

Lesson 3

Foreign Relations - Trade

During the transitional period from late Ming to early Qing, the Western European began to arrive in China – and almost simultaneously with them, though independently, the Russians were marching across Siberia towards the Manchurian border.

With this unprecedented confrontation of the East and the West, there began a new era in China's relations with the outside world.

In 16th century, large contingents of Portuguese settled on St. John's Island, on Lambacao and on Macau – the Portuguese won legal sanction to reside and trade in Macao

China did not cede the territory of Macau, but by 1557 the Portuguese appointed officials themselves to govern the area as though it were a colony

The Portuguese also monopolized China's foreign trade at Canton and strove to exclude other foreigners from sharing the profit

The Spaniards were allowed to trade along the Fukien and Chekiang coast, but not to maintain a settlement such as the Portuguese had done in Macau in 16th century

After the pacification of Taiwan in 1683, the Qing granted the Dutch permission to trade in Kwangtung and Fukien and pay tribute every 5 years and Kang-hsi lifted the ban on sea trade and in 1685 custom houses were opened at Canton, Chang-chou in Fukien, Ningpo and Yun-t'ai-shan in Kiangsu

Among the ports Canton was the most prosperous because of its proximity to SEA, and in 1699 an English factory was established there.

On the whole foreign traders in China, quarantined in a few pockets along the coast, made little constructive impact on the Chinese state and society

Foreign Relations - Religion

In 16th century, Christianity entered China. The Jesuits in China were instructed to learn to read, write, and speak Chinese to "Sinicize" themselves rather than to "Portugalize" the converts

Italian priests, Michele Ruggieri and Matteo Ricci were sent as pioneer missionaries to carry out this policy

Though their knowledge of the Chinese language and culture, and their astronomical, mathematical, geographical and other scientific achievements, they made friends with the most open-minded Chinese scholars and officials

While Priests like Ricci never saw the Emperor in person, but that they were allowed to reside in Peking implied imperial sanction of Christian activities in China

Ricci quickly won friends and admirers among prominent officials and scholars in Peking among whom were dignitaries no less than a grand secretary, a president of the Civil office and a president of the Board of Rites

The most famous converts were Li Chih-tsao, a director in the Board of Public Works and Hsu Kuang-ch'i a member of the Hanlin Academy who later rose to be a grand secretary

Catholicism in China enjoyed a boom: in 1640 the total number of converts was between 60000 and 70000 and by 1651 it had risen to 150000

Even during the Qing's regime, such as during the reign of K'ang-hsi, the Jesuits were influential. K'ang-hsi often asked the Jesuits to lecture on Western science and mathematics – it was a period of triumph for Western learning and for Christianity in China: Churches were established in various parts of the country and the number of converts grew steadily

From the late Ming period until the middle Qing, a total of about 500 Jesuits came to China, of whom 80 made substantial contributions to cultural exchange

From them the Chinese learned the Western methods of cannon-casting, calendar-making, cartography, mathematics, astronomy, algebra, geometry, geography, art, architecture and music

At the same time the Jesuits introduced the Chinese civilization to Europe

It was the initial meeting of China and the West in modern times, and provided China with the chance to modernize itself

The prospect was indeed promising, but before long there emerged elements of discord from within the Church that would bring ruin

Ricci and his followers had avoided conflict with Chinese sensibilities and customs as long as these customs did not contradict the basic teachings of the Church – they accepted the principle of cultural accommodation

But the other religious orders such as the Franciscan and the Dominican looked upon non-Christians cultures as the work of devil and tolerance of these cultures as betrayal of Christian principles

In 1715 Pope Clement XI issued the bull *Ex Illa* to reaffirm the anti-rites stand (rites performed by the Chinese before ancestral tablets). It strained the Emperor-Pope relations

K'ang-hsi decided that to avoid further complication all missionaries would be repatriated except those who were scientists and technicians, such as court astronomers.

In 1742 Pope Benedict XIV reiterated the anti-rites stand, and the missionaries in China were put in an extremely difficult position; their work and influence fell to a low ebb

And with the dissolution of the Society of the Jesus in 1773, the moving spirit of Catholicism in China was gone

In spite of the samplings of Western civilization which they carried in, the Jesuit had not been the catalyst for modernization in China

The missionaries represented a thin ray of Western learning which shone feebly among a small coterie of progressive Chinese scholars and officials, but it never penetrated beyond the surface

Chinese scholars were too proud of their cultural heritage to admit of the need for foreign learning

Rather than presenting a braid front of European civilization, the missionaries merely introduced a few branches of Western science that happened to attract Chinese attention

Even this partial introduction was interrupted when the missionary movement was put to an end in the 18th century

Thus the feebleness of the Jesuit efforts, the ethnocentric complacency of Confucian intellectuals and the imperviousness of Chinese culture to outside stimuli inhibited any process of modernization at this point of time – can this be interpreted in any other way?

Ironically, it was precisely after this disruption of Western leaning in China that great progress was made in Western political, economic, social and scientific fields – American and French Revolution and the great reforms in England set the stage of the rise of modern democracy, while Industrial Revolution ushered in a new age of technological development, nationalism, expansion, capitalism and imperialism

While shibboleth or progress permeated the air of Europe, the Chinese intellectuals still looked to their “golden past” for guidance

To jolt China out of its sleep, while Europe surged ahead, efforts far more bombastic and powerful than the Jesuits had been able to provide was required

Britain – forerunner in the Industrial Revolution

Russia's special position in China – Sino-Russian relations during the early Qing period were markedly different from China's relations with Western European maritime states

Russia was the only foreign country with which China maintained treaty relations, the only foreign power granted religious, commercial, and educational privileges in Peking

The early Qing rulers recognized that Russian neutrality was essential to China's consolidation of its northern and northwestern frontiers and to gain this neutrality it was necessary to grant Russia certain considerations and privileges denied to other foreign states

By virtue of these religious, educational and commercial privileges Russia, along among nations, had an established foothold in the Chinese capital.

