Understanding the Chinese: British Merchants on the China Trade in the Early 1830s

Sino-British encounters before the Opium War (or the First Anglo-Chinese War, 1840-2), compared to those occurred after the conflict, have received less scholarly attention. The existing literature and academic debates principally focus on two areas: first, the two British royal embassies to China – the Macartney embassy of 1793 and the Amherst embassy of 1816 – and the opium trade which triggered the war. This scholarship is hence largely (but not exclusively) diplomatic and commercial histories, with 'embassy' and 'opium' as its keywords. Various historians have studied the Macartney and the Amherst embassies, including aspects of the kowtow controversy, British presents to the Qianlong emperor as well as the Qing court's attitudes towards Britain and western technology. Others have

¹ See, for example, Robert A. Bickers, ed., *Ritual and Diplomacy: The Macartney Mission to China, 1792-1794* (London, 1993); James L. Hevia, *Cherishing Men from Afar: Qing Guest Ritual and the Macartney Embassy of 1793* (Durham, NC, 1995); Joseph W. Esherick, 'Cherishing Sources from Afar' in *Modern China*, 24, no. 2 (1998): pp. 135-61; Peter J. Kitson, and Robert Markley, eds., *Writing China: Essays on the Amherst Embassy (1816) and Sino-British Cultural Relations* (Woodbridge, 2016); and Hao Gao, 'The Inner Kowtow Controversy During the Amherst Embassy to China, 1816-1817', *Diplomacy and Statecraft*, 27, no. 4 (2016): pp. 595-614.

² See, for example, Maxine Berg, 'Britain, Industry and Perceptions of China: Matthew Boulton, "Useful Knowledge" and the Macartney Embassy to China, 1792-94', *Journal of Global History*, 1, no. 2 (2006): pp. 269-88. Harrison, Henrietta, 'The Qianlong Emperor's Letter to George III and the Early-Twentieth-Century Origins of the Ideas about Traditional China's Foreign Relations', *American Historical Review*, 122, no. 3 (2017): pp. 680-701; Joanna Waley-Cohen, 'China and Western Technology in the Late Eighteenth Century', *American Historical Review*, 98, no. 5 (1993): pp. 1525-44; and Matthew W. Mosca, *From Frontier Policy to Foreign Policy: The Question of India and the Transformation of Geopolitics in Qing China* (Stanford, CA, 2013), pp. 163-98.

focused on the trade in opium – not only how it caused conflicts between Britain and China,³ but also the ways in which it influenced the Chinese people's social lives and the Qing government's suppression of the drug.⁴ Second, independent from the embassy-/opium-/war-related historiography is cultural investigations which explore the place of China in the literature of Britain and Europe. David Porter and Elizabeth Hope Chang, for example, have researched the cultural understanding of China in eighteenth- and nineteenth-century England/Britain. ⁵ Robert Markley and Peter J. Kitson have provided surveys on English/British imagination of China from the seventeenth to the early eighteenth century and during the Romantic period. ⁶ For those scholars who researched the wider European contexts, the majority of their works dwell on Catholic missionaries' accounts of China, or how key intellectuals such as Leibniz, Voltaire and Quesnay represented the Chinese civilisation to cloak their attacks on obscurantism and misgovernment in Enlightenment Europe.⁷

This article seeks to make a connection between the two largely separate bodies of literature, to explore the interplay between cultural representations of and policy towards

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³ See, for example, W. Travis Hanes III, and Frank Sanello, *The Opium Wars: the Addiction of One Empire and the Corruption of Another* (Naperville, IL, 2002); Glenn Melancon, *Britain's China Policy and the Opium Crisis: Balancing Drugs, Violence and National Honour, 1833-1840* (Aldershot, 2003); and Harry G. Gelber, *Opium, Soldiers and Evangelicals: Britain's 1840-42 War with China, and its Aftermath* (New York, 2004).

⁴ See, for example, Yangwen Zheng, *The Social Life of Opium in China* (Cambridge, 2005); David Anthony Bello, *Opium and the Limits of Empire: Drug Prohibition in the Chinese Interior, 1729-1850* (Cambridge, MA, 2005); and Hans Derks, *History of the Opium Problem: The Assault on the East, Ca. 1600-1950* (Leiden and Boston, 2012).

⁵ David Porter, *The Chinese Taste in Eighteenth-Century England* (Cambridge, 2010); Elizabeth Hope Chang, *Britain's Chinese Eye: Literature, Empire and Aesthetics in Nineteenth-Century Britain* (Stanford, CA, 2010).

⁶ Robert Markley, *The Far East and the English Imagination*, 1600-1730 (Cambridge, 2009); Peter J. Kitson, *Forging Romantic China: Sino-British Cultural Exchange 1760-1840* (Cambridge, 2013).

⁷ See, for example, Colin Mackerras, *Western Images of China* (Oxford, 1989); V.G. Kiernan, *The Lords of Human Kind: European Attitudes towards the Outside World in the Imperial Age* (London, 1995); and Jonathan D. Spence, *The Chan's Great Continent: China in the Western Minds* (London, 2000).

China, as a way of understanding pre-Opium War Sino-British relations. To scrutinise how British merchants interpreted China, moreover, is different from investigating the views of China presented by Catholic missionaries, influential European intellectuals, or the British embassies. These interest-oriented men were not as well-educated as the missionaries who travelled to the hinterland of China and immersed themselves in Chinese culture. Nor could they be compared with the Enlightenment philosophers or the British missions in terms of challenging authorities in Europe or shaping the country's diplomacy with China. The primary concern for these British mercantile communities was to benefit from the lucrative China trade. Ulrike Hillemann has made some fruitful attempts to know more about these groups, particularly how new knowledge of China and India was produced in the process of Britain's imperial expansion. She touched lightly, however, on the first few years of 1830s and the extent to which this period influenced Britain's trade and diplomacy with China.

The early 1830s were significant because they were the last few years of the British East India Company's monopoly of Britain's China trade. Since the early nineteenth century, the EIC had been in an awkward position as theories of free trade became increasingly popular in Britain and across its imperial world. Although the East India Company Act of 1813 renewed the Company's charter for twenty years, its monopoly in India was abolished except for the tea trade and trade with China. This partial opening of the Indian trade initiated significant changes in the structure of Britain's trade with Asia by allowing British private merchants to establish themselves in India. Unprecedentedly close to the Chinese market, many of them were keen to have access to the China trade. Although, in theory, non-EIC merchants were still prohibited from trading with the Chinese, a lot of them had succeeded in approaching the Chinese market by different means. Claiming themselves to be 'free traders', these British

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⁸ Ulrike Hillemann, *Asian Empire and British Knowledge: China and the Networks of British Imperial Expansion* (Basingstoke, 2009).

