Canton Trade

During the passage from Macau up the Pearl River foreigners passed through densely populated agricultural lands and market towns, but they never saw a major city until they reached Guangzhou. We call the trading system that lasted from 1700 to 1842 on China’s south coast the “Canton system” because of this city’s dominance. Guangzhou (which Europeans called Canton), an ancient city and one of the largest in South China, had flourished as an administrative and trading center for over 1000 years before the Westerners arrived. Arab and Persian traders had lived in its foreign quarters under the Tang dynasty since the 8th century. Like most traditional Chinese cities, Canton had a large wall surrounding the central districts, major avenues within the wall, extensive market districts outside the wall, and constant contact by riverboats with the surrounding countryside and distant ports.
Canton was a large, densely populated Chinese city. Most of the buildings in this ca. 1800 view are two- or three-story buildings used both as residences and shops. The pagoda and five-story watchtower rise above the city, surrounded by the mountains where country estates and guard houses were located. Prominently featured in the foreground, with foreign flags, the area to which foreigners were confined was a tiny district of several acres on the banks of the river, where thousands of boats collected for trade. Many cities along China's southern coast had created foreign quarters for much earlier generations of Indian and Middle Eastern traders. The Westerners were just the latest arrivals.

“Canton with the Foreign Factories,” ca. 1800
unknown Chinese artist
Peabody Essex Museum [cwC_1800c_E79708]
Chinese cities were planned as segregated environments, with separate districts for different purposes. The official headquarters, usually in the north central area of the city, faced south over their subjects. Wide avenues separated residential wards from each other, and these wards often had gates. Market places were spread through the inner city, but much of the mercantile activity took place outside the city walls. In cities located on major rivers large clusters of boats, ranging from small sampans to large junks, gathered at the wharves and merchants conducted business between the river and the city wall. Canton’s foreign quarter, sited between the city wall and the river, fit comfortably into the classic design of south Chinese cities.

This British map of Canton shows the city walls, “Old” and “New City,” the “Five-Storey Watchtower” at the top, and the river with both Chinese and English names “Choo-Keang or Pearl River” at the bottom. The text reads: “A Plan of the City of Canton and its Suburbs Shewing [sic] the principal Streets and some of the conspicuous Buildings from a Chinese Survey on an Enlarged Scale with additions and References, by W. Bramston, Late of Her Majesty’s Superintendents Office at Canton, 1840.”

A British Map of Canton, 1840
by W. Bramston
Hong Kong Museum of Art [cwc_1840_AH64115]
The Ming emperors confined Western traders to the town of Macau, but the Qing emperors expanded their access in the 18th century. The Qing rulers were Manchus from northeast China who conquered the core of Han China in the mid 17th century. As people from the borderlands, they were accustomed to relations with many different kinds of peoples and gave each group its place. They called many of the foreign peoples "tributaries," meaning those who came to give tribute or gifts to the emperor out of gratitude for his benevolent rule. The Westerners who arrived in China to trade in the 18th century joined these tributary peoples. From the Qing official point of view, Westerners were just one of hundreds of different peoples who admired and sought to profit from their relationship with the flourishing empire.

Since the early 17th century, the Dutch and the English had tried to gain trading privileges with China as the Portuguese had done in Macau, but the Chinese rulers prevented regular access until they had secured control of Taiwan in 1683. Then the Chinese and foreigners began to negotiate regular terms of trade at several different ports. By the early 18th century, Canton had emerged as the most convenient port for both the Chinese and foreigners. The Manchu court favored foreign trade as long as it was conducted in a stable and predictable fashion under government regulation. They appointed the superintendent of customs, or hoppo, as the official responsible for collecting customs duties and managing orderly trade in Canton. Since the Cantonese already had over a century of experience dealing with the Portuguese in Macau, they could take care of the new arrivals without much difficulty.

The Qing government tightened control in 1741 by requiring all foreigners to leave Canton and return to Macau when the trading season ended, and officially restricted all trade to Canton after 1757. The foreigners constantly complained about these restrictions, but the fact that trade grew steadily through the 18th century shows that they could do very profitable business despite the regulations.

While in Canton, the foreign merchants formed a separate community. On the Chinese side, a special guild of merchants, the Co-hong, obtained a monopoly over trade with the foreigners. After paying the hoppo substantial sums for the privilege of trading with foreigners, these hong merchants profited greatly from their access to foreign trade. Although the Qing emperors kept their distance from the foreign traders, they gained a great deal of personal revenue from them. The duties from trade went directly to the imperial household.

Like their predecessors, the Qing emperors required foreigners to live in a separate quarter of the city. The foreigners lived in buildings called "factories," which included living quarters, warehouses, and offices for trade. (These factories did not manufacture anything; the name comes from "factor," an older English word for "commercial agent.") The Chinese called them "hongs," or merchant shops. The factory buildings lined up along the waterfront, each with its distinctive national flag. The British were the first to arrive, but soon after the Austrians, Danish, Dutch, French, Spanish, Swedish, and Americans followed them. The entire quarter acquired the name "Thirteen Factories." The foreign quarter burned down in fires in 1822, 1841, and 1856, after which it was moved to Shamian Island farther up the river. Both Chinese and Western artists frequently painted the distinctive facades of the factories lining the river, and the throngs of Chinese (and, later, foreign) ships of all sizes and shapes. Charles Toogood Downing wrote that "the city of boats in the Canton river at all times appears highly novel and attractive to the visitor." He especially enjoyed the early nighttime, "when every boat, barge, and sampan is lighted up, and the bustle and clamour on board of them are at their height."
The foreign factories that line the Canton waterfront are easily recognized by their nations’ flags. Thomas Daniell and his nephew and apprentice William arrived in Canton in late August 1785. The artists spent several months sketching in China en route to India. Upon returning to England in 1793, they turned some of their drawings into prints and paintings. The top drawing is an early view most likely created in 1785, notably missing the American flag as the Americans did not have a hong location until 1788. The oil paintings were based on the drawing, though the boats have been substantially altered.

