

# Rise & Fall of the Canton Trade System - I

## China in the World (1700-1860s)

by Peter C. Perdue

Trade with the West

Commodities

Merchants

The Artists' Narrow World

Sources & Resources



*Canton, where the business of trade was primarily conducted during this period, is depicted on this fan created for the foreign market. Seven national flags fly from the Western headquarters that line the shore.*

*Fan with Foreign Factories in Canton, 1790–1800*

Peabody Essex Museum [cwOF\_1790c\_E80202]

### *MACAU, CANTON, HONG KONG*

*From early times China engaged in extensive trade relations with other countries, and until the mid 19th century Chinese officials directed by the imperial court in Beijing dictated the conditions under which such trade was conducted. From the 16th century to mid 1800s, three cities became the centers of the trading system linking the “Middle Kingdom” to Western European powers and eventually the United States: Macau, Canton, and Hong Kong.*

*Macau was under Portuguese control from 1557 to 1999. From the late 1700s the center of Western trade activities shifted upriver to foreign quarters at Canton (Guangzhou), which remained under the tight regulation of Chinese authorities. The so-called Canton trade system reflected the strength of the Chinese state at the height of the Manchu-led Ching dynasty (1644–1911); and the collapse of this system in the mid 19th century marked the beginning of the long decades of China’s decline and humiliation as a great power.*

*Two factors in particular precipitated the end of Chinese control over trade with the West. One was opium, which the Western powers began smuggling into China to compensate for a paucity of other exports. The other was naval technology epitomized by the emergence of Western steam-powered vessels deployed as both merchant ships and warships. The collapse of the Canton system was marked by the Opium War of 1839 to 1842, in which the British defeated the Chinese under the banner of free trade and forced them to legalize opium imports, open new ports to trade, and agree to a low fixed tariff.*

*In the wake of the Opium War, Canton carried on as a trading port but British commercial interests in particular were extended elsewhere—most dramatically to the newly acquired harbor at Hong Kong. Hong Kong became not merely a symbol of the new era of “free trade,” but a bona-fide British colony—arch-symbol indeed of the new era of China’s loss of autonomy.*

*In Western eyes, the Canton trade system became the source of a romanticized image of both Western commercial activity and China itself. Fine examples of Chinese art and luxury items—porcelain, lacquer, silk, and furniture—were prized in upper-class circles in Europe and the United States. Tea became a favorite import in the West. And at the same time, foreign merchants commissioned both Western and Chinese artists to provide a visual record of their own involvement in the China trade.*

*This export art provides the visual flesh and bones of this unit and enables viewers to see the China trade as the foreign traders themselves wished it to be seen by their contemporaries by home and remembered by later generations. There exists no counterpart visual record for domestic consumption on the Chinese side. The foreign enclaves seemed marginal to Chinese at the time; there was no domestic market for viewing outsiders; there was indeed as yet no technology of mass reproduction. Photography still lay ahead.*

*What we encounter in these visuals, in short, is the Canton trade system as portrayed largely through (and for) the eyes of the non-Chinese—colorful, romantic, sometimes exotic, often heroic, and exceedingly incomplete.*



— please note that most images in this essay appear as details and can be enlarged for full view —

## Trade with the West

From 1500 to 1800, the great empires of Europe and Asia expanded across the world, conquering new territories and intensifying their internal and external trading networks. We know best the story of the European expansions into the New World, India, and

Southeast Asia, or Russia's conquest of Siberia, but China's armies, settlers, and traders also penetrated distant regions, extending market networks and creating increasingly dense populations on the frontiers. Under the Ming and Qing dynasties, the Chinese empire reached a new peak of population and expanded its territory to an unprecedented degree. The Ming dynasty (1368–1644) in the 16th century held off Mongol raids in the northwest while expanding military garrisons in the southwest. In addition, large numbers of Chinese moved into Southeast Asian countries, rising to become the dominant commercial forces there. The Manchu founders of the Qing dynasty (1636–1911), after conquering Beijing in 1644 and Taiwan in 1683, established an even larger empire which continued to expand until the mid 18th century. At its peak, it controlled Manchuria, Outer and Inner Mongolia, Xinjiang, and Taiwan, and exerted influence on its neighbors in Russia, Burma, and Vietnam.

The Western European powers, beginning with the Portuguese and soon followed by the Spanish, Dutch, French, and English, went down the coast of Africa and across the Indian Ocean in pursuit of the spices of the east. In 1492, Columbus headed across the Atlantic Ocean in search of the same oriental luxuries. Once the Spanish took the Philippines and discovered the rich mines of Bolivia in the 1560s and 1570s, silver and gold flowed from Latin America across the Atlantic and Pacific, tying together the markets of the Old and New worlds for the first time. Bullion moved from Latin American colonies to Spain, and from there to Dutch and English financial markets, where European merchants brought the silver to Asia to buy precious commodities. The Manila galleon brought bullion directly across the Pacific from Latin America to Spain's colonial possessions in Asia. Most of the silver ended up in China, because the great empire's major exports of tea, porcelain, and silk commanded high prices and the Europeans had no equivalent goods to offer in return. China sent out its high quality commodities and craft goods to meet eager European consumers through the southern coastal ports of Macau, Canton, and Hong Kong. Thus began the continuous interaction of China with Western traders that marks the opening of modern times.

From ancient times, China had always traded with the outside world. Camel caravans crossing the silk routes of Central Eurasia carried textiles, tea, and porcelain to the Middle East and Europe since the first century BCE, and a trickle of adventurous priests and travelers had followed these routes eastward to China. Beginning in the 16th century, however, large numbers of ordinary Western and Chinese people met each other in the great trading cities of South China, doing business across a wide cultural divide. Here the large empires of East and West, with their ships, guns, commercial goods, and officials, had to negotiate acceptable rules to support profitable trade. The leasing of Macau to the Portuguese in 1557 began the system of regulated trade on the coast which evolved into the Canton or "Old China" trade system of the 18th and early 19th centuries. Under this system, the Chinese state restricted the access of Westerners to the interior of China, but allowed them to conduct trade under the name of "tribute," or gifts to the emperor, which he gratefully returned. This system of commercial exchange lasted from the 18th century until 1842, when China's loss in the Opium War caused its abandonment. Then a new era of Sino-Western relations—a much less equal one—began.