⁹ Ibid., pp. 87-91.

men either purchased an expensive license from the EIC to conduct the so-called 'country trade', ¹⁰ or they bypassed the Company's control by forging commercial links with foreign companies.

The relationship between the EIC and the 'free traders' was complicated. In the beginning, the private merchants were unable to seriously challenge the EIC at Canton. Nevertheless, the rapid growth of their trade changed the situation. In parallel with the Company's commerce with the Qing-government-authorised Hong merchants, these British 'free traders' developed a lucrative trade with unlicensed Chinese dealers, mainly in opium. Instead of using the term 'illegal trade', they often referred to it as the 'unauthorised trade'. From the EIC's point of view, this trade was a mixed blessing, because, on the one hand, these EIC's representatives knew that the Qing court would be unhappy with the private merchants' trade if it continued to develop. On the other hand, the EIC needed the trade in opium. For decades, the Company had been struggling to find a market for British goods in China to pay for its import of Chinese tea. It was opium that offered a solution to this longlasting problem. Although the EIC kept their hands clean from the opium trade in Canton, it developed opium production on a huge scale in its colony in Bengal. The private merchants bought the company's opium on credit, sold it to the Chinese, and then paid the EIC's representatives in Canton, who used the money to purchase tea. From the perspective of the 'free traders', they had many reasons to dislike the EIC's monopoly. Since their trade was not safeguarded by the government of either side, nor by the EIC's representatives at Canton, their position in China was never secure. Although very few of them were entirely pro-freetrade, these newcomers to the Asian markets believed that the EIC's monopoly had posed significant obstacles to the extension of their trade. It had been their desire that the British

¹⁰ The 'country trade' began in the late eighteenth century, but significantly expanded after the East India Company Act of 1813.

government could remove these constraints for them.

In the early 1830s, the best opportunity to terminate the EIC's monopoly presented itself, as the Company's charter was on the point of expiring again. The private merchants along with their supporters back home, including merchants and industrialists in Liverpool, Glasgow, Manchester and other provincial cities as well as their allies in London, not only petitioned parliament for full commercial freedom with China, but waged a pamphlet war against the EIC. This debate on the EIC's monopoly and Britain's China policy went hand-in-hand with a controversy over the images of China. To defend their respective standpoints, the campaigners for the EIC and for its critics constructed vastly different images of the China trade, the Chinese government and its people. Although historians have studied the termination of the EIC's monopoly in great detail, ¹¹ this underlying debate about China's images remains little researched.

The EIC's Views

It should be noted first that the EIC and its supporters were not a homogenous group. In the early 1830s, some London East India agency houses began to see advantage in the opening of the China trade as they developed links with manufacturers in British industrial cities. The emergence of these interest groups means that there was no complete unity within the EIC's leadership in London. Also, the Company's select committee at Canton did not always abide by the instructions given by the court of directors, partly due to the long time needed for

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¹¹ See, for example, Hosea Ballou Morse, *The Chronicles of the East India Company trading to China 1635-1834* (5 vols., Oxford, 1926; reprinted, London, 2000), IV; Michael Greenberg, *British Trade and the Opening of China 1800-42* (Cambridge, 1951); C.H. Philips, *The East India Company 1784-1834* (Manchester, 1961); Anthony Webster, *The Twilight of the East India Company: The Evolution of Anglo-Asian Commerce and Politics, 1790-1860* (Woodbridge, 2009); and Yukihisa Kumagai, *Breaking into the Monopoly: Provincial Merchants and Manufacturers' Campaigns for Access to the Asian Market, 1790-1833* (Leiden, 2012).

information to travel between China and Britain (usually four to five months). There were officials of the EIC who became 'free traders'. A prominent example is Hugh Hamilton Lindsay, who challenged the Company's China policies and later set up his own business. ¹² There were also those who were outside the Company such as R. Montgomery Martin, an Irishman who later became the Colonial Treasurer of Hong Kong (from 1844 to 1845), or had not worked in China such as Thomas Fisher, but were in favour of the continuance of the EIC's monopoly. Therefore, 'the EIC and its supporters' can only be understood in general terms in this article. It does not mean that the Company produced only one voice about China and the China trade. It is the *general* attitudes that these campaigners held to defend the EIC's monopoly in China that this article concentrates on.

According to Webster, the 'defenders of the Company's privileges did little or nothing to lobby in their defence'. ¹³ Philips has also maintained that the directors of the EIC 'made no effort ... to controvert the arguments of the merchants of the outports' and '[t]he Court of Proprietors sleepily, unquestionably awaited its fate'. ¹⁴ A wider reading of historical sources, however, shows that although the Company's leadership did not do much to defend the EIC's position in China, a lot of the Company's supporters did campaign for the continuance of the EIC's monopoly. They, first and foremost, endeavoured to justify the economic importance of its monopoly. According to the EIC's critics, since the India trade had opened in 1813 based on the principle of free trade, it was unreasonable to preserve the Company's trading privileges in China. Opposed to this argument, the pro-monopoly commentators' main justification was that however compelling this theory sounded in principle, 'the peculiar

¹² Hugh Hamilton Lindsay (1802-81) started working for the EIC in 1821. He left the Company in 1833 and found his own company Lindsay & Co. in Canton in 1836. For more of Lindsay's activities and views, see Robert Bickers, 'The Challenger: Hugh Hamilton Lindsay and the rise of British Asia, 1832-1865', *Transactions of the Royal Historical Society*, Sixth series, no. 22 (2012): pp. 141-69.

¹³ Webster, p. 100.