“A View of the European Factories at Canton,” ca. 1785
by William and Thomas Daniell

top: ca. 1785 Peabody Essex Museum [cwC_1785c_M10474]
middle: 1805-10 National Maritime Museum [nmm_1805-10_2BA1291]
bottom: 1805-06 Hong Kong Museum of Art [cwC_1805c_AH6424]
The foreigners in Canton were immersed in a dense, old Chinese city, of which they formed a small part. Despite the restrictions, they were still part of Chinese commercial life. From their factories, they could peer into a vast, wealthy continent whose riches made all the difficulties worthwhile. They faced risks of fire, disease, and social unrest along with their Chinese counterparts. They pressed for greater access to the interior of China, but for nearly 150 years could not move out of their profitable ghetto.

A finely drawn view of the “Hongs”—as the Chinese called the Western factories in Canton—appears on this 1785 punch bowl (shown with enlarged detail). The first European warehouses in Canton were built in 1748. The gates open to the waterfront where many small Chinese boats supported the foreign trade. The circumference of the bowl shows the flags of some of the trading nations, including Holland, France, Imperial Austria, Sweden, Great Britain, and Denmark.

Porcelain punch bowl, China, ca. 1785
Peabody Essex Museum [cW0_1785c_E75076]

Although their impressive facades copied Western classical designs, behind the facades the factories looked very much like typical Cantonese merchant buildings. They had a long, narrow hallway down the middle, with rooms off to the sides. Chinese contractors provided nearly all of the construction materials, including low-fired brick, tile roofs, paving stones, lime, iron, marble, and bamboo. The British supplied teakwood windows and stairs, iron door locks and stoves, and glass window panes. Small courtyards were scattered through the building complex. The bedrooms upstairs, and the clerks’ rooms, were simple and spare.
This rare view of the interior of a hong shows one of its most important offices—the tea tasting room. Since tea was China’s most valuable export, Chinese specialists worked for the foreign merchants to ensure that the leaves were of the highest quality.

“A Tea Tasters Office, Whitmans Hong,” 1888
by Warner Varnham
Peabody Essex Museum [cwt_1888_M20597]

This unusual view looks out over the rooftops at the harbor. On the right Hog Lane—a busy shopping street and favorite haunt for sailors to procure rice liquor—is only hinted at through the tops of the vendors’ stalls, with two people doing laundry.

“Panoramic View of Canton Across the Rooftops of the Foreign Factories,” ca. 1810
unknown artist, possibly Tonequa
Hong Kong Museum of Art [cwC_1810c_AH892_Roof_sc]
Chinese ships ranged from small low sampans, on which Chinese families lived, to large ships carrying Chinese officials flying imperial flags. The most impressive Chinese ship belonged to the hoppo, the official superintendent of maritime customs. He collected the duties on the foreign trade and sent them directly to the imperial household, so he was under close supervision. He and his employees struggled constantly against smuggling and trade in illegal commodities. When he arrived in the port for inspections, boats flocked to his large junk. Since the Westerners themselves could not bring large ships up the river to Canton, Chinese ships dominated the river.

The hoppo was the official superintendent of maritime customs for Guangdong province. He commanded one of the largest ships in the harbor, and was responsible for the smooth conduct of trade and suppression of smuggling. When he arrived for inspection visits, the merchants and local officials turned out to receive him. The hoppo reported directly to the emperor, but foreign merchants could only approach him through the hong merchants.

“The View of Hoppo Returning,” late 18th century
unknown Chinese artist
Hong Kong Museum of Art [cwC_1760-99c_AH64196_Hoppo]

The Foreign Demand for Arts and Crafts
Fascinated by their new settlements, the traders commissioned Chinese artists to paint the foreign quarter. Oil painting was a new skill for Chinese artists but they quickly learned the craft, producing paintings for resident foreigners and the export trade.
Painting for the Export Trade

Chinese artists and artisans responded eagerly to the European demand for souvenirs of their time in the Pearl River area by adapting Western styles to Chinese models of portraits and landscapes. This image of an artist's studio in Canton shows employees making multiple copies of paintings in various media. Only a few of the artists who worked on these aesthetic assembly lines can be identified, but Tinqua (an artist, not the hong merchant of the same name) ran one of the largest studios of export art in the mid 19th century.

Studio of Guan Lianchang, also known as Tingqua (active 1830s-1870s), Guangzhou (Canton)
Peabody Essex Museum [cwSHOP_E8353243]

This artist copies a European portrait, painting a reversed image on the back of a sheet of glass. The famous painter Spoilum, after learning this technique, set up his studio in the 1770s.