### **The British East India Company**

For Europeans, the 16th and 17th centuries were the era of exploration, the promotion of Christianity, expansion of maritime trade, and piracy. The Portuguese led the way down the coast of Africa and into the Indian Ocean, supporting their commercial interests with military force. By mounting cannon on their small caravel ships, they were able to muscle their way into a flourishing Asian trade system dominated by Arabs, Indians, Malays, and Chinese.

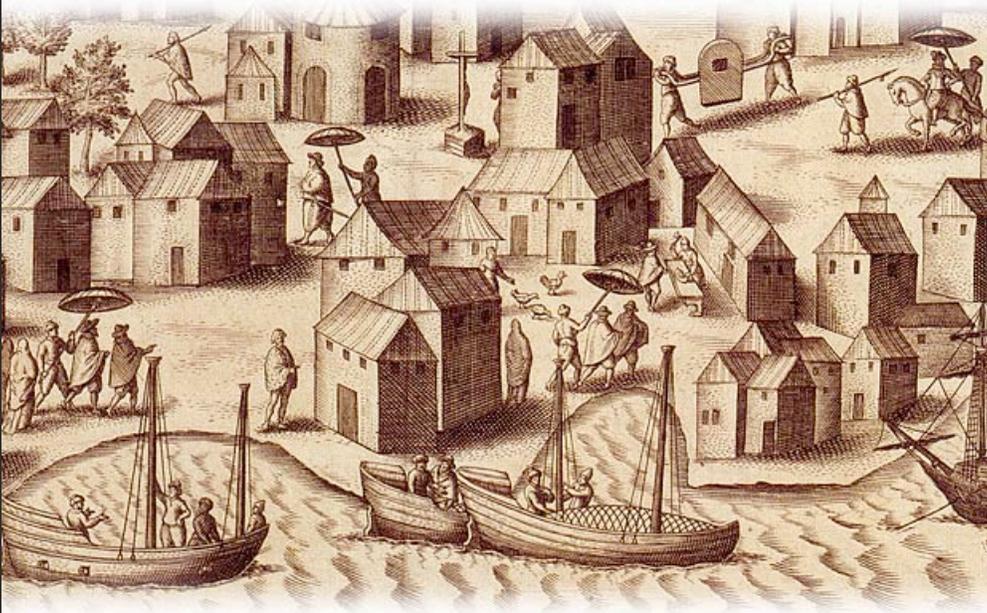


*China has always traded with the outside world. Besides the fabled silk route caravans, Chinese ships competed with Arabs, Indians, and Southeast Asians in maritime trade. The Portuguese were the first Europeans to arrive, looking for a maritime route to China. They negotiated a contract to settle and trade at Macau in 1557.*

*“Portugese Carracks off a Rocky Coast,” ca. 1540  
Circle of Joachim Patinir*

National Maritime Museum [cwSP\_1540\_nmm\_BHC0705]

The Portuguese gained footholds on the Asian mainland at Goa in India and Macau in China by negotiating with the local authorities. Coastal China had suffered from pirate raids led by Chinese smugglers collaborating with Japanese and other armed maritime groups, but Portuguese aid in the suppression of the pirates gained them the reward of a leasehold in Macau. As silver from the New World flowed into China through Macau, Chinese officials found the Portuguese port a profitable source of currency. But they kept the Portuguese confined to the city and did not allow them to penetrate inland.



*This detail of Macau in the late 1500s reveals Westerners being carried in palanquins or walking through town accompanied by servants with umbrellas. The inner harbor is busy with Western ships. Macau, the earliest city inhabited by European traders, also attracted Christian converts, including Chinese, mixed-race Chinese, and Japanese.*

*“Amacao,” ca. 1598, by Theodore de Bry*

Hong Kong Museum of Art [cwM\_1598\_AH8121]

The Dutch and English followed the Portuguese into Asia using a different political and commercial system. They founded joint stock trading companies, each of which was given monopoly rights to trade in the East Indies. The companies expanded trade for their countries and shareholders, but also used military force to intervene on the mainland. The Dutch founded Batavia (modern Jakarta) in Java as the base for access to the spice islands of Southeast Asia, and they occupied Taiwan and gained access to Japan. The Dutch East India Company (*Vereenigde Oost-Indische Compagnie* or VOC), founded in 1602, supported the expansion and eventual colonization of Java and the rest of Indonesia.

The first British East India Company, founded in 1600, established footholds by negotiation with local powers on the coast of India. Like the Dutch VOC, it was a national chartered company dedicated to gaining profits from the Asian trade. By the mid 17th century, it had 23 "factories," or warehouses and living quarters for trading, along the Indian coast, and competed with the Dutch for access to the spice islands at Malacca.

England emerged in the late 17th century from decades of internal warfare just as the Qing empire was completing its conquest of China. In 1684 the Kangxi emperor reopened free trade access to the Chinese coast. A second British company opened in 1698 to seize on the new opportunities, and the two merged to form the united East India Company in 1708. In 1711, it gained its first outpost in Canton. Soon Canton became the central focus of trade with China for both the trading companies and the Qing empire.