¹⁴ Philips, p. 291.

circumstances' of the China trade rendered the principles of international commerce inapplicable to the case of China. To support this claim, they pointed out that it was unrealistic to expect that the opening of China trade from the British side alone could produce any material effect, because, as long as the Chinese monopoly remained, no significant change could happen. In this respect, Henry Ellis, who served in the civil service of the EIC for six years and the third commissioner of the Amherst mission, maintained that:

The peculiar circumstances under which the trade of foreigners is placed by the laws of China, ... have led me to reject, as fallacious, the anticipations of those who consider the surprising effects produced in India by unrestricted intercourse, as indicative of equal results in China. 15

For this reason, Ellis believed that, under the present circumstances, it would be wrong to open the China trade only from the British side. 'Until some change takes place in both these respects', he wrote, 'the extension of the British trade contemplated by the merchants and manufacturers who have petitioned parliament on the subject, is hopeless'. 16

Based on this assertion, others in favour of maintaining the EIC's trading privileges such as Martin asserted that since, under the current system, the China trade was carried on with profit and a certain degree of security, there was an 'absolute necessity for an undisturbed continuance of the Company's factory at Canton'. 17 Staunton added that, through its lawful and extensive commercial activities, the EIC had, over the decades, developed a wholesome system that 'diffuses the profits and advantages of a great and well-regulated commerce, in

¹⁵ Henry Ellis, A Series of Letters on the East India Question, addressed to the Members of the Two Houses of Parliament (London, 1830), p. 60. This view was backed up by George Thomas Staunton, the second commissioner of the Amherst mission. See George T. Staunton, 'Considerations on the China

Trade', The Asiatic Journal, no. 28 (1829): pp. 684-5.

¹⁶ Ibid., pp. 37-8.

¹⁷ R. Montgomery Martin, The Past and Present State of the Tea Trade of England, and of the Continents of Europe and America (London, 1832), p. 131.

equitable proportions, directly or indirectly, over the whole of the British community'. ¹⁸ Because of their long-lasting commercial relations with the Hong merchants, the Company's representatives were said to have developed considerable power in Canton. An anonymous writer in *The Asiatic Journal* stressed that 'by the extent of their dealings, the unerring regularity of their transactions, their proverbial probity, and the duration of their connections with China', the EIC's representatives gained a high character and an augmented influence in the minds of the Chinese. ¹⁹ Moreover, according to the 'Report of the Select Committee of the House of Commons in 1831', all forms of foreign trade had more or less benefited from this positive influence of the British EIC. Even the private merchants' trade was not an exception, because 'by the influence of the Company, searches of country ships had been prevented, and difficulties in the prosecution of their transactions removed'. ²⁰

In addition to these statements, the Company's supporters emphasised that the EIC was the only party that could guarantee the present prosperity and comparative security of the China trade. In opposition to the view that it was now time to throw the China trade open, Staunton insisted that, given the uniqueness of this trade, nothing could prevent 'the exercise of arbitrary and dictatorial powers over the trade, on the part of the Chinese merchants, but the present system'. To prove this, Ellis created a fearful image that the whole international trade in China would be in danger if the EIC system ceased to operate:

There can be no doubt that ... the announcement that the East India Company were no longer the representatives of the British nation ... would shake the confidence of the Chinese; and that no consul ... could establish for himself the confidence and influence now attached to the Company's factory. All that might be lost in these respects ... would be turned to the advantage of the local government and of the Hong merchants, and consequently to the injury of the

¹⁸ Staunton, pp. 690-1.

¹⁹ Anon., 'The American Commerce with China', *The Asiatic Journal*, no. 27 (1829): p. 2.

²⁰ 'Report of the Select Committee of the House of Commons on the Affairs of the East India Company: China Trade (1830)', in Martin, p. 132.

²¹ Staunton, p. 686.

foreign trade in general.²²

Martin, who visited India in the 1820s and later became an India expert, added that the termination of the EIC's China monopoly might cause even greater detrimental effects across the British empire, including 'ruin to the Indian, as well as to the English, Chinese commerce ... with a diminishing government revenue, increasing public burthens, a possibility of general war, and a variety of taxes pressing on the industry and comfort of the people.'23

Nevertheless, in an era when criticism of the EIC's administration in India and of its negative impact on the economy was considerable, the Company's supporters knew that their arguments in favour of the monopoly would sound more convincing with the 'local inside knowledge' about China possessed by the EIC's employees. To win support from parliament as well as the British public, they highlighted that China was a culturally 'peculiar' nation. Since China's commercial and political culture was so different, it would be wrong to assume that the doctrine of free trade could be applied in China. These key differences, or 'peculiarities', include: first, the long history of China's self-contained economy had led the Chinese to believe that they stood in no need of trade with other countries. The Chinese, hence, did not value external trade as much as the Europeans did. Since the Chinese government had, from the earliest ages, directed its attention to render the intercourse between the different provinces of the empire easy and secure, China had long been 'enjoying within its own territories all the necessaries and conveniences, and most of the luxuries of life'. ²⁴ As a result, throughout Chinese history, neither the necessities of the people nor the policy of the government had looked to foreign trade as a principal source of individual

²² Ellis, p. 43.

²³ Martin, p. 4.

²⁴ Ibid., p. 6.

wealth or of imperial revenue. Second, China's unique history and its geographical position had resulted in the country's political isolation, as well as the government's suspicious attitude towards foreigners. Fisher, for example, claimed that since 'the Chinese had acquired the art of living in a state of high mental cultivation and social enjoyment ... long before they could have the remote idea of intercourse' with foreign nations, their government had proclaimed its independence of every nation in the world during much of its history.²⁵ For this reason, the benefits of international communication had never been cultivated in China. On the contrary, the Chinese authorities believed that the safety of the state rested upon insulating the nation from outside influences. In this context, Ellis pointed out that having contact with foreigners, unlike in European countries, was considered in China as 'having a positive tendency to corrupt the morals and derange the harmony of those institutions, political and domestic'. ²⁶ To restrict contact with foreigners hence quite naturally became the maxim of state policy in China.

Furthermore, because the culture of China was so different from that of Britain, the British were unable to appreciate some of the Chinese institutions. British observers, for example, had often regarded the principle of strict control and subordination in the Chinese government as signs of China's backwardness. In opposition to this view, Staunton pointed out that, 'however despotic and oppressive the operation of this principle may appear in our eyes, in those of the Chinese it has invariably been considered as one of the first requisites of a good government, and one of the surest tests of a civilised people'. ²⁷ Speaking from his long experience of living in China, Staunton explained that the principle pervaded not only the government of China, but the domestic lives of the Chinese people. 'In the same manner as the magistrate controls and is responsible for the conduct of the inhabitants of his district',

²⁵ Thomas Fisher, 'Statistical Notices of China', *The Gentleman's Magazine*, no. 103, April 1833, p. 296.