"A Glass Painter," ca. 1790
Guangzhou, China
Victoria & Albert Museum [cwPT_1790c_2006AH3875_VA]

Spoilum (often given the Chinese name Guan Zuolin), the most talented of these Cantonese artists, learned the European technique of reverse glass painting and began producing paintings in the 1770s. He copied mirror images of European engravings onto the back of glass panes, and specialized in portraits of Europeans posed in front of Western landscapes. Spoilum had remarkable talent and versatility. His renderings of Western merchants, usually completed in sittings of two to three hours, cost around $10 per portrait. He also produced some of the most famous paintings of Chinese hong merchants like Eshing and Puan Kee Qua. He was a truly international artist. His paintings could end up in English country homes, in the homes of sea captains in Salem, Massachusetts, or in the estates of hong merchants in Canton. His followers, including his grandson Lam Qua, continued to produce large numbers of portraits, landscapes, and miniatures through the mid 19th century.
Although the foreigners could not visit the rest of the city, they could rely on their Chinese collaborators to give them views of the entire city. Most of the paintings focused on the factories themselves, but they also included views of the landscape around Canton, the harbor, and the boats that served the foreign community. Foreign interest was so great that the Chinese artists introduced scenes of Canton into the traditional Chinese artistic media of fans, bowls, and lacquer ware. They painted scenes of Canton on the export porcelain bowls, on figurines, lacquered tables, silver mugs, and ivory carvings. Ordinary sailors as well as captains eagerly bought up the artists’ production. They also took orders from their wives at home for special products to be purchased in Canton. In *The Fan-qui in China, in 1836-7*, Charles Toogood Downing commented, “Our Jack-tars are much caught by this showy material, and generally carry away some trumpery specimens to dazzle the eyes of the fair dames of Shadwell and Blackwall.”

Benjamin Shreve, a young American captain, not only engaged in the bulk trade in tea and silk, but spent much of his time shopping in Canton for tortoise shell combs, china plates, lacquer trays, and silk patterns for the wives of the investors in his voyage.
This ca. 1805 reverse glass painting shows only the factories and the river, with no city behind it.

“Foreign Factory Site at Canton,” ca. 1805 reverse glass painting—oil on glass, unknown Chinese artist
Peabody Essex Museum [cwC_1805_E78680]

Chinese and Westerners populate this “hong bowl” depicting the foreign factories of Canton—a popular porcelain export object between 1760 and 1800.

Porcelain Punch Bowl, China, ca. 1788
Peabody Essex Museum [cwO_1788c_E81407]
This is one of a set of four lacquer nesting tables depicting Canton, Macau, Bocca Tigris, and Whampoa, ca. 1830 to 1845. The American garden with its large fence is in the center. Like porcelain, the production of high quality lacquer was a technology first developed in China, Japan, and Korea, and exported to the rest of the world. Europeans tried to copy it, but could not match the elegant aesthetic qualities of Asian designs. Traditional Chinese landscapes were common subjects of lacquerware, but scenes of the foreign residences attracted many buyers.

Lacquer nesting table with image of Canton, China, 1830-1840
Peabody Essex Museum [cwO_1830-40_E807581]
Canton Happenings

The foreign community in Canton was comprised largely of young men out to make their fortunes, who left their families for years at a time. The number of ships arriving per year grew from about 20 in the 1760s to 300 in the 1840s. As each large ship held from 100 to 150 men, the total number of foreign traders increased from a few thousand to tens of thousands in 100 years, but they lived in a city of millions of Chinese. On the waterfront, the small number of Western men mingled with large groups of Chinese porters, shopkeepers, craftsmen, and families on sampans. Many of these Chinese workers made their living from supplying provisions to the Western sailors and traders.
Since the Chinese used few dairy products, Western merchants kept their own animals in the yard beneath the hong walls to provide meat and milk for their diet. “Chopboats” with a capacity of 600 chests carried tea and other trade goods to waiting ships, sold daily supplies to the merchants, and served as homes to many Chinese workers and their families.

The Cantonese lived not only on land but also on the water—on small boats that provided supplies for the foreign and Chinese merchants, and on larger houseboats anchored in safe harbors. Aside from infrequent contact with a Chinese official, and daily business with Chinese merchants, the Chinese whom Westerners saw most often were these sampan people. Each trading company commissioned licensed Chinese merchants, called compradors, to take charge of provisioning the factories and the ships. The comprador collected wages for all of his employees, and often organized the entire voyage from Macau to Canton and back, taking care of official permits ("chops"), pilots, and supplies. His men would also live in and guard the factories when the traders had left. The ship compradors lived on their sampans, organizing the delivery of enormous amounts of supplies, which they bought on the Cantonese markets. During the trading season a single ship could consume thousands of pounds of fruit, vegetables, pork, mutton, fish, and a whole cow every two or three days.
The flag on the colorful boat in front says “Heavenly Women,” indicating that it is a “flower boat” or floating brothel. The prominent Anglican church and the American steamship Spark, owned by Russell and Co., are lined up behind it. Chinese officials banned Western women from the factory quarters, but several did arrange secret visits. Meanwhile, the foreign and Chinese men found many women to serve their needs in the harbor.

“Loading Tea at Canton,” ca. 1852
by Tinqua

Peabody Essex Museum [cwC_1852c_E83553]

The foreigners also hired “linguists” to communicate with the Chinese merchants and officials. Since the Qing court prohibited foreigners from studying Chinese in Canton, nearly all the traders had to rely on these Chinese interpreters. They had to speak Cantonese and Mandarin and write classical Chinese in order to work with the officials and local population, and originally the main foreign language they used was Portuguese. After the 1730s, pidgin English developed as the most common means of communication. This language mixed together Portuguese, English, Malay, and other vocabulary with a syntax close to Chinese to create a business language of intercultural communication. Although the language may sound strange to our modern ears, the speakers of pidgin were highly intelligent, flexible Chinese men who knew how to get their point across well. This excerpt from a conversation between the American trader Hunter and the hong merchant Houqua shows how they shared news with each other:
Hunter: "Well, Houqua, hav got new today?"
Houqua: "Hav got too muchee bad news. Hwang Ho hav spilum too muchee."
Hunter: Man-ta-ie [Mandarin, official] have come see you?"
Houqua: He no come see my, he sendee come one piece 'chop'. He come tomollo. He wanchee my two-lac dollar [200,000 dollars].
Hunter: You pay he how muchee?
Houqua: My pay he fitty, sikky thousand so.
Hunter: But s'pose he no contentee?
Houqua: S'pose he, number one, no contentee, my pay he one lac."