It was not until 1861, when Peking was opened to the diplomatic representatives of Britain, France and the US, that Russia's monopolistic position was broken

The Qing Empire

Before 1800 China was a vast empire which stood resplendent and unrivalled in East Asia

Its territory stretched from the Central Asian massif to the coast of the China Sea, and from the Mongolian desert to the jungles and shores of the south

China in the middle 18th century was doubtless one of the most advanced countries on earth and its secular political and social systems had won the admiration of not a few famous European philosophers

The early Qing rulers had laid a very sound economic foundation for the empire. K'ang-hsi left behind 8 million taels, Yung-cheng 24 million and Ch'ien-lung 70 million

But after 1775 the dynastic decline began to set in.

Widespread corruption in both the civil governments and the military services

The trend towards luxury and massive spending during the reign of Ch'ien-lung as well as the 9 year campaign against the White Lotus Sect and other secret societies cost 20 million. These inordinate military expenses plus the graft and corruption in the civil administration drained the treasury, resulting in a steady rise in the value of silver

By 1800 the economic foundation of the Qing Empire had been badly weakened

Qing population increased much faster than did the land acreage, causing a decline in the standard of living

All of these – administrative inefficiency, intellectual irresponsibility, widespread corruption, debasement of the military, pressures of a rising population, and a strained treasury – reflected the inner workings of the phenomenon known as dynastic cycle

By 1800 the ruling power had passed its peak and started to decline, making the country vulnerable to the twin evils of internal rebellion and external invasion

In **an autocracy** such as the Qing, where no “loyal opposition” was permitted, the only form of organized resistance apart from open rebellion was secret societies

Many anti-Qing/Ming loyalists after 1683 went underground to form or join secret organization such as the Heaven and Earth Society and the White Lotus society to continue their fight to overthrow the Qing

There were a number of other uprisings on a smaller scale – indeed throughout the 25 year reign Chia-ch'ing not a day passed without some trouble in the country

It was in this state of despair that the western powers particularly Britain with surplus energies generated by the Industrial revolution, intensified their efforts to open China to international commerce and diplomacy

The Tributary System

The Qing dynasty, though weakened by internal decay, still kept up the face of a great empire and cherished the glory of its former years – it clung to the fond, if fictitious notion that China, as the Middle Kingdom on earth was the centre of the known civilized world and that all countries which desired relations with it must accept the tributary system

The theory and practice of the tributary system reflected China's world view and were highly significant in conditioning relations with the advancing West

By virtue of its cultural excellence, economic affluence, military power and vast territorial expanse, China stood pre-eminent in East Asia for 2 millennia- hence instituted a hierarchical system of international relations in East and Southeast Asia

The basic principle underlying this China-oriented family of nations was inequality of states rather than equality of states as the in the modern west, **and relations between the members were not governed by international law but by what is known as the tributary system**

For China international relations were based on an extension of the Confucian idea of proper relations between individuals” just as every person in a domestic society had his specific status, so every state in an international society had its proper specific station

The tributary system is a practice whereby the emperor invested the feudal lords and vassals both inside and outside China and received in return their offerings of local products as “tribute”, a sort of modified tax system

During Ming and Qing times, tributary relations had been refined into a highly ritualistic performance, with clearly defined rights and duties on the part of each participant.

To china fell the duty of keeping proper order in the East and Southeast Asian family of nations.

It recognized the legitimacy of tributary kings by ending envoys to officiate at their investitures and by conferring on them the imperial patents of appointment. It went to their aid in times of foreign invasion and sent relief missions and commiserative messages in times of disaster.

On their part, the tributary states honoured China as the superior state by sending periodic tribute, by requesting the investiture of their kings, and by adopting the Chinese calendar – recording events of their countries by the day, months and year of the reign of the Chinese emperor

The size, frequency and route of the tributary mission were fixed by China and usually the closer the relationship the larger and more frequent the mission

Large number of traders were attached to such tributary missions and their goods were brought into China duty free. All travel expenses and maintenances of the mission in China were borne by the Chinese government and when they arrived in Peking the members were lodged in the Common Residence for Tributary Envoys.

The envoys presented the **tribute and the local products** to the emperor at a certain day, at which time they performed the full ceremony of the kow-tow – 3 kneelings and 9 knockings of the head on the ground

The envoys and the merchants are then allowed to open a market at their hostel for a few days to sell their products – the commercial transactions were highly profitable for the tributary missions

In additions, the emperor showed his benevolence by bestowing handsome gifts on the tributary kings and members of the missions

Tributary relations were costly to maintain and tributary relations in effect, entailed very considerable financial strain and physical exhaustion on the part of the smaller states, with no appreciable economic benefit for China

So there has to be some reasons other than purely economic motivations – for the tributary king, the investiture legitimized his rule, raised his prestige before his people, offered him protection in times of foreign invasion and aid in times of natural disaster and brought him luxury items from the emperor, heightened the cultural link between his country and China

For the Chinese emperor, it was an immense pleasure and satisfaction to see the myth of his universal overlordship acknowledged and to know that these peripheral states willingly served as an outer-fence to shield China from barbarian attacks

All in all the tributary system was tributary relations were maintained to manifest the Confucian concept of propriety and to affirm the hierarchical world order in which China was assured of a superior status, security and inviolability

It was this system of international relations that the West encountered when it intruded into East Asia

The Qing court insisted that the tributary system applied to not only to the peripheral relations with China but also to all other states that wanted to establish relations with China

Hence, the emperors treated the missions from Russia and Western European nations as though they were tributary missions, although these countries were not formally included in the tributary system

Qing policy toward official mission from foreign countries was very strict but its attitude towards private western traders were more flexible

Private traders were allowed to reside in Macao and trade at Canton (after 1757) as a mark of imperial favour but traders faced restrictive regulations regarding their movements and trade procedures

By the early 19th century both the governments and the private traders of the Western nations could no longer countenance the straightjacket of the Chinese system.