²⁶ Ellis, p. 28.

²⁷ Staunton, p. 678.

he wrote, 'the master of each family is supposed to control, and [is] required to be responsible for, his relations, connections, and dependents'. 28 By pointing out these facts about the Chinese context, it seems that Staunton, as someone who had considerable first-hand knowledge about China, was suggesting that it was China's cultural difference, rather than its backwardness, that distinguished the Chinese from the British. The British criticism against Chinese institutions hence deserved reconsideration.

The reason why the EIC's campaigners stressed the cultural difference or 'peculiarity' of China was that, compared to the private merchants, they had advocated a higher degree of reverence towards Chinese laws and usages. Instead of promoting a rather barbaric image of the Chinese, some pro-monopoly commentators tended to see the Chinese as 'highly civilised', ²⁹ or 'semi-civilised', ³⁰ people who had a right to regulate their own affairs. The EIC's court of directors also clearly stated that: 'We cannot, in fairness, deny to China the right which our own nation exercises as she sees fit ... China must be considered free in the exercise of her affairs, without being accountable to any other nation'. 31 In terms of the applying the so-called 'natural' law of free trade to the China, the EIC and its supporters stressed that no one had right to demand of China that it must open its markets. Martin, for example, claimed that the principle of free trade should depend on 'the disposition, wants, or reciprocal feelings of a separate, and perhaps, rival or hostile state'. 32 Moreover, 'freedom in politics, and freedom in commerce, are two distinct things; that they are not ... at every period called for by all countries.³³

In line with these principles, campaigners for the EIC's China monopoly proclaimed that

²⁹ Fisher, 'Statistical Notices of China', *The Gentleman's Magazine*, no. 103, May 1833, p. 392.

³⁰ Martin, p. 128.

³¹ Letter from the court of directors to the select committee, 13 January 1832, in Martin, p. 214.

³² Martin, p. 5.

³³ Ibid., p. 9. Italics in the original.

Britain should not employ a coercive line of action in its future relations with China. To justify this view, Fisher maintained that 'any attempts to force upon this singular people an unacceptable intercourse with us, by outraging their laws or institutions, would ... only render profitable intercourse with them more difficult'. 34 Furthermore, the Chinese should be regarded as a reasonable people. He stated, 'the educational bias of the Chinese disposes them on all occasions to appeal to reason', hence the Chinese developed a disposition towards 'mildness and urbanity, with a wish to show that their conduct is reasonable, and generally a willingness to yield to what appears to be so'. 35 Even the government of China, which was often believed to be arbitrary and despotic, was keen 'to make it appear to the people that its conduct is reasonable and benevolent on all occasions'. 36 This interpretation of the Chinese people's natural willingness to appeal to reason gave the EIC's court of directors another reason to contend that Britain's commercial intercourse with the Chinese could be improved only 'by evincing a disposition to respect their regulations', 37 rather than by challenging that authority.

As defenders of the Company's privileges were presenting these seemingly objective observations of China, they were also suggesting that the cultural difference of China was beyond the comprehension of anyone else but the EIC's representatives. An anonymous writer summarised the attitudes of the EIC as:

We [The Company] alone are acquainted with the Chinese people; We alone have established any relations with the Chinese government. That people is incomprehensible by any but our servants; that government hates and despises all

³⁴ Fisher, 'Statistical Notices of China', May 1833, p. 392.

³⁵ Ibid., p. 389.

³⁶ Ibid.

³⁷ Letter from the court of directors, in Martin, p. 214.

foreigners, except only our supercargoes of the factory at Canton.³⁸

This statement clearly shows that the EIC and its campaigners were attempting to portray the Company as the exclusive authority in understanding China and in dealing with Britain's relations with that country. In sum, in the debate on the EIC's China monopoly, the Company's supporters endeavour to promote a two-fold image of China. First, in spite of its various differences from Britain, China was by no means too depraved to be respected. Second, China's 'peculiarities' were not inexplicable if one had a deep understanding of Chinese history and culture. For these reasons, commercial and diplomatic relations with China must be conducted by professionals who were equipped with profound local experience. Since the EIC had accumulated such abundant knowledge of this unique nation and had established positive relations with the local authorities in Canton, it would be most unwise to abolish such advantages that had proved 'so safe and so efficacious'.³⁹

Views of the 'free traders'

While the EIC and its campaigners were sparing no effort to justify its trade monopoly in China, the private merchants' call for its removal grew even stronger. These so-called 'free traders', together with their friends in both provincial Britain and London, launched an anti-EIC campaign aiming to abolish the Company's privileges in China. They claimed that the removal of the EIC's monopoly, according to an anonymous author, 'would be an undoubted advantage to the commerce and manufactures of Britain'. 40 To strengthen this opinion, some British merchants in Calcutta employed John Crawfurd, one of Britain's leading 'oriental' experts at this time, to write articles to support their disputes with the EIC. Crawfurd, a Scot

³⁸ Anon., The Foreign Trade of China Divested of Monopoly, Restriction, and Hazard by Means of Insular Commercial Stations (London, 1832), pp. 8-9.

³⁹ Staunton, p. 684.

⁴⁰ Anon., 'The East-India Question', *The Asiatic Journal*, no. 1 (1830): p. 116.

and a life-time free trade advocate, paid multiple visits to Southeast Asia, but had never been to China. To form his ideas about Chinese affairs, Crawfurd had to rely on interviews with and reports from those who traded with the Chinese. The fact that he was regarded as a specialist on China also shows that the British at this point did not make too much effort to understand the 'Orient' – not so many of them even bothered to distinguish China from the rest of Asia. Webster has stated that 'in many ways Crawfurd epitomised Said's notion of the influence of the orientalist intellectual. Not only did his writings ... shape western thinking about India, south-east Asia and China, but he was also an active political campaigner on a range of issues related to Britain's Asian empire. 'I Since, in the campaign of the early 1830s, Crawfurd used his reputation and knowledge of the East to promote the notion that Britain should free up the China trade, he proved vital to the victory of the 'free traders'.