In other words, because of flooding on the Yellow River, the hoppo asked the hong merchants to "contribute" 200,000 each for relief funds. Houqua gave a counter offer of 50 to 60,000, but he was prepared to pay 100,000 if necessary. Houqua not only knew how to bargain with Chinese officials, but he trusted his American counterpart well enough to let him in on the details. Both the hong merchants and the foreign traders shared interests in keeping their profits out of the hands of officials to the extent possible. Although neither side could speak the other's native language, pidgin allowed them to communicate a great deal beyond basic business deals.

**Crises and Trials**

Inevitably, some of the foreign visitors embroiled themselves in conflicts with the local population. Paintings based on eyewitness accounts depicted these critical public events.
In the Neptune incident of 1807, Chinese authorities clashed with foreign merchants over the settlement of a violent fight. It led to the first Chinese trial at which foreigners were present. On February 24, 1807, drunken sailors on shore leave from the East India ship Neptune, angry at a robbery of their fellow seamen the day before, had caused a riot, killing a Chinese man and wounding several others. In response, the Qing officials stopped all trade and convened the court to investigate the incident. Mowqua, one of the leading hong merchants, took responsibility for negotiating a settlement. He was in a difficult position, caught between the demands of Chinese authorities for punishment of the guilty parties and the insistence of the foreign merchants that the court prove specifically who had killed the Chinese man. The English ship captains could not get their sailors to confess guilt, but Chinese officials threatened Mowqua with heavy fines and torture if he could not deliver up the killer. The officials agreed to hold trials in the English factory to determine a sentence, and the judges examined 52 sailors who were on shore during the incident. All the sailors denied that they had killed a Chinese man. After three trials, the Chinese judge found one sailor guilty of accidental homicide and ordered him to be detained in the English factory. He acquitted the other 51 men. Next year the sailor was released on payment of twelve taels, or four English pounds, the Chinese penalty for accidental killing.
Indoor scene (detail) of the Chinese Court of Justice held at the British factory of Canton, 8 March 1807. Four British merchants sit on the left facing their Chinese counterparts on the right. A Chinese judge interrogates one of the defendants while four other sailors await their turn. Two linguist interpreters stand next to the judge. In this early incident, both sides settled for relatively lenient sentences. Only one sailor was convicted, and he was let off after one year for a small fine. Later incidents led to more heated conflicts between Western and Chinese conceptions of justice.

“Trial of Four British Seamen at Canton, 1 October 1807, Scene Inside the Court”
attributed to Spoilum ca. 1852
Hong Kong Museum of Art [cwC_1807_c1108]

In this celebrated trial, both Western and Chinese merchants had to submit to the Qing officials who ran the court. Hong merchants like Mowqua exerted considerable influence on local government, but he had to pay heavy fees to officials and take responsibility for the unruly barbarians. Although Mowqua nearly lost all his money in settling the Neptune affair, he succeeded in restoring trade and finding a guilty man. Even though China and England had different justice systems, the two groups had to accept the formal authority of the Qing court. The lenient punishments handed out followed the standards of Chinese law. Tensions increased in the 19th century because of the Qing government efforts to stamp out the opium trade. Later, after the Opium Wars of the 1840s and 1850s, the Westerners imposed their own laws on China in the treaty ports. In 1807, however, the Chinese and Westerners still stood on an equal level.
The Great Fire of 1822
The Burning and Aftermath of the Canton Factories
Fires frequently struck the foreign hongs and the city in general. When disaster struck, as in 1773, 1777, and 1778, the foreigners and Chinese worked together to respond quickly; both used their water-pumping fire engines. The linguists assembled to direct fire-fighting operations and help coordination between Chinese and foreigners. But the tightly packed wooden houses and shops of the Chinese city could easily go up in flames. On November 1, 1822, in a cake shop outside the city wall, north of the factories, a baker set off a fire accidentally while he was melting sugar. In the narrow streets, fanned by strong winds, the fire spread rapidly through the city, destroying thousands of shops. The foreign merchants could not obtain enough water for their fire engines, and the Chinese viceroy did not allow them to destroy local houses to create a firebreak, but Chinese and foreigners together formed bucket brigades. They saved some of their woolen goods, but the vulnerable shops on Hog Lane quickly ignited, destroying nearly all of the factories. The flames were so fierce that the merchants and their staffs had to flee from the land onto their boats into the river.

The greatest losers in the fire, however, were the Chinese shopkeepers and hong merchants, most of whose warehouses were destroyed. Howqua, by sending very respectful requests to the viceroy, obtained the remission of the taxes of 140,243 taels owed by the foreigners, and deferral of 260,000 taels owed by the hong merchants. The Chinese officials demonstrated generosity toward the foreigners, even though Sino-foreign relations were becoming increasingly tense because of conflicts over rising opium imports and incidents of conflict between sailors and local Chinese. Only the walls remained, but the foreigners began rebuilding immediately. The fire illustrates how closely tied the lives of the foreigners and the Chinese were to each other. They shared in the profits of trade, but also in the dangers of a large city.