*The East Indiamen were the largest ships belonging to the British East India Company and some of the largest merchant sailing ships ever built. They also carried guns to protect themselves on the high seas, ensuring British domination of the China trade. This painting shows the ship Asia off of Hong Kong in the 1830s, flying its distinctive flags next to smaller Chinese junks.*

*"The East Indiaman Asia," 1836  
by William John Huggins*

National Maritime Museum [cwSP\_1836\_nmm\_BHC3209]

Canton's natural advantages—its location and its local topography—gave it the preferred position on the China coast for foreign trade. The monsoon winds determined the access of trading ships to the south China coast. From June to September the winds blew from the southwest, allowing sailing ships to ride smoothly downwind across the Indian Ocean, the Arabian Sea, and the South China Sea. When the monsoon ended in

October, ships remained in the Canton region for a four-month trading season. The northeast monsoon winds beginning in January gave them smooth sailing back to India and ultimately England. The Pearl River leading from Macau to Canton was easily accessible on the monsoon winds to foreigners. At the same time, since Canton itself was not on the coast, imperial officials could control foreigners who came and went along the river.



*A group portrait of three sons of William Money (1738–96), a famous early director of the East India Company. In the picture the eldest son, William Taylor, has his arm on the shoulder of the youngest, Robert, who is pointing to Canton on the map, while the middle son, James, points at Calcutta. The East India Company, which monopolized the British Asian trade for over 200 years, made Calcutta and Canton its key bases. It shipped textiles and opium from India to China in exchange for tea, silk, and porcelain for English consumption. Profits from Asian trade supported the British empire in India and generated great wealth for the prominent landowners who were its directors.*

*“The Money Brothers,” left to right: Robert (1775–1803),  
William (1769–1834), and James (1772–1833)  
by John Francis Rigaud*

National Maritime Museum [cwPT\_1788-92\_nmm\_BHC2866]

### **Ships of the Canton Trade**

Traders sailing to China from the West expected great profits but risked great dangers. Typhoons, pirates, and foreign warships could easily destroy a merchant’s career, but those who succeeded made huge profits, as much as 400 to 500 percent on one voyage. Shipbuilders improved the stability and size of the merchant ships in order to enhance the prospects of the China trade. The huge East Indiamen carried the bulk goods on which the trade was based—tea and textiles. The fast clippers, first designed in the United States and copied by others, carried the freshest teas home and smuggled the valuable illegal opium cargoes past Chinese officials. Steamships finally destroyed the Chinese restraints on foreign trade when they arrived in the 1820s, because they could move into shallow waters and help warships bombard Chinese defenses.

## *Profits and Perils*

*Western Ships in the 19th-Century China Trade*



### ***Perils at Sea***

*"The Distress'd  
Situation of the ship  
Eliza in a Typhoon in  
the Gulph of Japan."  
An American ship,  
likely by Spoilum  
ca. 1798–1800*

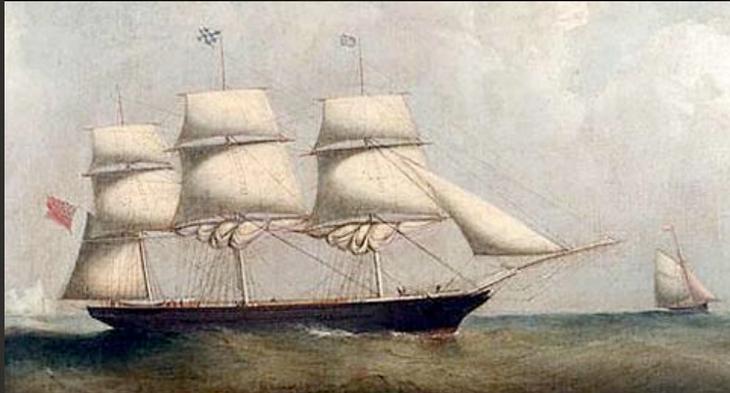
Peabody Essex Museum  
[cwBTW\_1798c\_ct113] PEM



### ***East Indiamen***

*"East Indiamen in  
the China Seas,"  
by William Huggins  
ca. 1820–30*

National Maritime Museum  
[cwSP\_1820-30\_nmm  
\_BHC1157.htm]



### ***Tea Clippers***

*"Tea Clipper  
Medina"  
by Philip John  
Oules  
1817–85*

National Maritime Museum  
[cwSP\_1817- 85\_nmm  
\_bhc3486.jpg]



### ***Opium Clippers***

*"The Opium Ships at  
Lintin Island in  
China, 1824"  
by William Huggins,  
1838*

National Maritime Museum  
[nmm\_1824\_pz0240]



### **Steamships**

*"The H.E.I. Cos:  
Steamer Pluto  
John Tudor, Lt  
Commander, R.N.  
on her Voyage to  
China," 1842*

National Maritime Museum  
[nmm\_1842\_PAD6713]



### **Warships**

*"Hon. East India  
Company's Steamer  
Nemesis & the Boats  
of the Sulphur  
Calliope Larne &  
Starling Destroying  
Chinese War Junks in  
Anson's Bay," Jan. 7  
1841*

National Maritime Museum  
[cwSP\_1841\_nmm  
\_PAD5865]

The ships of the East India trade, known as East Indiamen, were the largest merchant sailing ships ever built. They needed both a great deal of space for their cargo and heavy guns to defend against pirates and warships. They increased in capacity from 400 tons in the 18th century to a maximum of 1100 to 1400 tons in the 19th century, and were forty to fifty meters long. In the 1760s, about 20 ships per year visited China, but by the 1840s there were over 300 per year. Despite their size, they faced many dangers. The *Royal Captain*, 860 tons, 44 meters long, sank off the coast of China in 1773. The *Earl of Abergavenny*, built in 1797, weighed 1440 tons and was wrecked off the English coast in 1805. Many of these armed merchant ships were built in India and used only for runs from India to China. Those that voyaged from England or the U.S. faced even greater dangers on the high seas. William C. Hunter, a young American, traveled from Salem to China and back three times, and his journey took at least four months each way. Everyone traveling to China risked destruction by typhoons and death by disease or even falling overboard.