To challenge the EIC's views, Crawfurd first accused the Company and its supporters of misleading the public by presenting untruthful views of the China trade. Against the EIC's statements about its positive impacts on the China trade, Crawfurd produced a number of works to argue that the Company's actual records, 'so far from showing what they assert, show the very reverse of it'. In addition, he criticised the EIC for exaggerating the problems caused by the Chinese monopoly, in order to show that free trade was unrealistic in China. From interviews he conducted with the private merchants, Crawfurd concluded that the so-called 'restrictions' set by the Qing government were actually not that significant. Although the private traders' commerce was not sanctioned by the Chinese authorities, in practice the 'unauthorised trade' had been openly conducted to such an extent that a substantially 'free' trade on the Chinese side had already been established. In contrast to the images of the Chinese monopoly presented by the pro-EIC commentators, Crawfurd's interviewees denied

⁴¹ Webster, pp. 98-9.

⁴² [John Crawfurd], 'Voyage of Ship Amherst', *The Westminster Review*, no. 20 (1834): p. 45.

that the Canton system posed an insurmountable obstacle. For example, one of them pointed out:

Individuals are ... at perfect liberty to deal with any Hong merchant ... or with any *outside merchant*, that is, with any Chinese merchant not belonging to the Hong ... though there are only eight or ten Hong merchants at Canton, there is, notwithstanding, quite as extensive a choice of merchants with whom to deal in that city as in Liverpool or New York. ⁴³

Apart from this considerable freedom in trading with the Chinese, Crawfurd discovered that the scale of the 'unauthorised trade' had greatly exceeded that of the EIC's regular trade. According to his statistics, its total volume in the early 1830s reached nearly three times that of the Company's trade. ⁴⁴ In this regard, an anonymous writer also condemned the EIC's attempts to fix public attention on the Company's trade. Once the importance of the 'unauthorised trade' was communicated to the public, he believed, 'the Company's monopoly of the British market would be considered doubly unjust and injurious to the nation'. ⁴⁵

Furthermore, against the EIC's contention that the private merchants' lack of understanding of China or experience trading with the Chinese was likely to cause disputes between the two countries, Crawfurd asserted that this claim was utterly 'futile and visionary'. Using words of his interviewees, Crawfurd stressed that the 'unauthorised trade' had actually been operating with great order and mutual confidence for a long time. American merchant Joshua Bates even told him that the facilities and efficiency that Canton provided

⁴³ [John Crawfurd], *Observations on the Influence of the East India Company's Monopoly on the Price and Supply of Tea; and on the Commerce with India, China, etc.* (London, 1831), p. 26. Italics in the original.

^{44 [}Crawfurd], 'Voyage of Ship Amherst', p. 45.

⁴⁵ Anon., *The Foreign Trade of China*, p. 41.

⁴⁶ [John Crawfurd], 'East India Company – China Question', The Edinburgh Review, no. 104 (1831): p. 306.

foreign traders were 'decidedly superior in both these respects to London'. 47 Moreover, Crawfurd learned, in the past few decades the British private merchants had not experienced any inconvenience in contacting the Chinese. Nor had other western traders, such as the Americans and the Dutch who were already 'free traders', ever met 'any interruption or obstacle of any sort' 48 when they traded with the Chinese. This information allowed Crawfurd to demonstrate that the EIC's campaigners had exaggerated the difficulties on the Chinese side. He made a rather convincing case that the company was trying to hide some 'truths' about the China trade. The EIC's monopoly, rather than the Canton system, hence seemed more likely to be the primary constraint on the application of free trade principles in China.

Advocates of 'free trade' in China also challenged other images of China presented by the Company, especially on China's cultural 'peculiarity' and the need to respect the Chinese government and its laws. A notable source of information came from a clandestine reconnaissance of the southern and eastern ports of China in 1832. It was led by Hugh Hamilton Lindsay, who was still an EIC employee at this point but managed to persuade the select committee in Canton to dispatch the voyage in defiance of the Chinese prohibition and the instructions of the Company's leadership in London. Perhaps having formed the idea of trading on his own account in the presumably forthcoming 'free trade' era, Lindsay took this initiative to scout out business opportunities beyond Canton, especially in the ports of Xiamen, Fuzhou, Ningbo and Shanghai – all of which later became the 'treaty ports' according to the Treaty of Nanjing, 1842. This voyage also provided the 'free trade' advocates an opportunity to gather so-called 'first-hand' knowledge about China, so that they could contest the EIC's claim that only its servants in Canton knew the real state of the

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⁴⁷ [Crawfurd], *Observations on the Influence*, p. 20. More about Bates and his impact can be found in Webster, pp. 97-8.

⁴⁸ [Crawfurd], 'East India Company – China Question', p. 294.

country. The 'free trade' advocates, it should be noted, were an amorphous group. They were not necessarily the private merchants who had been conducting the 'unauthorised trade'. Lindsay, although still not a 'free trader', clearly agreed with the private merchants on the need to challenge the existing system of the China trade. Another key figure Karl Gützlaff, who served as the interpreter and physician during the voyage of 1832, was neither British nor a merchant. A Lutheran missionary from Prussia, Gützlaff was keen to spread the word of God among the Chinese. Hence he shared the same interests with the British private merchants in 'opening' China. Often referring to the British as 'us' in his writings, Gützlaff played an important role in Britain's intercourse with China in the 1830s and 1840s. He commanded good knowledge of the Chinese language, which allowed him to interpret for Jardine, Matheson & Co. during its smuggling of opium and to assist in the Sino-British negotiations during the Opium War. 49 Both Gützlaff and Lindsay published their reports of the reconnaissance shortly after the voyage. Together with articles written by Crawfurd and others, these publications, which were arguably results of a first-hand investigation, greatly challenged the EIC's assertion that China was so culturally different that the free trade principle was inapplicable there. This point of view was bolstered by the following claims:

First, the Chinese were 'a highly commercial people' ⁵⁰ just as with the British. According to Crawfurd, the ordinary Chinese people were not only 'able and willing to trade', but 'desirous of an extended intercourse with foreigners'. ⁵¹ During the voyage up the China coast, Gützlaff accumulated much evidence showing that the natives whom he met appeared 'anxious to gain a livelihood and accumulate riches' ⁵² and they sometimes

⁴⁹ For more information about Gützlaff, see Jessie Gregory Lutz, *Opening China: Karl F.A. Gützlaff and Sino-Western Relations*, 1827-1852 (Grand Rapids, MI, 2008).