Three paintings that depict the start, burning, and aftermath of a fire that demolished the foreign factories in Canton in 1822.

top: Hong Kong Museum of Art [cwC_AH64031]
middle: Peabody Essex Museum [cwC_M22764]
bottom: Peabody Essex Museum [cwC_E79474]
The Western factories basically contained only warehouses, meeting rooms, and small bedrooms for their exclusively male population. They were but outposts for a few businessmen on the vast Asian continent. From the Chinese point of view, Westerners were only a small part of a huge commercial network spanning interior China and the maritime world. In the back streets of Canton, in the Chinese city, an urban population lived its life independently of the foreigners.

William Heine, a young German artist who accompanied Commodore Perry’s famous expedition to Japan that made stops in China in 1853 and 1854, made sketches and engravings of the parts of Chinese life that he could see, like Old China Street, one of the two narrow alleys that ran between the foreign factories. He depicted the bustling market activity of the Chinese street, including the exotic hats, queues, carrying poles, and gowns of the Chinese population. The sedan-chair bearers and the coolie carrying water or manure buckets were typical sights of a Chinese street; however, the Chinese characters are not accurate and the picture at the top of the gate with a dog is a Western scene, not a Chinese landscape.

“Old China Street in Canton,” 1856
by William Heine
[cwc_1856_Heine_OCSt_bx]
New China Street: the drawing emphasizes the narrowness of the street filled with large crowds of people. The typical Chinese shops have showrooms on the ground floor and family quarters in the overhanging second story, covered with lattice shades.

“New China Street in Canton,” 1836–1837
by Lauvergne; lithograph by Bichebois
National Library of Australia [cwC_1836-37_AN10395029]
The End of the Canton System

Despite their common interests, relations between the foreigners and the Chinese community grew more tense during the early 19th century. The increasing amount of trade and larger number of ships inevitably brought more conflict. The imperial court's growing concern about the illegal opium trade led to more restrictions and anti-foreign attitudes, while the victories of the British in the Napoleonic wars bred more self-confidence and contempt for China's resistance to opening additional ports to trade.

The "Terranova incident" of 1821 illustrated how the close and tense relationship between ships' crews and sampan vendors could seriously endanger the entire China trade. Francis Terranova, an illiterate Italian seaman on the American ship Emily, was accused by the Chinese of killing a Chinese boat-woman with whom he had been bargaining. (Terranova allegedly threw an olive jar that hit her in the head, causing her to drown.) When the captain of the Emily refused to turn Terranova over for punishment, the Chinese suspended trade and arrested the hong merchant Eshing, who was not only responsible for the behavior of the foreigners but also owed large sums of money to the Americans. Confronted with this dilemma, and possibly to prevent the Chinese from inspecting the hold for smuggled opium, the Americans surrendered Terranova to the Chinese, who executed him by strangulation a few days later, notwithstanding assurances to the contrary. The incident shocked the foreign community, who regarded the trial as a mockery of justice. The British criticized the Americans for being too compliant toward the Chinese authorities:

As for the Americans who have thus barbarously abandoned a man serving under their flag to the sanguinary laws of this empire without an endeavour to obtain common justice for him, their conduct deserves to be held in eternal execration by every moral, honorable and feeling mind. (Hosea Ballou Morse, Chronicles, volume 4, p. 26)

In Chinese eyes, honor and morality clearly resided on their side rather than that of the drug-dealing foreigners. The steady rise of illegal opium trade hardened the Chinese mood toward foreigners, who in turn resented their dependency on the Chinese who provisioned them and the officials who ruled them. When the British tried to bring a number of women into the factories in 1830, challenging official regulations, the women were quickly expelled. These tensions came to a head in the late 1830s, when the Canton system of Chinese control over the foreigners essentially entered its death throes, triggered in large part by the toxic mainstay of the Western export trade: opium. Nothing was the same thereafter—including even the spatial connections between the foreign factories and local Chinese community.

There is also the setting of Canton itself in the 1830s and '40s, a hotbed of cultural and commercial competition in the period of the Opium Wars. Bounded to the south by the Pearl River and cut off from the general population by the city's sizable and well-guarded walls, the claustrophobic foreign factory sector of Canton, adjacent to the old walled city was small enough to be measured in footsteps by its pent-up foreign occupants: 270 paces from one end to the other along the riverfront and a mere 50 from the shore to the shops and factories, or hongs, as they were called. On this strip of land, all of the trade between China and the West was carried out. (Stephen Rachman, Memento Morbi: Lam Qua's Paintings, Peter Parker's Patients)
Confronted by both the expiration of the East India Company’s monopoly in 1834 and a steady surge in opium smuggling by private traders, in 1838 and 1839 Chinese authorities attempted to crack down on the illegal drug trade by executing several Chinese opium dealers in the large open space between the factories and the Pearl River known as Respondentia Square—an unfenced area that functioned much like traditional Chinese open-air markets as a gathering place for vendors, entertainers, beggars, thieves, and occasional rowdy gangs. Several English sailors who were present tried to prevent the executions in 1839, but they came under attack by Chinese crowds and retreated to the factories for safety. The crowds drove out the local police and attacked the factories with stones and battering rams. Just as they broke into the English factory, Chinese troops arrived to disperse them.