*Ocean voyages held risks from weather, piracy, privation, illness, and the sea itself, and could go awry at any point, most poignantly off the coast of their home port. Many of the traders were young men in their 20s entering business for the first time.*

*"A Man Overboard"  
by Thomas & William Daniell,  
Jan. 1, 1810*

National Maritime Museum  
[cwSP\_1810\_nmm\_PAF4993]

Hunter described portrait artist George Chinnery in his 1885 book *Bits of Old China*: “As a 'story-teller' his words and manner equalled his skill with the brush, while to one of the ugliest of faces were added deep-set eyes with heavy brows, beaming with expression and goodnature.”

“William C. Hunter,”  
by George Chinnery

Yale Center for British Art  
[cwPT\_1830s\_HunterByChin\_ycba]



Despite these perils, the China trade was so profitable that it attracted daring seamen and ambitious merchants. It also stimulated advances in nautical technology, like the tea and opium clipper ships. Because tea was a seasonal crop, consumers wanted it as fresh as possible. The Americans designed tea clippers in the 1830s to compete with the English. They held less cargo than the East Indiamen and they were built for speed, with narrow pointed hulls and large sail areas. The tea clipper *Medina* (pictured above in the collage of ships) was active in 1857, at a size of 410 tons. Their peak speed reached 30 kilometers per hour. Even mounted with cannon, on average they sailed at twice the speed of traditional merchant ships. In the Great Tea Race of 1866, two tea clippers raced each other from Canton to London, and both arrived after three months within one hour of each other. The fast clippers also served as excellent opium smuggling ships, as they could outrun the Chinese junks with ease.

The first steamships came to Canton from India in 1828, followed by the East India Company ship *Forbes* in 1830 and the *Jardine* in 1835. More than any other technology, steamships brought about the destruction of the Canton trade system. It was not their speed, but their shallow draft, that allowed them to reach Canton without interference from pilots or Chinese officials. The *Nemesis* (pictured above in the collage of ships), the warship that destroyed the Chinese forts during the Opium War, was a 700-ton ship with only six feet of draft. The highly maneuverable steamships could carry opium to many places, they could tow warships into position, and they could completely escape the controls the Chinese had long exercised over the Canton trade.

In sum, the maintenance of the Canton trade system depended as much on natural geography as on administrative controls. Once the steamships and clippers overcame these natural constraints, the imperial system of controls could not survive.

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### Commodities and Luxury Exports

Luxury exports from Canton—fine porcelain, furniture, lacquer, paintings, and figurines—attracted the most attention as art objects but were not the primary goods of trade. The original China trade was a simple bulk exchange of commodities. Until the mid 18th century, 90 percent of the stock brought to Canton was in silver, and the primary export was tea. In 1782, for example, ships carried away 21,176 *piculs* (1408 tons) of tea, 1,205 *piculs* (80 tons) of raw silk, 20,000 pieces of “nankeens” (cotton goods), and a small amount of porcelain. After the mid 18th century, the British began shipping large quantities of woolens from their factories to replace the drain of silver bullion, but this was not enough to balance the trade. They also needed to supply goods to China from within the Asian trading networks. Raw cotton from India was the most important commodity, but they also brought in sandalwood, elephants’ teeth, beeswax, pepper, and tin.



When Americans entered the trade in the 1780s, the primary product they had to offer besides silver was furs. Neither woolens nor furs suited the subtropical climate of Canton very well, so it is not surprising that sales were slow. The Americans discovered that they could also profitably import ginseng, a popular medicinal root, and *beche-de-mer*, or sea cucumber, a delicacy served in soups at Chinese banquets.

*Ginseng, used in the manufacture of medicines, became one of the main commodities exported to China by Americans, especially as North American fur populations became decimated.*

*“Medicine Shop, Canton,” ca. 1830  
Unknown Chinese artist*

Peabody Essex Museum [cwSHOP\_E82547]



### *The World of Tea*

*Tea was the top Chinese export, particularly prized in England. The British East India Company purchased 27,000,000 pounds of tea in 1810, almost 10 times as much as the Americans. Crops of tea came into Canton over the months of the trading season. Merchants negotiated the best price and tried to ship it home as quickly as possible—freshness meant the highest profit. This is the only known painting to illustrate all phases of tea production. It is a “synoptic depiction” of Whampoa Island and the countryside, possibly Bohea Hills in Fukien Province, a primary tea producing area.*

*“The Production of Tea,” 1790–1800*

*Oil on canvas, unknown artist*

Peabody Essex Museum [cwT\_1790-1800\_M25794]

The search for a commodity that the Chinese wanted to buy led the British to develop opium plantations in Bengal in India once they had secured control of it after 1757. The Americans found their opium source in Turkey, exported through the port of Smyrna. By the early 19th century, opium comprised a substantial portion of imports. It was illegal for the East India Company itself to deal in opium, but private British traders and the Americans developed extensive smuggling networks. For private traders, opium imports in 1828 were worth 11.2 million dollars, or 72% of total trade.

#### **Trade goods in 1828 (in Mexican silver dollars)**

##### **British imports to Canton:**

Woolens	\$1.7 million
Other Western goods	\$0.4 million

##### **Imports from India:**

Raw cotton	\$3.4 million
Opium	\$11.2 million
Sandalwood	\$0.12 million

**Exports from Canton:**

Tea	\$8.5 million
Silver	\$6.1 million
Raw silk	\$1.1 million

Although the primary profits of trade came from these basic commodities, every trader brought back, in addition to the tea and silk, artistic objects to demonstrate his taste or respond to demands from his family. Chinoiserie, or fascination with China, spread through 18th-century European literature and philosophy and expressed itself materially in the abundant artifacts produced in China for the foreign community.