The traders wanted greater freedom of actions and the western governments, newly released from the Napoleonic wars and greatly strengthened by the Industrial Revolution, would not suffer the tributary treatment – they insisted on international relations according to the law and diplomacy of Europe but the Chinese would not sacrifice their cherished system – clash of culture/civilization?

The story of Sino-Western relations thereafter is one of continuous conflict, leading to the ultimate humiliation of the Qing empire.

The tributary had already worn out by the time the West made a concerted effort to break down the Chinese institution of foreign relations

The independent European trade that has been permitted to go on at Canton was the other disruptive influence and it was going on rapidly. Britain the foremost industrial power and the leader of foreign trade, did the most to break down the existing Chinese system.

The Canton System of Trade

Canton located at the southern tip of the empire had been an historic centre of foreign trade since the Tang period. Subsequently, during the late Ming and early Qing periods, its trade was virtually monopolized by the Portuguese, who had established themselves at Macao

Ships and traders of other nationalities were denied admittance, only rarely succeeding in gaining entry. Barred from Canton, enterprising English traders managed to sought opportunities elsewhere like such as gaining trading rights at Amoy.

Although in 1662 the Qing court, troubled by raids by Ming Loyalist Koxinga, ordered all ports closed to foreign trade and all coastal inhabitants to evacuate to a distance of 30 to 50 li inland so as to cut off his sources of supply, with the successful pacification of Taiwan in 1683, the court lifted the ban on foreign trade and in 1685 opened customs houses at Canton in Chang-chou (Fukien), Ningpo and Yun-t'ai-shan in Kiangsu.

An old port, Canton was traditional-bound and corruption-ridden. The arbitrary and whimsical exactions (exorbitant measurement fee) and the high costs of tea and silk at Canton once again renewed the East India Company 's interest in Ningpo around 1753.

But the shift of business to Ningpo naturally reduced the calls of English ships at Canton and the governor-general at Canton fearful of defelction of trade to the north, petitioned the court in 1757 to increase the duties at Ningpo 1005.

Though indifferent to occasional calls by foreign ships at Ningpo, Peking was concerned lest frequent visits turn it into another Maco, an also feared that the northern ports at Ningpo, Shnanghai and Amoy being more accessible from the ocean than Canto would have difficulty in controlling the movement of foreign ships, thus contributing to collusion between the aliens and the traitorous natives; whereas at Canton, the established forts at Whampoa and the Bogue enabled the government to watch the foreigners and their ships.

Furthermore, a substantial portion of the Canton populace traditionally lived on foreign trade and any shift of commerce to the North would jeopardize their livelihood.

The court thus decided to increase the custom duties at Ningpo and the other northern ports, making them enough heavier than at Canton to discourage future trade and foreigners were urged to desist from going north. Thus, although trade was not officially prohibited at Ningbo, Amoy and Shanghai, the only port really left open to foreign trade after 1757 was Canton. But in 1759 a explicit decree made Canto the only port open to foreign commerce and this order eliminated all possibility of extending the trade in other parts of China, thus perpetuating the Canton system until the end of the Opium War in 1842.

The Chinese attitude towards foreign trade was an outgrowth of their tributary mentality. It postulated that the bountiful Middle Kingdom had no need for things foreign, but that the benevolent emperor allowed trade as a mark of favour to foreigners and as a means of retaining their gratitude.

Hence, trade was not a right to be insisted upon but a privilege that could be withdrawn by China for any misbehaviour.

Since the Canton trade was conducted between private foreign and Chinese citizens, it required no formal diplomatic relations, only unofficial commercial transactions. Therefore, no direct trade contact was permitted between the foreign traders and Chinese government officials (the foreign traders could only petition the governor-general, governor or Hoppo

(customs superintendent) at Canton through the Chinese monopolistic merchants assigned to do business with them.

The chief characteristics of the Canton trade was its monopolistic structure. The court authorized “thirteen” commercial firms known as the hong as sole agents of foreign trade.

Juxtaposed with the Thirteen Hong were the 13 foreign “factories” or agencies, located outside the Canton city walls on the bank of the Pearl River. The factory grounds and buildings, spread over some 21 acres, were rented from the Hong merchants. – British, American, French, Dutch, Belgian, Swedish, Danish, Spanish and other miscellaneous factories

The British trade, predominant over that of all other Western countries, were monopolized by the East India Company. Yet there was quite an active private English venture too. The Company granted charters to private ships to sail from India to China under its license. (country trade and country ships as opposed to company ships)

6 out of 10 country ships originated from Bombay, and two each from Bengal and Madras. The country traders were mostly Englishmen doing business in India but they also included some Indians and Parsees.

This country trade accounted for 30% of the total British trade at Canton.

Another source of private trade originated from the Company’s policy of allowing its ship officer to carry a specified amount of gold and goods, supposedly to compensate for their small salaries

The Hong merchants (different from the Emperor’s merchants called as Hunag-shang) had organized a guild in 1720 called the Co-hong and this guild, though a private organisation, received official patronage, for it served as a convenient buffer between the government and the foreign traders. Thus the government officials who did not understand foreign languages, and the foreign traders who did not understand Chinese regulations, could avoid personal encounters. Upon the guild fell the double task of collecting customs duties for the government and of paying fees for the foreign merchants.

The guild monopolized the Canton trade to the exclusion of all non-members, hence faced the protest from the latter and some foreign traders.

