

The Canton-Macao Dagregisters

Dag-Register

van't geen omtrent de Directie over den Handel der

Generaale Nederlandsche goetroyeerde

Cost-Indische Maatschappij

voor de Schepen

Stooten, 't Huyste Bijweg & Westerd

zo in de stille tijd als gedurende dezelver verblijf in 't Keizerrijk

van China, in A. 1763 te Canton is voorgevallen.

Beginnende met 1^{ste} Januarij dezes Jaars en eindigende met de depesche

der laatste schepen voor de ~~bestemmings~~^{reis} schepen en varenden voor Batavia
gedestineerde rampsonen na de factong na South South ham,

zynde den 29 xber.

1763



澳門特別行政區政府文化局

INSTITUTO CULTURAL do Governo da R.A.E. de Macau

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ABBREVIATIONS USED FOR COLLECTIONS

Ask	Danish Asiatic Company Collection in the National Archives, Copenhagen
OIC	Comité Oost-Indische Handel en Bezittingen Collection in the National Archives, The Hague
RAB	Raad der Aziatische Bezittingen en Etablissementen Collection in the National Archives, The Hague
VOC	Dutch East India Company Collection in the National Archives, The Hague
F17	Godegårdsarkivet Collection in the Nordic Museum Archive, Stockholm

OTHER ABBREVIATIONS

CMD	<i>Canton-Macao Dagregisters</i>
DAC	Danish Asiatic Company
EIC	English East India Company
JFB	James Ford Bell Library, University of Minnesota
LAG	Landsarkivet (Provincial Archives), Gothenburg
NA	National Archives, The Hague
NM	Nordic Museum Archive, Godagårdsarkivet
RAC	Rigsarkivet (National Archives), Copenhagen
SOIC	Swedish East India Company
UBG	Universiteits Bibliotheek (University Library), Ghent
UPL	University of Pennsylvania Library
VOC	Dutch East India Company

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Cultural Institute of the Macao S.A.R. Government

Introduction

After the ships left in January 1763, the Chief of the Dutch factory, Supercargo Hulle, remained behind with his household of colleagues and assistants. On May 16, Hulle tells us that their total number was thirty-two: twenty-five Company employees and seven slaves. This is an important entry because slaves are often not mentioned in the records and have been almost entirely omitted from the histories of the trade despite the fact they are always present. Because they were not the property of the companies, none of their maintenance costs show up in the Company's account books. If it were not for the Chinese stipulation that all persons going to Macao had to be accounted for on the permit chops, we would likely have no mention of them whatsoever.

The presence of slaves is an important factor to keep in mind, because even though Chinese servants were sometimes not available, foreign officers still had their personal slaves. Depending on their rank, supercargoes generally had one or two slaves attending them at all times, and in the case of the Dutch household in 1763, the slaves represent more than 20 percent of the group. Thus, when the foreign supercargoes begin complaining later this year about having their Chinese servants removed from their factories, we need to remember that the slaves are present at all times, even though they are not mentioned in the text.

As the English fleet was getting ready to sail in January with James Flint, one of the ships, *Elizabeth*, caught fire and sank off Lintin Island. This is one of the many examples of the risks involved in trade, which affected the profits of the other ships. When private vessels sank, it could result in the ruining of several small merchants. In the case of the *Elizabeth*, the English company had to apply that loss against the profits of the other company ships. This is one of the reasons why the profits and losses of the companies need to be considered for the whole

fleet sailing to China rather than individual ships. In order to cover the losses from ships that did not make it back to port, the VOC, in later years, calculated those risks (which the Dutch call the “risks of the sea”) to be 5 percent of the total value of the cargos exported from China.ⁱ

The mention in this year’s *dagregister* of Swetia’s partner Hunksia being closely involved in the foreign trade and even negotiating some of that business with the Dutch is an important factor to highlight. Hunksia was probably the most important man in Canton connected to the junk trade to Southeast Asia. He regularly financed junks that sailed there each year, and we see him this year working closely with the *Hong* merchants, the inland tea merchant Uhn-Sam-Ja and with the foreigners as well.

What the diary does not tell us is that Hunksia was arranging the junk cargos and voyages at the same time as his dealings with the foreigners. In late August and early September, for example, we learn that Junk *Swehing* had arrived from Batavia and that the junks *Ecktay* and *Samkonghing* had come from Cochin China. We know from other records that Hunksia was a regular sponsor of all three junks. The *Hong* merchants kept close watch over these imports each year, because they affected their profits on other trade. All of these examples help to show how intricately connected the junk trade was to the foreign trade. The *Hong* merchants had their hands in both, which is a complexity of their businesses that the *dagregisters* help us to better understand.ⁱⁱ

In late-February, the linguist Monqua went to the Dutch factory to record the number of people in their household so he could give an accurate report to the Mandarins. The number of foreigners in China was closely monitored by customs officers to the point that if 32 persons left Canton to go to Macao in the off-season then that same number needed to return in the following season. If there was any change in that number such as a death or a desertion (both of which were common), then the Mandarins needed to be notified so they knew how many foreigners there were in China at all times.