*Luxury Exports from China*



*Teas, textiles, and common porcelains—the mainstay of the China trade—stimulated Western consumers' appetites for more refined Chinese crafts. Chinese artisans modified traditional Chinese products to meet the demand. Luxury goods exported from China included fine porcelain, decorated specifically for Western taste and interests, figurines, and furniture. The porcelain and furniture, here shown with an images of Macau and Canton, gave Western consumers in Europe and America stylized images of a Chinese landscape that mixed fantasy and reality.*

*Porcelain Tureen with image of Canton [cwO\_1780c\_E80322]*

*Figure of a Mandarin (one of a pair) [cwO\_E7097]*

*Lacquer image of Macau on a nesting table [cwO\_1830-40\_E82997b]*

*(other tables in these sets feature Canton & Bocca Tigris)*

Peabody Essex Museum

The luxury art objects generated images of China as a wealthy, refined, artistic civilization in the West. These objects inspired as much fantasy as reality. The landscapes on the porcelain dishes and lacquerware were highly stylized to blend Chinese and European aesthetic modes. The mandarin figurine pictured above depicts an official whom, under the restrictions of the Canton trade system, foreigners were almost never allowed to meet. The portrait below of the "Fou-yen of Canton" by William Alexander shows a high official in his imperial robes at a Western dining table, using a knife and fork, documenting an English banquet held during the 1793 diplomatic

mission of Lord Macartney. It is unlikely that any Chinese official ever attended this kind of banquet again. In these objects, the Europeans and their Chinese producers created an imaginary cultural vision that combined what they wanted to select from each of their radically different traditions.

*This curious image of a high Chinese official at an English banquet on January 8, 1794 was drawn by William Alexander, who accompanied Lord Macartney on this first British diplomatic mission to China. Most China traders never met a high Chinese official; they could only negotiate with the hong merchants. Macartney's mission demanded access to imperial officials in order to negotiate freer trading conditions. He failed, but learned about the weaknesses of the Qing empire from his direct contact with these officials.*

*"Portrait of the Fou-yen of Canton at an English dinner," January 8, 1794 by William Alexander*

British Museum  
[cwPT\_1796\_bm\_AN166465001c]



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### Merchants West & East

Not just anyone could enter the China trade, on either the Western or the Chinese side. Only a small number of wealthy and powerful men could enjoy its large risks and profits. The members of the English East India Company and the Dutch VOC were some of the largest and most powerful landowners in the country, who had great influence in the politics of their country. Since the elites depended on trade for much of their income, they could use their political influence to direct policy toward protecting their business profits, even at the cost of war.

### *Merchants of the Canton Trade*



*"A Merchant Naval Captain," 1830–1835  
attributed to George Chinnery*

*The unidentified captain wears a naval jacket and stands with his telescope on the deck of a ship, off the shore of China, probably Canton. The China trade captains and supercargoes were usually young men from prominent families who left home to make their fortunes. The captain commanded the ship, and the supercargo took charge of the sale of commercial goods. Sometimes these roles were one and the same.*

National Maritime Museum  
[cwPT\_1830c\_nmmBHC3169]



*"The Hong Merchant Mouqua," ca. 1840s  
by Lam Qua*

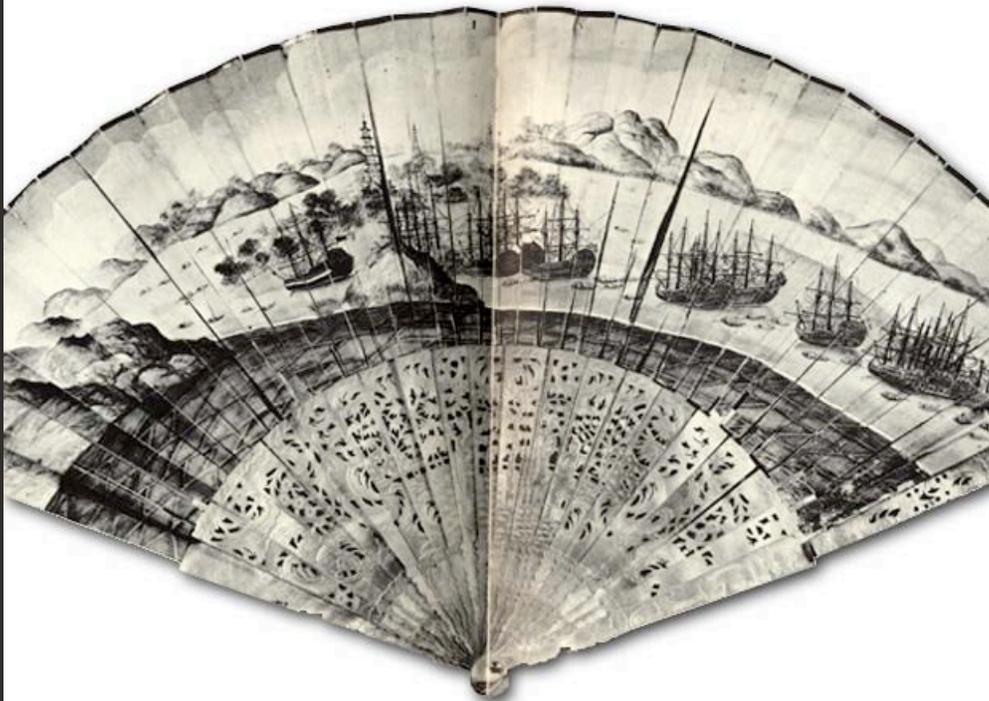
*Mouqua (or Mowqua, Chinese name Lu Guangheng), was one of the most prosperous hong merchants. He wears robes indicating his official rank. The suffix -qua (guan in Mandarin) means "official." The hong merchants did not get official degrees through the regular examination system, but obtained their posts by purchasing them at high prices from the regular officials. They were responsible for all foreign trade in Canton.*

Peabody Essex Museum  
[cwPT\_1840s\_ct79]

During the Seven Years War, from 1757 to 1763, England and France fought for global domination primarily to protect their trading interests. At the same time, the East India Company, greedy for revenue to support its military needs, took over the prosperous parts of Bengal producing cotton and rice. Then it turned its attention even more strongly toward China. The inexhaustible demand for tea in England and the abundant supplies of the finest teas in China promised great profits. With Bengal as a base, the merchants aimed to ship Indian commodities to China in exchange for tea and to use the profits in England to support the Company's growing intervention in India. At the same time, private traders on the Company's ships promoted opium sales for their own personal gain.