But the guild was to survive till the end of the Opium War in 1824.

Articles of Trade at Canton

By the late 18th century there was a flourishing triangular trade between Canton, India and England. The most important exports to England were tea (accounting for 90% to 95% of the total), raw silk, chinaware, lacquered ware.

Imports from England included woollens, lead, tin, iron, copper, furs, linens and various knickknacks

Exports to India consisted of cloth, alum, camphor, pepper, vermillion, sugar, candy, drugs and chinaware while imports included raw cotton, ivory, sandalwood, silver and opium

The large volume of tea export may have resulted from several causes: the prohibition of rice exports and the limitation of silk outflow to 175 bales per ship made tea the logical staple item of export and there was a growing demand for tea in Europe, especially in England since Europe produced no tea, having no idea of it until 1550.

So great was the national demand, that EIC shipped 23.3 million pounds of tea, and after 1808 the annual British import averaged 26 million pounds, twice as much tea as shipped by other countries – by this time tea-drinking had become a national habit of England

As its use increased, so did the English import duty to an outrageous 100% - a rate that encouraged smuggling from the continent especially from Holland.

The flourishing state of the Canton trade is seen from the increasing number of ships that called, from 19 in 1752 to 81 in 1787 and then back to 57 in 1792

Evident in the last 2 decades of the 18th century was the increasing activity of the country trade and the entry of the Americans into the China trade, signalled by the arrival of the Empress of China from New York in 1784. The Americans were free traders as opposed to the monopolistic EIC.

The balance of trade at Canton during the 18th century was very much in China's favour, because she needed few foreign products, while Western traders purchased large quantities of tea, silk and rhubarb.

Foreign ships had to bring silver bullion to purchase Chinese products; at times the cargo of the EIC's ships from London consisted of 90% bullion. During 1775 and 1795 the Company's imports of goods and bullion into China amounted to 31.5 million taels, against an export of 56.6 million taels

The 25.1 million-tael deficit was partially relieved by the country trade and private trade which enjoyed a favourable balance, the former showing a surplus of 13.6 million and the latter 1.7 million in the same period.

Since the Canton authorities governed aliens under the notion that trade was a privilege and not a right of foreigners, and since enjoyment of this imperial favour was contingent upon their good behaviour, the foreigners were obliged to submit to certain rules of conduct: No foreign ships may sail inside the Bogue; All pilots and compradores must register with the Chinese authorities in Macao; Foreign traders must not remain in Canton after the trading season; even during the trading season, when the ships are laden, they should return to Macao; Foreign trade must be conducted through the hong merchants, foreigners living in the factories must not move in and out too frequently although they may walk freely within a hundred yards of their factories

Although the regulations governing foreign behaviour doubtless caused discomfort to the traders, on the whole life in the factories, with spacious drawing rooms, was rather pleasant, and the relations between the foreign traders and the hong merchants were harmonious and friendly

But the various restrictions upon foreign activities were one source of conflict – the problem of law enforcement was another, Chinese legal concepts and practices differed greatly from that of the West

The Chinese government insisted that foreigners committing crimes in China be tried according to Chinese law. But the foreigners demanded exemption from Chinese law.

This was not so much because they denied the universal principle of territorial jurisdiction, but because of the “strange” way the Chinese court dispensed justice and because of the harshness of the sentences

A case in point – British ship Lady Hughes in 1784 – this country ship fired a salute and accidentally wounded 3 minor mandarins, two of whom were subsequently died. When eventually the gunner was found on the Lady Hughes and surrendered to the Chinese authorities, then only the seized supercargo, George Smith, were released and trade resumed. The gunner was strangled. This incident and the Chinese explanation that the sentence was light because it only took one life for two, shocked the foreign community and deeply resented the Chinese practice of holding the supercargo or community chief responsible for crimes committed by others. Moreover, the harshness and apparent inhumanness of Chinese sentences, the lack of proper trial according to European justice, and the capricious stopping of trade or refusal clearance to departing ships in order to force surrender of the guilty – such irritants to the foreign sensibilities produced great anxiety and endless protest against the Canton authorities

British Attempts to Change the Canton System

The Lady Hughes incident climaxed the foreigners’ feelings of insecurity and heightened the general dissatisfaction with the Canton system of trade, i.e. the limitation to one port, the humiliating restrictions on personal freedom, and the numerous irregular exactions.

The British felt much of the abuse at Canton was unknown to Peking

With a view to reducing the irritations, widening the trade, and placing British-Chinese relations on a regular diplomatic footing through direct contact with the central power London decided to dispatch an official mission to China.

The Macartney Mission 1793

In short the mission was entrusted with the task of opening the whole of East to British trade and of placing relations with China on a regular treaty basis (to negotiate a commercial treaty with a view to extending trade throughout China, if possible, to arrange diplomatic representation at Peking, to open Japan, Cochin China and the Eastern Islands to British commerce)

The Qing court considered diplomatic negotiations completely out of order.

Emperor Ch’ien-lung stated: The request of diplomatic residence in Peking could not be granted because it was contrary to the established practice of China: Europe consists of many other nations besides your own, if each and all demanded to be represented at our court, how could we possibly consent? We possess all things, I set no value on objects strange or ingenious, and we have no use for your country’s manufacturers

Reflected the Chinese mentality on foreign relations at the close of the 18th century

All requests of Macartney were rejected as impractical and unproductive of good results

A diplomatic failure for the British

The Amherst Mission, 1816

In the period that followed, the Canton trade continued much as before, but Sino-British relations were strained by several new incident.