ⁱ National Archives, The Hague (NA): VOC 4771, No. 20, ‘Calculatie van het Product der Jaarliksche Retouren’.

ⁱⁱ For Hunksia’s role in the Yan family trade and his involvement with the Canton junks, see Paul A. Van Dyke, ‘The Yan Family: Merchants of Canton, 1734-1780s’ *Review of Culture*, International Edition 9 (January 2004): 30-85.

Linguist Monqua used this opportunity to suggest to the Dutch that if they were willing to part with 1,500 Spanish reals then he could possibly arrange for them to remain in Canton. In April, the linguists were still encouraging the Dutch to press Inksia to plead with the Mandarins for an exception to the requirement to go to Macao, which was completely contrary to the emperor's orders. These examples show that the imperial edicts were not always carried out to the letter, and some of the requirements could in fact be 'negotiated' if the right presents (bribes) were placed into the proper hands. The linguists and the merchants were also making secret arrangements with the Mandarins to have silk smuggled aboard. In these cases, the linguists, merchants and low-level Mandarins were deliberately undermining the central administration in Beijing in order to benefit themselves.

Many of the low-level Mandarins, the linguists and the merchants were life-time residents of Canton, whereas the top-level government officials such as the governors-general and the Hoppo came and went every three years or so. The long-term relationships that developed in the lower echelons led to a gradual downward flow of control and power. Already in 1763 we see signs of this gradual weakening of the internal control mechanisms, which contributed to the eventual collapse of the administration in the mid-nineteenth century.ⁱⁱⁱ

The long ordeal that emerges this year over the question of removing to Macao shows that the linguists' attempts to get an exemption were probably not going to be successful regardless of the bribes they offered. The way in which the foreigners were finally persuaded to leave sheds much light on the government's policies towards their foreign guests as well as Peking's attitudes towards the trade in general. The Mandarins experimented with many different means to avoid having to use brute force. Orders were issued commanding the foreigners to leave within a fixed period of time, or suffer the consequences of being severely punished. When those threats did not work, then the linguists and merchants were sent to plead with the foreigners for mercy's sake to leave so the linguists and the merchants could avoid the wrath of the Mandarins.

ⁱⁱⁱ Paul A. Van Dyke, *The Canton Trade: Life and Enterprise on the China Coast, 1700-1845* (Hong Kong: Hong Kong University Press, 2005).

When that tactic also failed then the compradors and coolies were arrested and threatened with punishment. In the meantime, Linguist Sinqua had the audacity to ask for an exemption for the Dutch, and as a consequence, he and some of the house servants were put in chains and paraded past the factories to bring additional pressure on the foreigners. After those measures failed, then some of the Chinese were released with strong reprimands to persuade the foreigners to leave within a few days or be arrested again. This was followed by more intimidations from the Namhay, who put a couple of his soldiers in a cangue and displayed them as examples to the merchants of what was going to happen to them if the foreigners did not leave.

In the meantime, the foreigners made every excuse they could think of to delay their departure, and all of them refused to go unless the others also go. The Dutch tried to make a secret arrangement whereby four of them remained behind, without the other foreigners knowing about it. The merchants and linguists supported the Dutch in this secret arrangement, because they apparently thought they could work out an exception to the emperor's orders.

As the intensity builds, the removal to Macao becomes part of the negotiating strategies with both the foreigners and the Chinese making it a binding part of their agreements. The former agree to go if better terms are offered, and the latter refuse to agree to those terms until the move to Macao has been completed. As the Mandarins become more impatient with the procrastinations, the Co-hong is finally pressured to set the price of tea at a reasonable rate that the foreigners will accept so they will contract their tea and then be content to leave Canton.

With the terms of trade finalized, the foreigners could find no more excuses and by mid-June all but the English (who had a ship at Whampoa) moved to Macao. In the end, the Mandarins' tactics were indeed successful as they did not have to use force and, as far as we know, none of the foreigners were discouraged to the point that they refused to come back to Canton. Behind all of the serious talk and harsh actions was incredible patience that successfully nurtured the foreigners into compliance. The use of force would have certainly had adverse effects on the trade, and the Chinese officials were very keen to prevent that from happening. In the end, the emperor was so pleased with the way things were handled this year that he extended the Tsjontong's commission for another year.