Opium was illegal in England, and many missionaries condemned the opium trade. Officially, the East India Company did not trade in opium, but private trade enriched many of its members. After the abolition of the Company's monopoly in 1834, opium traffic increased rapidly.

The Americans tried to enter the China trade even under British colonial rule, but the British, calling them pirates, tried to exclude them from the monopoly. Some Americans could ship goods from Batavia to China using Dutch ships, and others used American ships from the African slave trade to take goods to China. After independence, with the signing of the Treaty of Paris in 1783, the Americans quickly entered the China trade. The first legal American ship to arrive in China was the *Empress of China*, which arrived in 1784 with a cargo of silver and 30 tons of ginseng. It returned with a large cargo of tea and silk.



*This fan features the only known picture of the first legal American ship to trade in China, the Empress of China (on the far left at Whampoa anchorage). She arrived in 1784 with a cargo of silver and 30 tons of ginseng and returned with a large cargo of tea and silk. Before 1784 the British protected their trade monopoly by excluding Americans, as colonial subjects, from the lucrative China trade. Some Americans did get into Canton illegally, but only after the negotiation of the Treaty of Paris in 1783 ending the Revolutionary War could they trade with China openly.*

*Fan depicting Whampoa anchorage, China, ca. 1784*

Historical Society of Pennsylvania [cwBTW\_1784c\_EmprsCh\_met80]

Unlike the British, the Americans entered China as individuals, without the backing of a chartered company. They regarded the East India Company as a corrupt defender of empire. As individuals, or representatives of merchant syndicates, they could act more flexibly in response to Chinese official restrictions, either by negotiating their way out of trouble or by actively participating in the smuggling trade. Until the end of the 18th century, very few Americans stayed for long in Canton. Samuel Snow, from Rhode Island, built the American factory in 1798, but until the 1820s there were never more than 12 Americans in residence in China. Samuel Russell, an orphan from Connecticut, began as an apprentice clerk, learned the skills of the trade, and founded the first permanent American firm, Russell & Co. in 1824. It became the largest American firm, dealing in tea, silk, and opium before and after the Opium War, and lasted until 1891.



*Samuel Wadsworth Russell, born in Middletown, Connecticut, founded Russell & Co., the first American firm in Canton, in 1824. His firm prospered from trade in silk, tea, and opium through the 19th century. Russell returned to the U.S. and built a mansion in Middletown, filling it with gifts from the hong merchant Howqua and many other Chinese artworks.*

The Chinese hong, or guild, merchants also belonged to a select group. Since the 16th century, the Chinese court had given monopoly privileges to certain merchants to trade with the Westerners. By the end of the Ming dynasty there were 13 official hong merchants. The Qing kept this quota, although the actual number fluctuated a great deal. To gain their monopoly privilege the merchants had to pay hundreds of thousands of taels of silver to the court, and they were responsible for any debts incurred by foreign traders. Their financial situation was always precarious. To keep out competition and ensure regular trade, they formed the Cohong guild in 1720, with a code of articles to regulate prices and customs, bridge the government officials and foreign traders, and collect customs duties and fees for the government. The richest merchants were Puankhequa (Pan Chencheng), Mowqua (Lu Guangheng) and Howqua (Wu Bingjian). Mowqua (1792–1843), pictured in the box above, was active for over 50 years and served as head merchant from 1807 to 1811.

Many of the hong merchants were not native Cantonese but rather immigrants from Fujian. Like their English and American counterparts, they had left their homes to make a fortune in commerce. Puankhequa came from a poor village on the coast of Fujian and left home at a young age to travel on junks in Southeast Asia, going as far as Manila. He learned some Spanish and English, and may even have temporarily converted to Catholicism. He settled in Canton in 1740 and established close links with the English and Swedes. He even traveled to Sweden to meet the director of the Swedish trading company. On his death in 1788 Europeans praised him highly as:

...the richest, most educated, cleverest of all the Chinese merchants.... It would be difficult to find among the other Chinese merchants a man who combined such wealth and intelligence, and who knew so well, by his superiority of knowledge, his unrivaled character, his experience of business how to dominate and persuade others.

His fortune may have reached 15 million taels (US\$22 million) at his death.

Howqua (1769–1843) was even richer, and invested his fortune of US\$26 million with John Forbes in Boston. By comparison, the contemporary European financier Nathan Rothschild held capital equivalent to US\$5.3 million in 1828.