1825 to 1835: A sizeable Chinese community lived in close proximity to the foreign factories to serve the residents’ needs, and beginning in the 1820s Respondentia Walk—known simply as “The Square”—catered to the traders in the tradition of Chinese open-air markets. This peaceful scene conveys the easy access of the Chinese population to the open ground outside the American factory before the Opium War of 1839 to 1842.

“The Factories of Canton,” 1825–1835
attributed to Lam Qua, oil on canvas
Peabody Essex Museum [cwC_1825-35_M3793]
Full-scale war erupted between China and Britain in 1839, after the Chinese attempted to cut off exports of tea, which Chinese authorities believed to be essential to the British economy. This, they hoped, would pressure England into suppressing opium smuggling. When the British responded instead by insisting on their right to trade freely in the illegal drug, the Chinese mobilized troops and ships to blockade the factories. The Chinese lost the Opium War when British ships bombarded Chinese forts and forced their way into Canton. The treaties that ended the war compelled the Chinese to allow free trade in opium as well as other goods, with a low fixed tariff.

During these years of conflict, while the warships fought at sea the merchants defended themselves by fencing in Respondentia Walk. After the Opium War, further riots led to the destruction of three factories. In response foreign merchants built the American Garden, a large space surrounded by a high fence designed to keep out the Chinese and provide recreation for Americans and Europeans within.

As the fences rose up, curious Chinese often pressed against them to watch the Westerners promenading in their cage. In a riot in 1846, the crowd chased an English merchant from Old China Street into a factory nearby, whereupon a detachment of armed foreigners marched out to break up the crowd, wounding and capturing several of them. After this riot, the foreigners obtained permission to block up the notorious Hog Lane, source of fires and troublemakers, and expand the American Garden. In 1847 an Anglican Church was built in front of the new factories, dominating most panoramic renderings and replacing the pagodas and mountains of earlier times.
1839 to 1840: Respondentia Walk separated by a fence from what would become the American Garden (note the first few trees behind the fence). To the left a gated passage leads to Old China Street which was flanked on the left by Chung Qua’s factory and on the right by the American factory.

“View of the Factories,” 1839–40
unknown Chinese artist

Peabody Essex Museum [wC_E81458]
1844 to 1845: The American Garden with a fully developed park. In 1843, the curiosity of Chinese crowds peering at the foreigners in the fenced-in garden led to a conflict in which the foreigners beat the Chinese with sticks. The Boston merchant Paul Forbes blamed this on the “overbearing impudence of the foreigners as much as any blame of the Chinese.” From this time on, foreigners disturbed by Chinese crowds walled themselves off even more securely from the surrounding population.

“The American Garden,” 1844–45
Unknown Chinese artist
Peabody Essex Museum [cwC_1844-45_E82881]
1850 to 1855: In the early 1850s, panoramic views of Canton depicted a port city vastly different from the scene before the first Opium War. Fenced-off gardens covered the waterfront. The Anglican Church built in 1847 dominated the architectural profile while pagodas, hitherto so prominent in artistic renderings, faded from the scene. And the busy harbor itself, previously clogged only with Chinese ships, now bustled with shallow-draft Western steamships. This new vista was short-lived, however, for in 1856 fire destroyed the entire complex of foreign factories and they were never rebuilt.

“Foreign Factory Site,” 1850–55, attributed to Sunqua

Peabody Essex Museum [cwc_1850-55_M205674]
The increasingly isolated factories remained peaceful and undisturbed for a decade, but in 1856 another fire destroyed them completely, just as the Chinese and foreigners began mobilizing for a second Opium War. After their loss in this war, China had to open more treaty ports and allow foreigners access to the interior, but the foreign enclave in Canton still attracted a majority of the foreign traders. The entire trade area first moved to temporary quarters on Honam Island across the Pearl River, and then to a manmade island further up the river named Shamian. Shamian Island was entirely cut off from the local population, accessible only over two guarded bridges.

1856: Fire destroys the foreign factories in Canton just as a second Opium War was erupting.

“The Burning of the Factories, Canton,” 1856

by Sunqua

Peabody Essex Museum [cwC_1856_ct435]
1857–61: Honam Island, across the Pearl River from the Canton factories destroyed in the fire of 1856, became the temporary quarters of the foreign traders. As this painting reveals, the harbor remained as busy as ever, but the hastily erected buildings were modest. During the second Opium War of 1856 to 1860, the American steamship Willamette that centers this panorama participated in the hostilities by towing the sailing sloop-of-war Portsmouth into position.

“Godowns in Honam,” 1857–1861, unknown Chinese artist
Hong Kong Museum of Art [cwC_1857-61_AH6443]
This 1858 map of Canton shows the “New Foreign Factories” (see inset) to be located on Shamian Island, a manmade island connected to—or, more accurately, separated from—the mainland by two bridges.

Map of Canton, 1858
Peabody Essex Museum [cwc_1858_E78602]
1865: the new foreign enclave—brightly colored in the lower left—on reclaimed land at Shamia Island. The great expanse of Canton, with its two city walls, spreads out to the right.