Issues that strained relationship between China and Britain included the British attack on the Chinese tributary of Nepal, and the seizure of the American steamer Hunter off Canton waters in April 1814, Britain then being at war with the United States. The Canton authorities protested the violation of Chinese jurisdiction and threatened to cut off the British trade unless the British warship Doris left the port. But the British community at Canton refused to give in and the Chinese bluff failed.

These incidents, along with the growing dissatisfaction over the Canton trade system, prompted the Company to request that London send another deputation to Peking.

Lord Amherst was instructed to request for the removal of grievances at Canton, the establishment of free trade between Chinese and British merchants, the abolition of the Co-hong system, freedom to reside at the factory without time limit and to employ Chinese servants, the establishment of direct communications between the factory and Chinese officials, the opening of more ports north of Canton, and the right to diplomatic representation in Peking

Unlike his father Ch'ien-lung, Emperor Chia-ch'ing was reserved and hesitant to receive foreign envoys.

Amherst refusal to comply with the Chinese ceremonies – not to kowtow- the sole cause for his expulsion – received considerable attention in Europe.

Since both the Macartney and Amherst attempts at peaceful negotiation had failed, the British throne faced 3 alternatives of action: 1. Abandon the China trade 2. Submit to the Chinese treatment 3. Change the situation by military means

For Britain the first 2 courses were unthinkable, given their powerful state on earth, leaving only the 3rd alternative – force

On China's part, the disrespect displayed by Amherst was utterly intolerable and wholly incompatible with its claim to universaloverlordship.

Emperor Chia-ch'ing even considered severing relations with Britain. The time was fast approaching for a showdown between the 2 countries

Meanwhile, the Canton had been undergoing a drastic metamorphosis in character as a result of the rapid growth of the private and country trade and the phenomenal rise of opium-smuggling from India to China.

The private trade at Canton had arisen from 688880 taels in 1780 -81 to 992444 taels in 1799-1800. The growth was even more rapid after the turn of the century. By 1817-1834 they accounted for three-quarters of the total British imports to China.

Many of the private traders, to avoid the Company's intervention, secured consulship of other European countries, and managed to stay in Canton and expand their business.

They served as agency houses for firms in London and India and engaged in illicit traffic of opium-smuggling at "outside" anchorage (non-Hong) merchants for quick profit

So powerful had the private traders become that they began to agitate for the abolition of the Company's monopoly

By 1820 the complexion of the Canton trade had changed: private trade had surpassed the company trade, and opium had superseded regular price articles as the chief item of import

These two developments contributed to the breakdown of the outworn Canton system and precipitated the long-delayed clash between Britain and China

“Modern China was born in the Treaty Ports.” How far do you agree with this statement for the period 1860 to 1900? (N03, M08)

“During the period 1860 to 1912 the treaty ports in China became centres for Chinese nationalism and modernization.” To what extent do you agree with this statement? (M06, Q7)

The Opium War – Beginning of Treaty Ports

The Canton trade in the 18th century was heavily one sided in China’s favour

The balance in China’s favour continued until the mid-1820s when it settled into an equilibrium

After 1826 the balance began to slip the other way: between 1831 and 1833 nearly 10 million taels flowed out of China – due to Opium

The demand for opium led to increased foreign importation and to native cultivation in Szechuan, Yunnan, Fukien, Chekiang and Kwantung

From a moral concern Emperor Yung-cheng prohibited the sale and smoking of opium in 1729 and Emperor Chia-ch’ing outlawed it in 1796

In the 1820s and 1830s, economic considerations also entered the picture, for the trade was causing a rapid outflow of silver

The British took the lead in opium importation from the Portuguese in 1773, when the East India Company established a monopoly of the opium cultivation – from seedling to sale of the finished product by auction in Calcutta

But knowing the Chinese prohibition, the Company disengaged itself officially from the opium trade by leaving its distribution to the country ships which sailed under the Company’s license. In the license a clause required such ships to carry the Company’s opium, but in the public sailing order there was always a statement of prohibition against carrying opium.

Thus, the EIC perfected the technique of growing opium abundantly and cheaply in India, while piously disowning it in China. Legally and officially, it was not involved in the illicit trade.

The import growth was rapid and steady; between 1800 and 1820, the average annual importation was 4500 chests, and between 1820 and 1830, over 10000 chests.

In the 1830s the volume rose enormously, reaching a peak of 40000 chests in 1838-39

This sharp rise was caused by the abolition of the Company’s monopoly of the China trade in 1834, and the influx of private traders and the extension of traffic beyond the Canton waters to the entire southeastern coast of China

The opium trade, with its illicit nature, was conducted on a clash basis

The lucrateness of the trade drew nearly all foreign traders

The American traders handled Turkish as well as Indian opium, but it opium which made up most of their total commodity – around 95%. Between 1800 and 1839, the Americans shipped 10000 chests into China

The opium-dealing organizations, known as yao-k'ao, usually has capital anywhere from 20000 to 1 million dollars. They paid for the opium at the foreign factories and picked up the drug from the foreign “receiving ships” at Lintin in fast moving small crafts called “smug boats”, also known as “fast crabs.” In 1831, there were something like a hundred to 200 hundred of them shuttling around Canton waters.

From there the opium was transported westwards to Kwangsi and Kweichow, eastward to Fukien, and northwards to Hunan, Kiangsi, Anhwei and as far as Shensi

The rapid rise in opium imports was connected with the growing demand for the drug in China as opium gradually became an habit that spread to people of all walks of life: government officials, merchants, literati, women, servants, soldiers, monks, nuns and priests.

The 40000 chests imported in 1838-39 yielded 2.4 million cattles of extract and supplied about 2.1 million consumers

The economic repercussion of opium smoking were most serious. Spending on opium caused a stagnation in the demand for other commodities, with a consequent general sluggishness in the market. Moreover, the continuous inflow of opium caused a continuous outflow of silver.