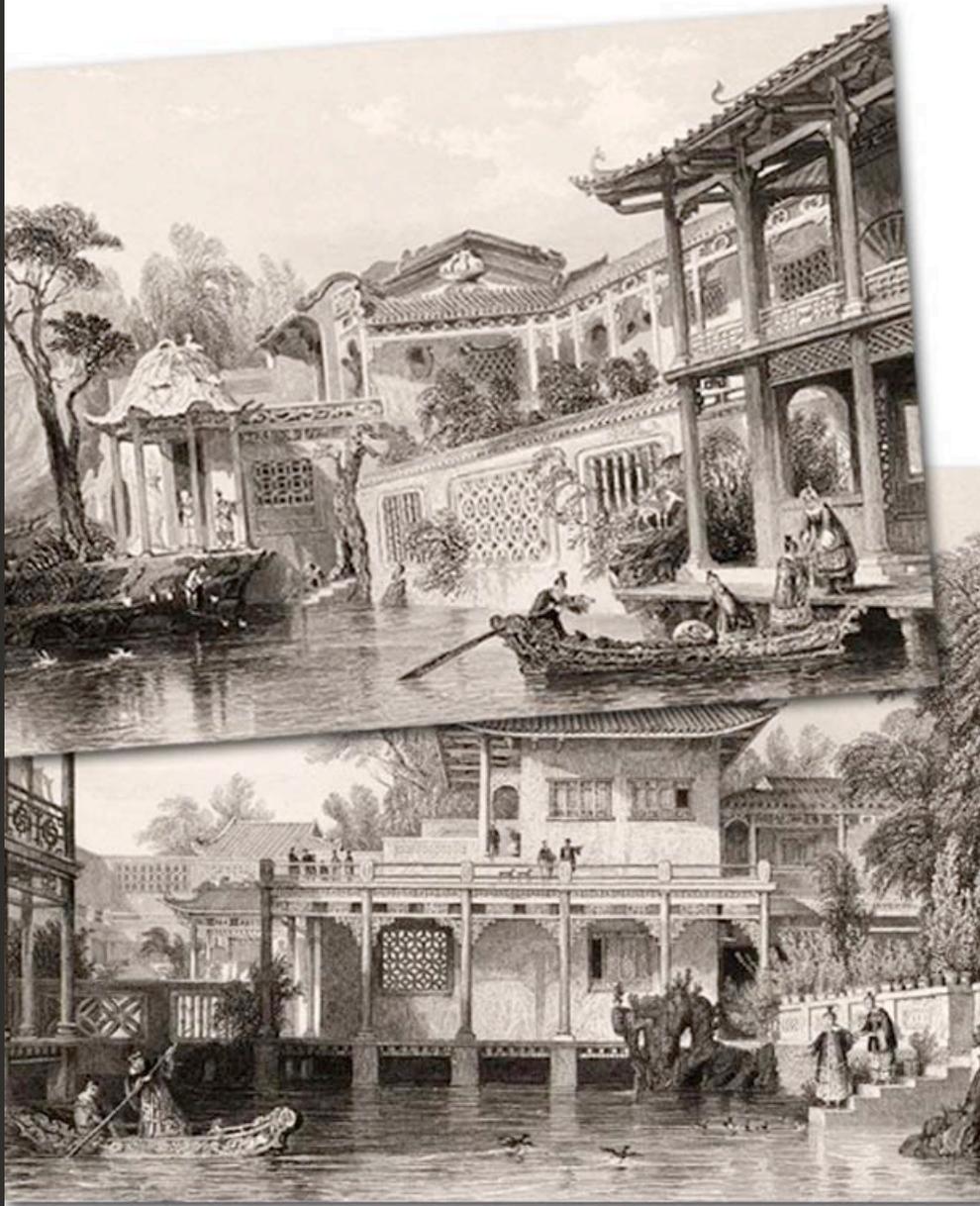
*Howqua, a leading merchant in Canton, was one of the richest men in the world in the early 19th century.*

*Howqua, 1830  
by George Chinnery*

Metropolitan Museum of Art  
[cwPT\_1830\_howqua\_chinnery]

Despite the restrictions of the court, the Chinese and foreign merchants developed a great deal of respect for each other. Most foreigners regarded the hong merchants as honest and intelligent. Each hong merchant had to take responsibility for a particular foreigner, and the hong merchants faced constant scrutiny by officials to make sure the foreigners remained under control. They shared common appreciation for food and landscape gardens with their foreign guests, and the different cuisines and gardening practices influenced each other. In this way, personal contacts contributed to the larger vogue of "Chinoiserie" in the West. William Hunter, a young American who spent many years in Canton, described the merchants and their residences as follows:

*As a body of merchants, we found them honourable and reliable in all their dealings, faithful to their contracts, and large-minded. Their private residences, of which we visited several, were on a vast scale, comprising curiously laid-out gardens, with grottoes and lakes, crossed by carved stone bridges, pathways neatly paved with small stones of various colours forming designs of birds, or fish, or flowers... William C. Hunter, *The "Fan kwae" at Canton before treaty days, 1825-1844, by an old resident ...* (Kegan Paul, Trench, 1882), p. 40*



*"House of Consequa, a Chinese Merchant, in the Suburbs of Canton," ca. 1842  
by Thomas Allom*

Beinecke Library at Yale University [cwC\_Allom\_1110097\_yba] [cwC\_Allom\_1110104\_yba]

Sometimes the hong merchants held banquets for the foreigners at their country estates, which were elegant houses set in garden landscapes. William Hunter noted that such "very enjoyable" banquets included delicacies like bird's-nest soup with sea cucumber, shark fins, roasted snails, and rice wine served in small silver or porcelain cups.



*The hong merchants and the high-ranking officials, or mandarins, lived in opulent style. They entertained their guests, Chinese and foreign, at their houses with sumptuous banquets, including musical performances, theatre, and rare foods. In this picture, a troupe is performing a Chinese opera in the background while the senior official, in his raised chair, toasts his guests by emptying his wine glass and holding it upside down. The wooden fish at the top of the picture symbolizes wealth. Although the artist portrayed an imaginary scene here, many of his details are accurate.*

*“Dinner Party at a Mandarin’s House,” ca. 1842  
by Thomas Allom*

Beinecke Library at Yale University [cwC\_Allom\_1110104\_yba]

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### The Narrow World of Artists of the Canton Trade

The new vistas of China available after the development of the East India trade attracted many Chinese and foreign artists. John Webber (1750–1793) accompanied Captain Cook on his third voyage to the South Seas and visited Macau in 1779, publishing his book *Views in the South Seas* in 1780. Thomas Daniell (1749–1840) and his nephew William Daniell (1769–1837) were the first professional English artists to visit Asia. They left for Bengal with the permission of the East India Company in 1784 to produce engravings, they made sketches in Whampoa in 1785, and then went to India, returning to China with a famous British mission headed by Lord Macartney in 1793. These travels provided the background for six volumes entitled *Oriental Scenery*, published in England from 1795 to 1815. William Daniell, a painter at the Royal Academy, also transferred his uncle's sketches and engravings into oil. William Alexander (1767–1816) traveled as a draftsman with Macartney's embassy and established the dominant image of China in England after his return. George Chinnery (1774–1852) sought out more authentic scenes. He left England in 1802 at the age of 28 and spent 23 years in India and 27 years in China. Chinnery moved to Macau in 1825, specializing in views of the community's daily life. His style greatly influenced the Chinese artists who depicted the Canton trade system for the foreign export market.