⁵⁰ [Crawfurd], *Observations on the Influence*, p. 14. Italics in the original.

⁵¹ [Crawfurd], 'Voyage of Ship Amherst', pp. 37-8.

⁵² Karl Gützlaff, Journal of Three Voyages along the Coast of China, in 1831, 1832, & 1833 (London, 1834), p. 136.

'complained bitterly of the system of exclusion'. 53 In addition, even some of the government officials, who were supposed to suppress contacts between foreigners and the Chinese, had acknowledged in private that vast advantage could be drawn from international trade. In this respect, Gützlaff noted a remarkable case occurred in the vicinity of Xiamen, where the admiral of a local station asked to purchase opium. When he was told that no opium was carried on board the ships, the admiral appeared 'much disappointed when we [the British] had none to sell'. 54 Reports on such first-hand experiences in China enabled Crawfurd to claim with confidence that:

It appears quite certain that the Chinese, a money-making and money-loving people, are as much addicted to trade, and as anxious as any nation on earth to court a commercial intercourse with strangers. The government and its officers perhaps not less anxious for foreign commerce than the people themselves, could they see their way to admit it without danger.⁵⁵

Second, the Chinese were a friendly and 'kind-hearted race of people', who were keen to have free intercourse with foreigners. In his journal of the voyage, Gützlaff carefully recorded the kindness with which the common Chinese people received him. For example, he wrote, although some natives lived 'in the most wretched hovels imaginable', their hospitality 'formed a striking contrast to their extreme poverty'. 57 They not only invited Gützlaff and other foreign visitors into their houses, but shared with them their scanty meal. Particularly, as one of the few quotations cited from conversations with the Chinese, the following statement was minutely noted down by the Prussian missionary: 'How gladly ... would we, if

⁵³ Ibid., p. 172.

⁵⁴ Gützlaff's Report, in Report of Proceedings on a Voyage to the Northern Ports of China, in the Ship Lord Amherst: extracted from papers, printed by order of the House of Commons, relating to the trade with China (London, 1833), p. 278.

⁵⁵ [John Crawfurd], 'Chinese Empire and Trade', *The Westminster Review*, no. 21 (1834): p. 254.

⁵⁶ A correspondent in China, 'Intercourse with China', *The Asiatic Journal*, no. 13 (1834): p. 104.

⁵⁷ Gützlaff, p. 211.

permitted, [have] cultivated amicable intercourse with you! But we are always forbidden to obey the impulse of our hearts!' ⁵⁸ With the assistance of these vivid images, Gützlaff concluded that 'the Chinese character in its true light' was 'that of friendliness and kindness towards foreigners'. ⁵⁹ This opinion confirmed the Crawfurd's belief that 'Whatever peculiarities may attach to the Chinese ... an antipathy to strangers is not one of them.' ⁶⁰

Third, the Chinese held an open attitude towards knowledge about the external world. In particular, they were eager to possess information about Christianity and the character of the English people. This impression was formed mainly because, during the voyage, Lindsay and Gützlaff took the opportunities to distribute a number of Chinese-language pamphlets, which they believed could disseminate favourable images of the British among the natives and help convert them to Christianity. These books were described as eagerly sought after whenever they were distributed. Without attempting to ascertain how many of the Chinese were really able to read these pamphlets (literacy rate was very low in China at this time), advocate of 'free trade' such as 'a correspondent in China' interpreted the phenomenon as a sign that 'there exists among the people of China an unquenchable thirst after knowledge'. To Gützlaff, the demand for the religious tracts he circulated not only afforded an inviting filed, but suggested that the Chinese people wished to read the Gospels. These interpretations led Gützlaff to represent the Chinese as victims who were in need of a moral reformation. 'It is truly distressing', Gützlaff lamented, 'that this people is anxious for the word of eternal life, but unable to obtain it'. 63

⁵⁸ Ibid., p. 172.

⁵⁹ Ibid., p. 301.

⁶⁰ [Crawfurd], *Observations on the Influence*, p. 26.

⁶¹ Details about the distributed pamphlets can be found in Lindsay's Report, in *Report of Proceedings*, p. 44.

⁶² A correspondent in China, p. 104.

⁶³ Gützlaff, p. 155.

While holding that the Chinese people had no antipathy to commerce, foreigners or external knowledge, the 'free trade' advocates maintained that the Chinese government did not deserve respect. They claimed that the current Qing government did not express the opinions or promote the interests of the Chinese people. An anonymous writer, for example, described the ruling Manchus as barbarians and conquerors 'disliked by the people, and living in constant fear of rebellion which may drive them out of China'. 64 In December 1830. a group of private merchants presented a petition to parliament. In this document, they stated: 'so many millions of comparatively civilised human beings were subdued by its bitterest enemies, and yielded implicit obedience to a tribe of rude and ignorant barbarians'. 65 Similarly, Lindsay claimed that 'the mere will of a despot ... for the last century ... separate near 400,000,000 of human beings from all communication with their species'. 66 On the basis of these images, the private merchants and their supporters condemned how the present government of China treated foreigners with constant suspicion and made every effort to prevent foreigners from contacting the Chinese people. They believed that, in areas where the country's external trade was conducted, the government promoted mutual antipathy between its subjects and foreign merchants. On the one hand, it gave foreigners 'the worst ideas of the stupid and treacherous natives', 67 on the other, the government endeavoured to prepossess its people, particularly in Canton, against foreigners by 'representing them ... as a barbarous, ignorant, and depraved race, everyway inferior to themselves, thereby exciting the lower orders to treat them with habitual insolence'. 68 To account for the belief that the contempt of

⁶⁴ Anon., *The Foreign Trade of China*, p. 15.

⁶⁵ Petition to the House of Commons from British Subjects Residing in China (also known as 'Canton Petition'), 24 December 1830, in Alain Le Pichon, ed., China Trade and Empire: Jardine, Matheson & Co. and the Origins of British Rule in Hong Kong 1827-1843 (Oxford, 2006), p. 555.

⁶⁶ Lindsay's Report, p. 211.

⁶⁷ Gützlaff, p. 231.