As the opium trade grew, less American cash flowed in, while most Chinese silver was taken out; between 1828 and 1833 the British shipped out \$29.6 million of specie against the American inflow of \$15.8 million. The drain was most acute in the middle and late 1830s, somewhere between 4 and 5 million dollars.

The silver depletion upset the domestic economy and rocked the exchange between silver and copper.

In spite of these economic repercussions, the opium traffic could not be stopped for lack of a well-organized customs service, an effective navy and a sense of moral responsibility in public administration.

The ineffectiveness of the Chinese prohibition was matched by the enterprising promotion of the trade by the British. In 1836 the British sold \$18 million worth of opium in China as against \$17 million worth of Chinese tea and silk which they bought. Obviously, without opium they would have suffered a severe deficit; opium had therefore become the economic panacea for the British trade doldrums, which thus was cherished, extended and promoted by the Parliament

With the expiration of the [Company's monopoly of China trade](#) coming to an end, the British parliament appointed 3 superintendent of trade and in its resolution granted all British subjects free trade between the Cape of Good Hope and Straits of Magellan, and a court of justice for the trial of offense committed by British subjects in China.

The British government had replaced the EIC in dealing with China, and official relations had been substituted for private relations.

While commercial interests continued to dominate policy, considerations of a national honor and prestige now assumed a greater importance than ever.

This turn of events dealt a severe blow to the already faltering and disintegrating Canton system.

The extension of the private opium trade along the coast had in fact spelled an end to single-port trade and to the monopolistic Canton trade system

In 1836, the emperor ordered Governor-General Teng to stamp out opium and to devise a long range plan of control of opium trade. The legalization of opium movement (rationale for legalization: ineffectiveness of the prohibition law on one hand and the drain on silver on the other – a legal tariff imposed on opium imports as medicine, which should be purchased by barter in order to stop the silver outflow; and that domestic cultivation be permitted to slacken the demand for foreign imports – foreign traders however were excited by the possibility, except for a few leading opium smugglers such as Jardine) that had existed earlier between May to September came to an abrupt halt and the foreign traders, who anticipated the legalization, suddenly found themselves stuck with an oversupply of opium for which they had sent from India during the interval.

Governor-general Teng prosecuted Chinese opium dealers and addicts, succeeded in destroying all “fast crabs” and all native smuggling network outside Canton by the end of 1837. As a result of his suppression, the price of opium in Canton fell sharply. By 1838, two thousand Chinese opium dealers, brokers and smokers had been imprisoned, and executions of addicts took place daily. Foreign smuggling boats disappeared by the end of 1838, and as the new year began Canton was virtually cleared of all opium traffic. **The stagnation of the opium traffic produced a disastrous effect on the British traders, but they would not easily concede so lucrative a trade.**

The emperor appointed Lin as the imperial commissioner in Dec 1838, charged with suppression of the Canton opium traffic.

His policy was to deal severely and aggressively with Chinese opium dealers, brokers and consumers and to confront forbearingly, yet firmly, the foreign traders. He was aware of the prestige and power of Britain and hoped to avoid a clash with her if possible: but opium had to be suppressed, even at the risk of war. His campaign against Chinese opium dealers was remarkably successfully. By May 1839, 1600 violators of the prohibitory laws had been arrested and 42741 and 28845 catties of opium confiscated. He tried and severely punished corrupt officers who connived with smugglers.

Foreign smugglers posed a more difficult problem. Lin admonished foreign traders in Canton from the standpoints of natural law, common sense, Chinese prohibitory regulations and government policy. In March 1839, he ordered them to surrender all their opium in 3 days and sign a bond pledging not to engage in the illicit traffic in the future; violation of the bond would result in the death penalty and the confiscation of the drug. Lin offered a reward of 5 catties of tea for each chest of opium surrendered, but he never once mentioned monetary compensation nor did he ever consider the British government’s economic interest in the opium trade.

When the foreigners ignored his deadline of March 21, Lin threatened to decapitate two Hong security merchants. The foreign traders surrendered 1036 chests of opium as a token, which did not satisfy the commissioner.

On March 24th Lin ordered the stoppage of trade, the withdrawal of Chinese compradoes and servants, and the siege of the British factory. 350 foreigners were confined to the factory compounds, inconvenienced by the loss of cooks, porters, and servants but otherwise not suffering from lack the lack of important provisions. The detention lasted for 6 weeks. To

Elliot, it was a piratical against against British lives, liberty and property but to Lin it was a rightful enforcement of Chinese laws and a just punishment for depraved smugglers.

It must be noted that there had been a stagnation of the opium trade for several months before the detention. Some 50000 chests lay waiting for outlet and more were on their way from Bombay. It occurred to the British superintendent of trade Elliot, that to surrender the opium to Lin would relieve the stagnant trade and would be a good way to hold the Chinese responsible for the cost.

He issues a notice in the name of his government and with this proclamation of the opium changed hands – it was no longer the private property of the traders but the public property of the British government and now the Chinese have fallen into the snare of rendering themselves directly liable to the British Crown.

Elliot surrendered 21306 chests by May 18, 1839. The opium were destroyed.

Lin, it seemed, had scored a complete moral and legal victory over opium, but the victory was chimerical for British would never be content to rest her case there.

After their liberation from detention, Elliot and the entire British community left for Macao on May 24, 1839, rather than accept Lin's demand for the bond.

Elliot lost no time in urging London to start prompt and vigorous proceedings against China and the traders also jointly petitioned Palmerston to protect British interests and to take steps to fulfil Elliot's promise of reimbursement for the surrendered opium. Nearly 300 hundred firms in London, Manchester and Liverpool connected with China trade started a campaign for action and numerous pamphlets and stories were circulated condemning the Chinese insult to the British subjects.

