations known as the "Canton system." Restricted to commercial relations at the port of Canton, Westerners generally acquiesced to Chinese rule because of the demand in the West for China teas and silks. Americans especially were willing to trade under the "Canton system," as they traditionally obeyed the rules and regulations of the country in which they pursued commercial enterprise. But the Opium War changed the basis for Sino-Western contact. The gradual deterioration of Imperial administration under the Ch'ing dynasty had caused an upset in the balance-of-power that had allowed the Chinese to delineate the basis of their foreign relations. Increasingly characterized by corrup-

tion and venality, Ch'ing officials became powerless to enforce Imperial rule. The expansion of the opium trade in the 1830's signified the decline of the "Canton system." As power slipped away from the Chinese administrators, the English stepped into the vacuum. Seeking to create order and stability, England used its military force to impose Western concepts of international law on its relations with the Chinese Empire. Consequently, the basis of Sino-Western contact became the "treaty system."

Many Americans trading in China remained blind to the fundamental changes inherent in the Treaty of Nanking. These merchants, who still intended to operate with the Chinese under old regulations, did not deem the protection of international law necessary for the successful prosecution of trade. But Cushing, as a lawyer and diplomat, realized in 1843 that rights and privileges not secured by treaty could easily disappear. The presence of English military force in China, its power already manifested in the Opium War, lent plausibility to Cushing's concern over the change in the basis of foreign trade in China and over the consequent impact on the status of American commerce. Cushing shrewdly observed that British occupation of Hong Kong gave English traders an advantage over their competitors. Like the Portugese at Macao, the English possessed a territorial base (with an excellent harbor) from which they could exclude all Chinese interference. Americans, on the other hand, had only the doubtful protection of Imperial law. As the Ch'ing dynasty declined and Imperial power waned, the Chinese

government became less capable of discriminating in favor of nations who observed Chinese regulations. Cushing's recognition of the potential difficulties facing Americans within the emerging "treaty system" prompted him to insist on formalizing American relations with the Celestial Empire.

Cushing exchanged the advantages which Americans had enjoyed under the "Canton system" for commercial regulations and legal and extraterritorial rights guaranteed by a treaty. His achievement, however, reached beyond the American community in China. The English, because of a most-favored-nation clause in the Treaty of Nanking, also received all benefits awarded to Americans in the Treaty of Wang-hsia. Contemporary English politicians and writers used the most-favored-nation clause to denigrate Cushing's efforts. They argued that England's military victories and subsequent negotiations made the American mission superfluous. The English certainly had opened new ports to foreign trade. But, as Cushing countered English ridicule, the English treaties "did not stipulate that the advantages obtained by her should be made common to the rest of Europe." Instead, England merely gained for itself any treaty concessions which China granted to other foreign states. In Cushing's opinion, "the opening of the Five Ports to other nations was in fact, as it certainly was in form, the spontaneous act of the Chinese Government."² The English, furthermore, obtained many important

²U.S., State Department, Diplomatic Despatches: China, C. Cushing, Jul. 5, Aug. 16, and Aug. 26, 1844.

advantages from the American treaty. Cushing himself listed sixteen stipulations not in the Treaty of Nanking. The most important articles in the American treaty included the rights and privileges of: extraterritoriality; renting land for churches, hospitals and cemeteries; learning Chinese and purchasing books; communicating with the Emperor through an Imperial Commissioner; renegotiating the treaty after twelve years. Because of these provisions the Treaty of Wang-hsia was the basis of subsequent relations between China and the West.

In addition to safeguarding American interests in China, Cushing believed that he had respected China's sovereignty and integrity. He asked the Chinese to grant minimum guarantees to Americans, their property and their trade. In return he willingly acceded to Chinese proposals that the United States officially condemn smuggling and the opium trade. Ch'i-ying's attitude in conferences and correspondence confirmed Cushing's opinion that the Imperial government approved the American minister's position. The Imperial Commissioner did indeed sanction Cushing's actions, which he characterized as "reasonable" behavior, that of a "proper barbarian." Cushing's decision to remain at Macao convinced Ch'i-ying of his good faith and disposed the Commissioner to treat him with particular benevolence. A fundamental amity which had evolved between American and Chinese merchants at Canton underpinned the relations between Cushing and Ch'i-ying. Although each envoy believed himself representative of a superior civilization, both nevertheless were aware of the relationship that existed between Americans and

Chinese before either diplomat arrived at Macao. The merchants' amity predisposed Cushing and Ch'i-ying to conclude their treaty rapidly and easily.