⁶⁸ Canton Petition, pp. 556-7.

foreigners in Canton was more the result of the government's policy than the natural disposition of the people, Lindsay noted that, outside the province of Guangdong, 'we had met with nothing but expressions of friendship and good will'.⁶⁹ He found that, in general, 'foreigners in China were better liked the less they were known'.⁷⁰ Such first-hand evidence strengthened Crawfurd's idea that current situation in China was a 'government of the few' against 'the interests of the many'.⁷¹ According to this view, the Qing government, instead of being a respectable institution as the EIC claimed, was but a detestable obstacle which stood between foreigners and the vast majority of the Chinese people, both of whom were desirous of free communications.

In addition, the 'free trade' advocates attempted to present the laws of China as equally unworthy of respect. With regard to the Chinese laws of limiting the intercourse between foreigners and the Chinese, Gützlaff wrote that, 'it was not our wish to oppose the laws of the empire, but we could not believe that there were any laws *compelling* to such misanthropy'. In a similar tone, Gützlaff created an impression that the 'unnatural' laws of China were in conflict with the divine law of the God. He contended that, 'All mankind are created and upheld by the same God ... therefore have a natural right to claim fellowship. The refusal of it is a transgression of the divine law of benevolence, which is equally binding upon all the nations of the earth'. On this ground, Gützlaff believed the Chinese people were under the 'the thraldom of Satan' and in need of being rescued. These images complemented the intentions of other observers to attribute all signs of underdevelopment in China to the harmful effects of the Chinese laws. Charles Marjoribanks, who served as the head of the

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⁶⁹ Lindsay's Report, p. 10.

⁷⁰ Ibid., p. 33.

⁷¹ [Crawfurd], 'Chinese Empire and Trade', p. 256.

⁷² Gützlaff, p. 253. Italics in the original.

⁷³ Ibid., pp. 1-2.

⁷⁴ Ibid., p. 124.

select committee at Canton and later an MP from 1832 to 1833, believed that the laws brought 'ruin and impoverishment'⁷⁵ to the Chinese nation. 'A correspondent in China' wrote in *The Asiatic Journal* that because of the negative influence of the Chinese laws, the people in China had been reduced to 'nothing more than semi-barbarians'.⁷⁶

After demonstrating that it was unnecessary to respect the Qing government and its laws, 'free trade' advocates had more reasons to disagree with the EIC's campaigners on the need to follow a conciliatory policy towards Chinese authorities. Since no government had a right to exclude its subjects from a peaceful intercourse with foreigners, it was legitimate to challenge the Qing government for the benefit of both the British and the Chinese people. Notably, unlike some of the EIC's supporters such as Fisher who asserted that the Chinese had a natural disposition to appeal to reason, Lindsay asserted that 'much more may be gained by an appeal to their fears'. The anonymous author of *The Foreign Trade of China* agreed with this view. He claimed that, as in the cases of the Macartney and the Amherst embassies, 'those objects which foreigners have sought by means of reason and persuasion, and especially by a show of respect, have scarcely ever been attained', while recent experience had shown that 'a tone of defiance, more particularly when backed by any display of physical force, has nearly always proved successful. The voyage of 1832, once again, proved useful to show that the Chinese authorities indeed respected firmness more than conciliation. Gützlaff noted, for example, 'even the least thing was refused when we humbly asked for it', 79 but 'as soon as the mandarins perceived that we were firm and reasonable in

⁷⁵ Charles Marjoribanks, Letter to the Right Hon. Charles Grant, President of the Board of Control, on the Present State of British Intercourse with China (London, 1833), p. 27.

⁷⁶ A correspondent in China, p. 105.

⁷⁷ Lindsay's Report, p. 57.

⁷⁸ Anon., *The Foreign Trade of China*, pp. 14-15.

⁷⁹ Gützlaff's Report, p. 289.

our demands, they became polite, and yielded'. 80 Such first-hand finding made it easier for the private merchants and their campaigners to argue that a submissive approach could not improve Britain's relations with China, while a firmer attitude would help.

In August 1833, the British government decided to abolish the EIC's monopoly of China trade. Trade with China was finally opened to the British private merchants. As for why the government took the decision, Webster's and Kumagai's analyses have presented a range of factors, neither of which favoured the EIC. Economically, since the opening of the India trade to the private merchants in 1813, the EIC's trade with India declined rapidly. The Company's financial status deteriorated over the 1820s. Britain also faced increasing competition from American companies in the Chinese market. The threat fuelled the anti-monopoly campaigners' argument that, unless trade with China was thrown open, the British merchants would be unable to compete with their American counterparts. Politically, the early 1830s was a time of turmoil. The question of parliamentary reform was the British governments' main concern. Many of the landed elite feared that a revolution was going to occur in Britain. Such political climate might have made it easier for politicians to listen to the voices outside the government calling for reform and to compromise if necessary. These underlying trends went hand in hand with the formidable campaign created by the opponents of the Company's privileges. According to Webster, 'a decisive factor ... had been the development since 1813 of new political and commercial links between those private trading organisations ..., the London East India agency houses, and the emergent industrial interests of provincial Britain.'81 Kumagai's research has concentrated on the role that the provincial interests, especially the East India Associations of Glasgow and Liverpool, played in the abolition. Kumagai has shown that how these pressure groups initiated and orchestrated the campaign.

⁸⁰ Gützlaff, pp. 284-5.

⁸¹ Webster, p. 102.

They not only rallied wide support in their own localities, bombarded parliament and government with petitions, but used their connections with MPs, senior politicians, Londonbased merchants and those with knowledge of Asia to strengthen the impact of the movement. The end of the EIC's China monopoly could not have been possible without the strenuous and tactical efforts made by these provincial interests to influence the opinions of policy makers as well as the public.⁸²

It should be noted that, however, although the anti-monopoly campaigners won the debate with the EIC, it did not necessarily mean that the images of China presented by them were incontestable. At least, their contentions deserve consideration from the following perspectives: first, although it seems that some of the critical opinions about China were derived from first-hand discoveries of the voyage, it is difficult to determine whether they were genuine 'discoveries' independent from any predispositions. Since the late 1820s, the Chinese government had been heavily criticised by foreign traders in Canton. As mentioned earlier, in 1830, a group of British merchants in China even petitioned parliament for the British state's direct intervention in Chinese affairs partly based on the claim that China had an extremely corrupt government that was liked by neither its people nor the foreign traders. Since they did not receive any positive response, the petitioners as well as other 'free trade' advocates were keen to gather more convincing arguments, or 'evidence', about the characters of the Chinese government and people, to continue to lobby the British government to take action. In this context, the two central figures of the voyage, namely Lindsay and Gützlaff, had been inclined to agree with such views of China before they started their journey.