The tense situation in the Canton-Macao area was further strained by the killing of a Chinese village by a group of English seamen in Kowloon in July 1839. Commissioner Lin demanded the surrender of the culprits but Elliot refused to submit British subjects to Chinese law. Lin was irritated with Elliot's refusal and brought pressure to bear on the Portuguese at Macao to expel the British. On August 1839, all British subjects left for Hong Kong, about 90 miles from Canton.

However, one issue remained unresolved: the signing of the bond. Elliot had persistently resisted it on the grounds that death penalty without a fair trial for the violators was uncivilized and contrary to the British concept of justice. **In point of fact, the British had refused to submit to Chinese jurisdiction since 1784, and the Americans since 1821.**

But some British traders felt that Elliot had no right to stop them from accepting the bond. Accordingly, the captains of the Thomas Coutts and the Royal Saxon signed it on their own. On Nov 1839, when the Royal Saxon approached the Bogue in hopes of trading with the Chinese, Captain H Smith of H.M.S. Volage fired a shot across its bow. In an attempt to protect Royal Saxon, the Chinese navy under Admiral Kuan engaged the British ships at Ch'uan-pi. Of the 29 Chinese war junks, one was blown to pieces immediately, three were sunk and several more were seriously damaged.

War had now broken out. The trade with the British was stopped forever on Dec 6, 1819 but certain venturesome British traders managed to continue business under the American flag.

The British expeditionary force arrived under Rear Admiral George Elliot in June 1840 with 16 warships mounting 540 guns, four armed steamers, 27 transports, one troop ship, and 4000 soldiers.

For the British, the war was one of reprisal, a necessary action to defend their right to trade, to uphold national honor to correct the injustice inflicted upon the British officials and subjects in China and to secure and open future. For the Chinese, the war was primarily a crusade against opium.

At the end of 3 stages of war, and the futility of the war became obvious to the Chinese, the formal **Treaty of Nanking consisting of 13 articles was signed in August 1842.**

-Opening of 5 ports to trade and residence of British consuls and merchants and their families; Canton, Amoy, Foochow, Ningpo and Shanghai

-Cession of Hong Kong

-Equality in official correspondence

-A fixed tariff

This treaty was imposed by the victor upon the vanquished at gunpoint without the careful deliberations dually accompanying international agreements in Europe and America

A most ironic point was that opium, the immediate cause of the war, was not even mentioned – the question of its future status cautiously avoided by both sides

A **supplementary Treaty of Bogue** was signed in 1843

-fixed the import duty from 4% to 13% ad valorem, averaging 5%, and the export duty from 1.5% to 10.75%

-it also allowed the British warships to anchor at the 5 ports to protect commerce and control sailors

-it allowed the British to try their own subjects (i.e. extraterritoriality)

-gave British the most favoured-nation treatment, whereby China would grant Britain whatever rights that might be conceded to other powers later

-close on the heels of the British came the Americans and the French requesting similar treaties

The American treaty in 1844 specified the prohibition of opium trade, extraterritoriality, the most-favoured nation treatment, the right to maintain churches and hospitals in the 5 ports, and treaty revision in 12 years and the French treaty stipulated in addition the free propagation of Catholicism

Significance/Implications for China:

In these treaties 3 stipulations were particularly injurious to China – the fixed tariff, the extraterritoriality and the **most-favoured-nation clause**

Extraterritoriality was signed away under the expedient notion that the barbarians, who spoke different languages and had strange customs, should be allowed to govern themselves and the most favoured nation treatment was granted on the ground that emperor looked upon men from afar with equal benevolence – all granted out of expediency and ignorance of international law and the concept of national sovereignty

The opium War touched off explosive matters with far-reaching consequences.

Politically, the cession of Hong Kong gave Britain a foothold in China for further advancements; the opening of 5 ports extended foreign, particularly, British influence to

entire Eastern coast of China; and the loss of 3 national rights mentioned above relegated China to a semi-colonial status

Militarily, permission for foreign gunboats to anchor at the 5 ports, a concession later extended to the other ports opened along the Yangtze River, enabled foreign warships to navigate freely and legally in Chinese waterways, exposing the interior of the country mercilessly to alien powers.

Economically, the fixed custom rates deprived China of a protective tariff and allowed an overabundant influx of foreign goods, which reduced Chinese handicrafts industries to penury, causing social unrest and rebellion

Socially, the continuation of the illicit traffic depended the opium problem

Diplomatically, China entered into official contacts with the West maritime powers and took the first step in its long journey to membership in the international society

These British, American and French treaties reinforced each other and formed the beginning of a treaty system, which was further enriched and enlarged by later agreements. Because they were not negotiated by nations treating each other as equals but were imposed on China after a war, and because they encroached upon China's sovereign rights, they have been dubbed "unequal treaties," which reduced China to semi-colonial status. The Opium War introduced a century of humiliation for the Chinese people.

The outcome of the war was inevitable, considering the decay of the Ch'ing dynasty and the new power achieved by Britain after the Industrial Revolution.

In retrospect, it is apparent that opium was the immediate but not the ultimate cause of the war. Without it conflict between China and the West would still have erupted as a result of differing conceptions of international relations, trade and jurisprudence.

Far deeper than the opium question was the incompatibility of the Chinese claim to universal overlordship with the Western idea of national sovereignty; the conflict between Chinese tributary relationships and the western system of diplomatic discourse and the confrontation between self-sufficient, agrarian China and expansive, industrial Britain as well as incompatibility between Britain's idea of free trade and the Chinese contempt for trade.

Hsu: The power generated by the Industrial Revolution and the idea of progress through change propelled the West into overseas expansion – there was no way to stop it. –Too much agency given to the West?