Friendly relations developed between American traders and Chinese Hong merchants because of a shared, single-minded interest in commercial profit. From the earliest years of their trade at Canton, Americans willingly obeyed the regulations and restrictions of the "Canton system." They furthermore sought cooperation from the Hong merchants in building a successful trade within this system. The Chinese compared American practices with the aggressive and recalcitrant attitude of the English. In the 1820's and 1830's the Hong merchants increasingly favored transacting business with Americans at Canton. Serious economic difficulties in the early 1820's had forced Americans in the China trade to seek more efficient modes of business to remain competitive. Consequently, they fostered closer financial ties with the Hong merchants. The most successful American houses in the China trade, Perkins & Co. and its successor Russell & Co., reaped rich profits from their special relationship with Chinese merchants. Other major American commission houses at Canton followed their associates' example. Friendship and trust between Americans and Chinese subsequently grew stronger, as both groups perceived that close ties were mutually beneficial.

Throughout their decades in China, American residents concomitantly created a favorable impression on the Chinese government. Unlike the English, who had the support of an imperial government and navy, Americans had no alternative but to adhere

to the "Canton system." Because they traded profitably under this system, they did not chafe under its regulations. Traditionally, the Imperial Court preferred not to concern itself with "barbarians." But as long as they behaved properly, in obedience to Chinese law, Chinese officials left them alone. Local authorities had jurisdiction to keep the "barbarians" in line. In the 1830's the actions of English merchants, especially in expanding the opium trade, increasingly brought the Court's attention to the Western "barbarians" at Canton. At first Court officials, unlike the local authorities, made no distinction between Americans and Englishmen. But soon the Americans--their position reinforced by the favorable impression they had already made on Canton officials--earned the approbation of Imperial officials by maintaining a neutral stand in the opium crisis. During the Opium War American neutrality, a practical and profitable policy, strengthened their position as "respectful barbarians." Consequently, Imperial Commissioners I-li-pu and Ch'i-ying, despatched to Canton to negotiate with the English in 1842, memorialized the Court to grant the Americans commercial rights and privileges similar to those forcibly obtained by the English.

By fostering friendly relations with the Hong merchants within the "Canton system," American merchants not only had a favorable impact on the Chinese government. American commercial success at Canton also influenced the official attitude of the United States toward the Celestial Empire. This success led the American government to seek American merchants' advice in

determining the initial basis of its relations with China. Lack of previous interest by both government and any other group left the American mercantile community the major source of information concerning China. (The only other American residents in China, Protestant missionaries, had not yet begun lobbying for their own interests.) When Cushing arrived in China as the first American diplomatic representative, he considered commercial interests as the United States' primary concern in China. Therefore, he negotiated a basically commercial treaty. The American government wanted neither Chinese territory nor responsibilities requiring constant naval vigilance. Cushing concluded a treaty which reflected existing American ties of commerce and amity with China.

In September 1844, a leading American merchant described his impressions of the Treaty of Wang-hsia to Nathaniel Kinsman, a partner in Wetmore & Co. and a former seacaptain in the East India trade: "As to our commercial intercourse with China, it seems now to be on as favorable a footing as it can be, & I hope it will not be interfered with."³ The American government agreed with the merchant's view of the Treaty. On January 16, 1845, one month after Cushing's return from China, the Senate unanimously ratified the Treaty of Wang-hsia.⁴ Thus, Americans officially opened a new era in relations between the United States and China.

³Letter, W.H. Neal to N. Kinsman, Sep. 30, 1844, Salem, Essex Institute, Kinsman Family MSS.

⁴The Senate discussed and ratified the Treaty in executive session. U.S., Congress, Senate, Journal of Proceedings, Jan. 16, 1845, 28th Cong., 2nd sess., 1844-45.

The fundamental change was the inauguration of a new system of trade, the "treaty system," which would govern Western relations with China into the twentieth century. For over a half century, American residents in China had lived and traded under the "Canton system." Now gone forever--the Co-hong, the Hoppo and Consoo fund, Cumshaw and measurement fees, receiving ships, confinement to the Foreign Factories at Canton, interdiction of foreign women, and all the attendant characteristics of the old laws--Americans and Chinese in 1844-45 looked forward to a promising but uncertain future.

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