Within four days of the Dutch arriving at Macao, a Danish ship arrived, which set off a new round of requests for them to immediately return to Canton. Even though they did not have their own ship in Chinese waters, the Dutch tried desperately to get permission to return using this Danish ship as their excuse. This logic of course had no reason, but, amazingly, we see the Mandarins again bending the rules and allowing eight persons from the Dutch Company to return to Canton. The remaining officers were only allowed to return after a VOC ship arrived, which as far as the Mandarins were concerned was sufficient proof to show that they were complying with the emperor's orders. Gradually, however, the removal to Macao in the off-season became routine and only those foreigners who actually had ships in China were allowed to return to Canton. But it took a couple years for this to become formalized.

In July, the six small merchants, who were left out of the decision making process in the Co-hong, formed a pact to destroy that organization. Aside from showing how disgruntled they were with the Co-hong, this act also shows that the four large merchants were indeed controlling most of the trade and manipulating the terms to their own advantage. The small merchants had very little say in what happened each year, and had to be content with whatever the four large merchants and the Mandarins decided.

Tjobqua was elected the spokesperson for this group of small traders, who were very determined to push through the changes they wanted. They even had thoughts of establishing a second Co-hong, unless the first was dismantled. If that failed, then they vowed to leave the trade altogether. This was being rather presumptuous, because they did not have the option or freedom to carry out either of those alternatives (see note 51). The Dutch (and other foreigners) used this animosity between the large and small houses to pressure their merchants into offering better terms, or they would contract with one of the others. The animosities these small operators held against the Co-hong are forces that were constantly at work behind the scenes influencing the outcome of trade. These factors need to be kept in mind when considering reasons for the eventual disbanding of the Co-hong in 1771.

In July, the Portuguese Ship *St. Louis* arrived at Macao with news of the recent events in the war between the Europeans. A general truce had been called which was to take effect on 15 November 1762 in

Europe and 6 May 1763 in the Indies. But before this happened, the English managed to capture the port of Havana from the Spaniards. The Danes also lost a ship to their enemies in India. All of these factors could affect the number of ships arriving in China and the amount of silver that they would bring, so it was important for everyone to know how the war was proceeding.

In late-July, two VOC ships arrived at Macao, and upon approaching Bocca Tigris, one of them, the *Sloten*, ran aground on a sandbank. Captain Hagerup requested ten or twelve sampans to unload its cargo, but a junk was hired instead because the sampan operators refused to go outside Bocca Tigris. We are not given a reason for this refusal, but it was probably because the sampans were not licensed to carry merchandise from the lower delta upriver. The Dutch do not mention it, but they did not have the option of hiring Macao vessels (such as a small Portuguese ship) because those ships were not allowed to go past Bocca Tigris. In the end, they hired a junk with authority to go between the two territories. Bocca Tigris separated the two administrative regions, and there were indeed different policies enforced north and south of that barrier.

This administrative distinction helps to partially explain the gradual increase in smuggling in the lower delta in later years, because it was more loosely controlled than the upper delta. As far as the *Sloten* is concerned, it took two weeks for Captain Hagerup to get it afloat. This accident cost the Company a considerable amount for all of the extra handling and reloading of the goods and for the paying of the Mandarins who were in constant attendance monitoring the situation. These expenses were a direct charge against the ship's profits and show how costly one small error by the pilots could be to the companies. This is another reason why it was best for captains of large ships, with deep drafts, to allow pilots to hire all the assistance they needed, such as tow-sampans, buoy-sampans and helpers, so they could avoid such misfortunes.^{iv}

In August, we learn that the French were being given a 2 percent reduction for paying in French crowns, because those coins had a finer

^{iv} For a more detailed analysis of the piloting process and the different policies that were enforced north and south of Bocca Tigris, see Van Dyke, *The Canton Trade*, chapter three 'Piloting the Pearl River'.

alloy content than Spanish reals. The difference was made up when weighing the coins and not in the exchange rate or the prices that were paid. The Dutch suspected that the French would also choose to use an exchange rate of 74 candrin to one Spanish real (they usually used 72 candrin to one).

The allowance that was given on the French crowns and the different exchange rates that were used for Spanish reals are clear examples of why commodity prices in China are not reliable indicators of inflation or even price trends. Bohea tea of 18 taels per picul that is paid for with French crowns is not the same price as Bohea tea of 18 taels per picul that the English or the Danes buy with Spanish reals at 72 candrin and both of those prices are different from Bohea tea of 18 taels per picul that the Dutch and the Swedes purchase with Spanish reals at 74 candrin.