Jack Gray – Alternative Argument

The Treaty of Nanking – the first of the unequal treaty – is widely believed to have been an instrument of imperialism. It details, however, make such a view difficult to sustain.

For instance, the opening up of the other Chinese ports for trade and the cession of Honk Kong. It could be argued that as foreigners had formerly traded at these ports, they were to be reopened rather than newly opened. And whether this interpretation is acceptable or not,

the demand was a very limited one. It applied to only to four new southern ports; it involved no access to any part of China beyond these coastal towns themselves, except over short distances for recreational reasons. It involved no right to acquire land and property on Chinese soil, to exploit Chinese mineral resources or to manufacture in China.

As for the cession of Hong Kong, the British wanted a territory to operate in order to control British subjects and a need for a place of refuge, in case the British community gets locked up. Outright cession was not decided upon until late in the course of events. If territorial acquisition had been the point or the establishment of a base from which to put pressure on China, the British had only to remain on Zhoushan, rather than evacuate that excellent position within striking distance of the major Yangzi cities and settle for a barren rock at the extremity of the country, a tiny island so unproductive and so unhealthy.

The notion of the Treaty of Nanjing as the expression of ruthless imperialism arose later when circumstances had changed. By the end of the century Chinese nationalists saw in the extraterritoriality an insult to and derogation from Chinese sovereignty.

The Treaty of Nanjing was in fact a very mild one. China had suffered a defeat and the victor could very well have forced China to accept in her relations with the British everything regarded as normal under western international law and could in addition annexed rich and populous territories. Instead the British took utmost pains to limit their demands to the bare minimum necessary to secure reasonable conditions for trade.

Events lead to use of force but in a sense it was used only to provide the basic conditions for a return to the first alternative, the patient and peaceful development of *modus vivendi*.

It is surprising to observe how little the system had changed. In the 5 ports now open, British merchants could stay all year and no longer had to come and go with the trade season; they could bring their families and they had a consul to represent their interest – otherwise things were very much the same as they had been – the restrictions that remained were of far greater significant than those that had been abolished

The treaties, including that with America and France, was made with China more in the hope of future advantage and the Chinese for their part were ready to oblige in the hope that one foreign nation would check another and they would not be at the mercy of the British.

Post-War Period and the Second Treaty Settlement

The most knotty issue in the post-war period was the question of the British right to enter the city of Canton

Of the 5 ports, all except Canton were opened on schedule to foreign trade, residence, and consulates.

The residents of Canton however steadfastly refused to admit the British into the city, allowing them to live only in the *old factory area*.

They argued that although the treaty opened Canton, it did not specify that foreigners be allowed inside the city. Indeed the treaty did not spell out the point clearly, but none of the other 4 ports ever contested the British right to enter their walled cities.

The more the British met resistance at Canton, the more the British insisted their right of entry. The local populace would not yield and considered the entry of the British as insult to their city and the Canton city question became a point of disruptive contention.

During the Opium War, its people were subjected to British humiliation more than those of the other cities, and they were also the subject of ransom in 1841. In post war period, Canton suffered from losing part of the foreign trade to Shanghai, owing to the latter's proximity to the tea and silk-producing areas. The decline of the trade adversely affected the livelihood of the local people, so they transferred their resentment to the British, the largest group of foreign traders.

There were frequent incidents of attacks, insults, stonings, and even killing of the British. Sino-British relations deteriorated.

In addition to the Canton city question, a number of other issues also strained Sino-Western relations: the ever-present foreign desire to extend trade beyond the 5 ports to all parts of China, the demand for resident ministers in Peking to bypass the stubborn Canton authorities, and the drive to reduce custom duties as a result of the general decline of commodity prices in the post-war period.

These issues converged to generate a strong impetus among the foreigners for a treaty revision.

In 1854 and again in 1856, the ministers of Britain, America and France raised the question of treaty revision. It did not materialize and it was felt that the extension and improvement of British relations with China would require ships of war.

The occasion that provoked Britain into venting its wrath was the Arrow Incident of 1856. The British flag was hauled down by Chinese officers and 60 soldiers while on board the vessel, Arrow that was owned by a Chinese but registered with the British authorities of that Crown Colony for protection, to search for a notorious pirate.

The British demanded future respect of the flag, release of the 12 crew members and a written apology.

When this did not happen, British gunboats moved to bombard the city of Canton. The Chinese too responded with an attack on the barbarians. The aroused people of Canton, utterly powerless before the British armed forces, vented their wrath by burning the foreign factories

During this conflict, the Allied commission established a puppet government for 3 years until the final treaty settlement in 1860, was probably the first of its kind in modern Chinese history.

Oct 24, 1860 – Convention at Peking – Dictated to Prince Kung

Established once for and all the British right to diplomatic representation in the Chinese capital, the indemnity was increased to 8 million taels each for France and Britain, Tientsin was opened to foreign trade and residence, in addition, Britain acquired Kowloon Peninsula opposite Hong Kong, while France secured the right for Catholic missionaries to own properties in interior China

This second set of treaties reinforced the first signed after the Opium War, to form an iron-clad treaty system, from which China was not freed until 1942.

Beyond a doubt, by 1860 China had been thoroughly defeated and humiliated by the West. The maritime powers of Britain, France and America advanced step by step, northwards from Canton to Shanghai to Peking.

The Western states sought commercial interest and economic concessions through the creation of treaty ports and the extension of trade, closing in ever more tightly on the declining Qing dynasty.

Taiping Rebellion (1851 – 1864) – Internal Threat

In 1851, Hong Xiuquan launched an uprising in the town of Jintian, and declared the establishment of the Heavenly Kingdom of Great Peace.

The rebellion was the largest peasant uprising in the history of China resulting in the death of between 20 and 40 million people. Though the rebellion failed, the years of upheaval weakened the Qing dynasty.