Second, although evidence obtained on the voyage had helped the 'free trade' advocates to claim that the Chinese were naturally friendly to foreigners and that they were keen to

⁸² Kumagai, pp. 179-89.

know about Christianity, these images could well be representations based on the personal prejudices of the travellers. Gützlaff, for instance, made every effort to record how much his religious tracts were welcomed in China and how hospitable the Chinese became when they lived beyond the reach of the government. He took it for granted that these signs represented the Chinese people's genuine dispositions, but never really questioned whether they had other motives, especially their hope of gaining something from the foreign visitors. Lindsay suggested that it might be the free medical services that Gützlaff provided for the natives that gave rise to the 'the extraordinary degree of respect and friendship shown to us by all classes of Chinese'. ⁸³ Even Gützlaff himself recorded some occurrences which might have challenged his conclusions, but the Prussian missionary made no attempt to explain these phenomena. He once noted that:

We had had a long conversation with the owner of a house, who had posted himself right in the way to prevent our entering his dwelling. I now thought it high time to make them a present of some books. When they found that I really intended to *give* these to them, they changed their tone, became friendly and hospitable. 84

Such an encounter may well indicate that the claimed friendliness or hospitality of the Chinese did not necessarily represent their real feelings. When Gützlaff came to present the 'genuine' character of the Chinese nation, however, he simply ignored these occurrences.

Third, despite the fact that the 'free trade' campaigners were aware that there was some duplicity innate in the Chinese character, they tended to fix this trait on government officials rather than the common people. To justify his view that the Qing authorities did not represent their subjects, Lindsay maintained that, although there was a friendly disposition on the part

⁸³ Lindsay's Report, p. 87.

⁸⁴ Gützlaff, p. 418. Italics in the original.

of the people, the Chinese mandarins had a 'lying spirit'. 85 Even when the officials treated him in the same favourable manner as some ordinary Chinese people did, Lindsay never forgot to point out that 'there was more of policy than sincerity' in the officials' 'professions of friendship'. 86 This charge of duplicity, however, was never employed by Lindsay in his portrayal of the hospitality of the common people. Furthermore, when he and other the 'free trade' supporters were satisfied with the comments of some Chinese officials, they never bothered to understand why they spoke in this way. For example, according to the orders of the emperor, mandarins at various places were anxious to drive foreigners out of their districts. Under such circumstances and perhaps to avert an open conflict, some officials conceded that international trade was beneficial. '[A]s the laws of the Celestial Empire prohibited trade with foreigners', they expressed their wish for the foreign visitors to leave their districts without delay, even though 'for themselves, they would be highly desirous that the trade was opened'. 87 In these cases, the mandarins' favourable remarks on foreign trade, no matter whether they were sincere, were taken out of context and were treated as further evidence of China's general eagerness for external trade – even government officials were not opposed to it.

Fourth, in a similar way, the 'free trade' campaigners attempted to hide some important contexts when they were endeavouring to convince the British public that the Chinese government was extremely suspicious of foreigners. In particular, a few months before the voyage, a serious quarrel broke out between the EIC's factory at Canton and the local authorities. As a result, a rumour spread among the Chinese that the EIC had demanded assistance from India. Instead of referring to this background situation, Gützlaff, Lindsay and

⁸⁵ Lindsay's Report, p. 78.

⁸⁶ Ibid., p. 111. Italics added.

⁸⁷ Gützlaff's Report, pp. 282-3. This was sometimes accompanied with a promise that they would turn a blind eye to the happenings beyond their region, see Lindsay's Report, p. 211; and Marjoribanks, p. 23.

others insisted that the Chinese mandarins were 'always suspicious that we [the British] design to attack them', 88 as if this fear were totally unreasonable. During the voyage of 1832, the travellers disguised their connection with the EIC. Since, unlike what most non-EIC British merchants did, they carried no opium for sale, it gave the Chinese officials ample reasons to suspect the real intention of these visitors. These aspects of the voyage might not overthrow the claim that China possessed a suspicious government, but, at least they can suggest that the anxiety exhibited by the Chinese authorities were not entirely unwarranted.

Last, with regard to the 'free trade' advocates' contention that the Chinese were a commercially-minded nation, since the foreigners had very limited contacts with the Chinese people except the coastal trading communities, it was unfair to assess the 'national' character of China based on meeting only a small proportion of such a vast nation. Furthermore, influential opinion formers such as Crawfurd sometimes even drew their conclusions from information about those who lived outside Chinese territory. Discoveries about Chinese diaspora in Southeast Asia who lived thousands of miles away from China were often seen as being representative of the character of all Chinese. For instance, in the writings of Crawfurd and others, the following conjectures were quoted:

Mr John Deans, ... who resided twenty years in the Eastern archipelago ... [claimed:] 'The Chinese of the Archipelago, who, I *believe*, do not differ from the Chinese in their native country, are very sensible of the importance of commerce, and are, as I have already observed, the keenest speculators perhaps in the country'. ⁸⁹

Robert Rickards, Esq. [claimed:]

'I *believe* that the Chinese are a perfectly commercial people. Wherever the Chinese have been established in Singapore, in Java, in Borneo, ... they are found to be the principal traders, ... I therefore take the Chinese, generally speaking, to

⁸⁸ Gützlaff, p. 268. Similar views can also be found in Lindsay's Report, pp. 10, 93; and Marjoribanks, pp. 23-4.

⁸⁹ [Crawfurd], *Observations on the Influence*, pp. 300-1. Italics added.

be a perfectly commercial people'. 90

From such comments it can be seen that these 'beliefs' were purely personal opinions regarding the character of the Chinese. Some of these commentators had never visited China, but simply because they had some experience of Asia and their opinions supported the private merchants' arguments, their personal interpretations were propagated as proven facts in the anti-monopoly campaign. This vital difference between opinions and facts could have had an important impact in misleading the British government and concerned public to form ideas about the character of the Chinese people and to what extent they needed international trade.

⁹⁰ Anon., *The Foreign Trade of China*, p. 36. Italics added. Similar examples can be found in the same book that different individuals interpreted the general commercial spirit of the Chinese from their experience in Batavia, Cochin China, Java, Penang and Singapore. See ibid., pp. 24-38.