## Artists of the Canton Trade



*George Chinnery, self-portrait, 1850*

*Unlike foreign artists whose impressions of China were based on brief visits, the English artist George Chinnery moved to Macau in 1825 from Calcutta, where he had operated a successful portrait studio but had fallen deeply into debt. Chinnery's artwork had a great influence on Chinese artists producing for the export market. He remained in the Pearl River area until his death in 1852, leaving a legacy of portraits and landscapes depicting Macau, Canton, and Hong Kong from the Canton trade period.*

Peabody Essex Museum [cwPT\_M11510]



*Lam Qua, self-portrait, late 1840s*

*Guan Qiaochang (1802–c.1860)— known to Westerners as Lam Qua— was the grandson of perhaps the most famous Canton artist, Spoilum, and the son of Lamqua (the same name spelled differently). He took over the family's studio, producing a prodigious number of paintings tailored to the export market. Museums and foreign collectors eagerly purchased his family's works. His brother, Tinqu, refined their mass-production oil painting techniques but also specialized in watercolor. These artists defined the image of China in the West before the 1840s.*

Peabody Essex Museum [cwPT\_1840s\_ct98]

The Chinese export artists were not part of the mainstream of the Chinese artistic tradition. Instead of looking for acclaim in the literati circles who appreciated classical landscapes, birds, and flowers, or working for court-sponsored projects producing portraits of the nobility, they worked on commission for the foreign community and the merchants of Canton. They quickly learned techniques of Western oil painting either by copying the British artists or adapting skills learned from the Chinese tradition. The best known is Spoilum, active between 1774 and 1805, who produced a great variety of paintings on glass and canvas, including portraits, scenes of the port, and landscapes. Others, like Sunqua, (active from 1830 to 1870), specialized mainly in ship paintings on canvas and in watercolor. Tinqu (Guan Lianchang, active from the 1840s to the 1870s) did many watercolors in his studio of birds, flowers, and insects, and the trading ports and interiors. Lam Qua, who studied with Chinnery, produced some of the most famous portraits of hong merchants and Chinese officials. He also worked with the medical missionary, Peter Parker, to paint an extraordinary series of over 100 portraits of Chinese suffering from different kinds of tumors, in order to document Parker's cases.

Both groups of artists responded to the demands of their audience for colorful views of the trading community. In general, both Chinese and Western artists produced only for the foreign community and their renderings were highly selective. Except for some of the hong merchants, the Chinese themselves were not interested in pictures either of commerce or of foreigners. Their artworks contrast greatly with the pictures produced by the Japanese after Perry's expedition in 1854. For the Japanese, the arrival of Perry's steamships was a vital challenge to a society that had almost entirely closed off its access to the Western world for two centuries. The Perry visit generated immense curiosity, fear, and attraction as the Japanese publicly debated their response to this open challenge to their policy.

The Chinese, by contrast, had never permanently cut off foreign trade, and the foreigners arriving in the 18th century did not challenge the customary ways of doing business with the outside world. The court elite, intellectuals, and officials knew about Westerners like the Jesuits, who offered a peculiar, somewhat valuable philosophical perspective along with useful techniques for calendrical calculations, geometry, and geography. They also knew that the merchants coming to China had few common intellectual interests with them and were only interested in trade. They had traded with Arabs, Indians, Malays, Russians, and Central Eurasians for centuries. In their eyes, Westerners were one of hundreds of exotic peoples who came to pay tribute to the glories of Chinese culture.

These multitudes of foreigners had useful, exotic local products to offer, and deserved munificent gifts in return. But the giant empire of China in 1800, as the Qianlong emperor boasted, in fact did have nearly all the products it needed within its own borders. It could feed itself, defend itself, and prosper without depending heavily on the outside world. The empire lacked, however, two key commodities: silver and horses. Horses, crucial for military campaigns, had to come from the pastoral nomads of Mongolia and Central Eurasia. The Qing solved this problem by conquering the Mongols in the 18th century and by purchasing large numbers of horses from the Kazakhs. After the mid 18th century, silver, the essential driver of the Chinese commercial economy, was the only scarce major article of trade in China. This was the one key product Westerners could offer, in exchange for tea, silk, and porcelain.

From the Chinese perspective, the Canton trade needed careful regulation, but careful management could ensure a steady, profitable relationship for both sides. No radical disturbance of the existing tributary system was needed. This complacent, optimistic view—a result of the great victories of the expanding empire in the 18th century—served both sides well until the early 19th century, when it became clear that the Westerners were in fact a much greater threat. Then the system collapsed under its own weight, but for over one hundred years it created mutually beneficial commercial, artistic, and cultural relations between China and the West.

The Westerners found in China a vast, colorful, exotic landscape filled with commercial products, bustling ports, and a large population. There was much they could not see, restricted as they were to the Canton region. They saw little of rural China and only a small part of the official architecture that defined the imperial bureaucracy. They could find some evidence of poverty in the small streets next to the factories, where beggars, prostitutes, criminals, and refugees collected, but in general they were isolated from the experience of the large majority of the Chinese population. Tantalizing hints of Chinese popular customs reached them in observations of festivals, temples, funerals, and religious processions, but they seldom saw Chinese home life, particularly the lives of women and children. They could see public executions in the square at Canton, but they could not see the routine operations of an official's headquarters. Very few foreigners knew Chinese, written or spoken, so they could not read official proclamations or talk to Chinese in their native language.

After the mid 19th century, the production of imagery by both Chinese and foreigners expanded greatly beyond that of the Canton export trade. By winning the Opium Wars of the 1840s and 1860s, foreigners forced access to the interior of China. The introduction of photography allowed much more varied views of Chinese people and landscapes, and the Chinese themselves reacted to the new foreign presence with cartoons, woodblock prints, and posters.

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