“View of Canton,” 1865, unknown Chinese artist
Peabody Essex Museum [cwC_1865_M10867]
By the late 1850s the trading scene at and around Canton was flourishing as actively as ever. The great city maintained its dominant position for a long time, but competition from the newly opened treaty ports, especially Hong Kong and Shanghai, reduced its relative importance. Export paintings declined in popularity as photography arrived, and foreigners gained access to the interior. Images of China focused more widely on the entire empire, not just the limited foreign sector. Westerners now saw much more of China, but with a less intensive gaze, and religious and historical monuments replaced ships and traders as the primary subject of interest.
Hong Kong held 3,000 Chinese scattered in small fishing villages until the mid 19th century. The city itself is a small island in the mouth of the Pearl River, 76 miles southeast of Canton. Its waterfall at Aberdeen had initially attracted British attention because it provided a convenient fresh water supply, but Hong Kong’s superb harbor was its main asset. The British traveler Robert Fortune captured this promise early on:

"Hong-kong bay is one of the finest which I have ever seen: it is eight or ten miles in length, and irregular in breadth...having excellent anchorage all over it, and perfectly free from hidden dangers. It is completely sheltered by the mountains of Hong-kong on the south, and by those of the mainland of China on the opposite shore; land-locked, in fact, on all sides; so that the shipping can ride out the heaviest gales with perfect safety."

After their victory in the first Opium War, the British acquired the island under the 1842 Treaty of Nanking, and named the island’s capital city Victoria. Soon the Chinese population more than doubled, to fifteen- to twenty-thousand people, and Hong Kong along with Shanghai surpassed Canton as the main centers of China’s foreign trade. Piracy and disease afflicted the colony in the early years, but many Chinese fled to Hong Kong to escape the rebellions and disorder that struck the Chinese interior in the 1850s. By 1859 Hong Kong had over 85,000 residents, and had become the center of a wide-ranging overseas Chinese trading network, dominated by the prosperous Hong Kong business elite under British colonial protection. The founding of the Hong Kong and Shanghai Bank in 1864, based on Chinese capital, showed that Hong Kong had become the leading financial center on the Chinese coast for international trade.
Perry himself observed that there was "every sign of commercial prosperity, although the place is not very attractive to visitors."

“View of Hong Kong From East Market, April 7, 1853”
by William Heine
Commodore Matthew Perry's Japan Expedition [cwHK_1853_Heine_bx]

Victoria peak dominates most pictures of the city in the early years. The small but growing settlement gradually climbed up the peak as the city grew. The waves of new immigrants clustered around the port while Western-style residences higher up the peak became the most prestigious in the colony.

“View of Victoria Town, Island of Hong Kong, 1850”
by B. Clayton
Hong Kong Museum of Art [cwHK_1850_AH64251]
Unlike Canton, the British faced no restrictions from Chinese officials on where they could live or walk, and men and women could associate freely. The British tried to recreate a small version of English life at home on the distant shores of Asia. Although they were still a minority in the midst of a growing Chinese population, the colonial government protected Westerners from the local population and gave them privileges. Chinese merchants and workers, who could do business without facing the hong merchant monopoly or supervision from the hoppo, found that they could prosper in Hong Kong if they cooperated with the British. They helped to defend the colony against attack in the second Opium War and used their access to the British global empire to gain wealth and prestige. In the face of rebellions in China and threats from the Qing imperial government, the British carefully kept order in Hong Kong while encouraging trade by both Chinese and Western merchants.

In this idealized view of early Hong Kong, Western men and women gather in the gardens while a Chinese man bows respectfully to them. Hong Kong was a single woman’s paradise, according to the naval officer Lt. Edward Cree, with “forty ladies and four times as many men.” Even though thousands of Chinese had come to the city, artists chose to focus mainly on the foreign occupants.

“View of Spring Gardens, Hong Kong, 20th August, 1846”
painting by Murdoch Bruce, lithograph by A. Maclure
Hong Kong Museum of Art [cwHK_1846_AH643890]
Flagstaff House, built in 1846 for the first military governor of the colony, still survives as the oldest residential colonial structure in Hong Kong. It continued to be the British military headquarters until 1932, and is currently the Museum of Tea Ware.

“Flagstaff House, Hong Kong,” 1846
drawn by Murdoch Bruce, lithograph by A. Maclure
Hong Kong Museum of Art [cwHK_1846_AH643898]

The urban architecture of Hong Kong reflected the British determination to remold Chinese territory on the European model. Causeway Bay, for example, became the celebrated site of both a mint (with a formal garden) and the powerful Scottish trading firm of Jardine and Matheson. William Jardine and James Matheson founded their company in 1832 in Canton and they grew rapidly by exporting tea and silk to England and smuggling opium from India to China. As soon as Britain acquired Hong Kong, they purchased land in the Causeway area. In contrast to many initially skeptical merchants, Jardine and Matheson believed that Hong Kong had a prosperous future. Later they expanded to the other major treaty-port cities on the Chinese coast, but they kept their headquarters in Hong Kong and played a dominant role in the political and economic development of the city. Jardine Matheson is still the largest private employer in Hong Kong and one of the largest shipping companies in the world.
Causeway Bay became the site of British financial institutions like the Mint, depicted here in the 1860s.

“The Mint and its Garden, Hong Kong,” 1860’s, unknown artist
Hong Kong Museum of Art [cwHK_1860s_AH8813]

American businessmen, however, soon entered the trade to compete with the British. The Massachusetts traders Augustine Heard, Joseph Coolidge, and John Murray Forbes broke away from the firm of Russell and Company to create their own business in 1840, and in 1856 moved their headquarters from Canton to Hong Kong. They built their residence on a hill overlooking the harbor. The Heards introduced steamboats to China, and after the legalization of the opium trade made great profits from shipping opium along China’s inland rivers. The Heard company collapsed in bankruptcy in 1875.
In 1856 the head office of major American trading firm Augustine Heard and Company, with operations in Shanghai and Fuzhou, was moved to Hong Kong from Canton.

“Residence of Augustine Heard and Company, Hong Kong”
ca. 1860, unknown artist
Peabody Essex Museum
[cwHK_1860c_M17297]

As in Canton, British and Americans commissioned Chinese painters to depict their new outposts in the Pacific. Western artists likewise focused on the new Western buildings, ships clustered in the harbor, and the dramatic mountain scenery. Unlike Canton, however, Hong Kong was a colonial possession completely under the domination of a foreign power, and many foreigners viewed the native Chinese population with fear and contempt. The visiting missionary George Smith, for example, wrote this in 1846:

The lowest dregs of native society flock to the British settlement, in the hope of gain or plunder. Although a few of the better classes of shopkeepers are beginning to settle in the colony, the great majority of the new-comers are of the lowest condition and character. The principal part of the Chinese population in the town consists of servants, coolies, stone-cutters, and masons engaged in temporary works. About one third of the population live in boats on the water. The colony has been for some time also the resort of pirates and thieves, so protected by secret compact as to defy the ordinary regulations of police for detection or prevention. In short, there are but faint prospects at present of any other than either a migratory or a predatory race being attracted to Hong Kong, who, when their hopes of gain or pilfering vanish, without hesitation or difficulty remove elsewhere.

His attitude reflected the increasingly negative views of the Chinese that grew among missionaries and merchants after the Opium War.
In this “View of Hong Kong Harbor,” done by a Western artist some time between 1860 and 1870, Western architecture and foreign ships dominate the scene and there is no evidence of a Chinese presence.

“View of Hong Kong Harbor,” 1860–1870  
Watercolor by Marciano Antonio Baptista  
Peabody Essex Museum [cwHK_1860-70_M10874]

In Canton, the foreigners lived in a well-established urban center whose population was governed by a systematic bureaucracy. Hong Kong was more like a frontier boomtown, where both foreigners and migrant Chinese went to escape the constraints of life at home or to get rich in a new place. Much of the population was unruly, but the British created an environment of security that could guarantee profits to most people. Refuting early skepticism about its future, during the late 19th century Hong Kong grew to become the primary port of trade with China, rivaled only by Shanghai. The British control of the island, its status as a free port, and its convenient coastal location made it the ideal place to gain access to the large Chinese market. Hong Kong was a freer place than Canton, but a much more colonial one.
Here again, Western buildings and vessels dominate the scene, with little sense of a human presence and no indication that this was part of China. This was typical of much of the colonial artwork centering on Hong Kong.

“City of Victoria, Hong Kong,” 1860–1865
Gouache on paper, unknown Chinese artist

Peabody Essex Museum [cwHK_1860-65_E81235]
The three Pearl River delta cities represented three distinct phases of Western commercial contact with China, and each city developed a special style. All three reflected the shift from strict Chinese control over foreign trade from the 16th through 18th centuries to the free trade era dominated by British colonialism in the mid 19th century. Portuguese Macau, the oldest Western settlement, retained a modest, charming, relaxed atmosphere dominated by its stunning beach, the fishing trade, the forts and churches. Canton, already a giant city before the Westerners arrived, placed the new foreigners in a segregated quarter but actively mingled native Chinese and foreign cultures in the interest of profit. Hong Kong, the most Western dominated, became a prize British colonial possession, where Chinese flocked to take advantage of the opportunities offered by contact with a wider world.

Architecture and street life in the three cities reflected their particular origins and populations. In Macau, the Portuguese churches and forts provided the backdrop for scenes of the many different religions and cultures of the local population. In Canton, Westerners in the factories peered out at the population of a giant empire, tantalizingly close, but mainly inaccessible. In Hong Kong, the colonial settlers and officials made themselves into a distinct class tightly closed off from the Chinese around them, and often ignored or feared the local population.

All three cities attracted visitors and temporary residents from around the world, while simultaneously serving as funnels for Chinese products entering the global market. For most Westerners, they became windows on a far-away and alien world—albeit windows that were always narrow and usually all but closed to any real appreciation or understanding of life in the interior and among the Chinese people as a whole. Foreigners by and large celebrated their own lives in sequestered enclaves on the China coast. They revealed their fine taste by collecting elegant Chinese artworks, all the while remaining largely silent about the fact that the funds that supported their exotic connoisseurship often rested on illicit trade in opium. Even while extolling the superior morality and civilization of the West and berating the Chinese for their shortcomings in
“moral, honorable” conduct, they waged not one but two wars to force the Chinese to legalize opium imports, open additional ports to receive them, and agree to a low fixed tariff on all items in this great exercise in “free trade.”

The Opium Wars signaled the end of the old Canton trade system under which the great Qing dynasty held the upper hand and dictated who and how and under what restrictions trade could be carried out. China was indeed the “central kingdom” during this long span of time—powerful, self-sufficient, capable of warding off foreign threats and dictating the terms of its relations with other nations and peoples. Defeat in the Opium Wars, and the ensuing collapse of the old Canton-system regimen of controlled trade, signaled the emergence of the European and American powers as the new imperial arbiters of wealth and power—and the consequences for China were dire. England’s colonialization of Hong Kong was, in its way, a perfect symbol of this new impotence—and the modern history of China for a century and a half thereafter reflected this catastrophe. Once the commanding great civilization of Asia, China abruptly became an object to be acted upon—besieged for decades to come by both external threats and internal upheaval.

When Chinese in the 20th and even early 21st century spoke of their country’s “humiliation,” it was generally understood that this is when the great decline began.
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