Those prices (regardless of the currency or exchange rate) also vary according to the quality of the Bohea tea that is received, the amount of silver that is advanced, and when the advance is received (before the ships arrive or after), and whether or not any interest is paid on the advances. For example, providing an advance on future tea orders without interest will result in a lower price of tea than an advance with interest. The interest that is paid needs to be added onto the price of the product before we can establish its *real* value.

In addition to those variables, the price that Chinese merchants paid for tea and the prices that the Portuguese paid in Macao were calculated differently from prices foreigners paid in Canton. The Chinese price did not include shipping and handling charges, but the foreign price in Canton did. Macao also had different units of measure, maintained different standards of weighing and had to add the charge of transshipping the merchandise downriver, which had to be built into the price structures. As a result, a price of Bohea tea at 18 taels per picul was an entirely different value if given to Chinese in Canton, foreigners in Whampoa, or Portuguese in Macao.

In addition to these factors, foreigners and Chinese used different weights to weigh their merchandise that also varied. In this year, for example, the Dutch weights that were used in China and those used in Batavia were found to be different resulting in a shortage in some of the imports that were brought to Canton. And we learn that the English weights differed from the Dutch by 1-1½ per cent. The foreigners were

always complaining about the different weights that Chinese used, and they also kept close track of how the weights of other companies compared with their own.

All of this information is very important because it clearly shows that there are many factors affecting the final prices that are agreed upon. The only way to make meaningful comparisons between commodity prices, or to show price trends over time, is to make adjustments for all of the variables. Companies' records from the eighteenth century, however, usually do not have such a high level of transparency to allow us to calculate *real* values.

The discussion about tin this year is very informative as well and shows how closely connected the Southeast Asian markets were to the Chinese markets. The Dutch were competing with tin brought by the junks from Palembang and Cochin China. As far as tin, pepper and several other commodities were concerned, the entire region (Southeast Asia to South China) operated very much like one large interactive market where a change in supply in one area directly affected the demand in another, pushing prices up or down. Thus aside from all of the factors mentioned above, there is also the influence of outside markets that need to be considered when analyzing the commerce at Canton.^v

In late-August, an incident occurs that sheds some light on the difficulty of controlling so many foreigners in China. The Hoppo received a complaint from the villagers in Whampoa that some foreign sailors had attempted to molest their women. The Company ships often had crews of between 100 to 150 men and with about 20 of those ships in China this year, there were well over 2,000 foreign sailors stationed at Whampoa. It was not an easy task keeping track of all these men and as more ships continued to arrive in later decades, clashes between the Chinese and foreign communities, such as this one, continued to increase. This example also helps to explain why the officials were so tolerant towards prostitution in both Whampoa and Canton. The brothels in those places helped to pacify the foreigners so that incidents like this were minimized. As a result, the so-called 'flower boats' (floating brothels) were a part of the trade throughout the Canton era.^{vi}

^v Tana Li and Paul A. Van Dyke, 'Canton, Cancao, Cochinchina: New Data and New Light on Eighteenth-Century Canton and the Nanyang', *Chinese Southern Diaspora Studies*. Vol. 1 (2007): 10-28.

In September and November we learn of several government officials getting caught conducting illegal trade and extortion. One of the emperor's relatives and some Mandarins from other provinces were accused of using their positions to illegally conduct trade in Canton. Some of them were also extorting money from the local people. The emperor's relative was demoted, and three of the Mandarins were put to death, which shows that there were indeed serious efforts made to curb corruption in the upper echelons. But as the example above of Linguist Monqua shows there were other connivances going on continually that were not being checked.

In 1763, there was a change in the way the VOC carried on trade in Canton. The Dutch decided to establish a new system by which they transhipped their goods between Whampoa and the city. They convinced their three Chinese merchants to each build three special chop boats that were manned with their own people and used exclusively for the VOC trade. The Company was charged extra for the use of these vessels.

This new policy led the operators of the other 28 transport sampans that were lightering goods between Canton and Whampoa to launch a protest against the linguists and *fiadors*. The policy barred them from servicing the Dutch, which would affect their incomes. In the end, however, the Dutch were allowed to make this exception, which again shows how accommodating the officials in Canton could be. As long as no adverse results came to the trade, the harmony was not threatened, or superiors did not become suspicious, Hoppo and governors-general were open to considering alternative ways of doing business.^{vii}

In an entry made on September 22, Hulle shows us another strategy that the foreigners employed to influence the trade. He mentions that the French made a 'large display with their cash, by letting 100 chests of money come up with all their boats'. This visual show of an enormous amount of silver was certainly a ploy to get

^{vi} For more thorough coverage of prostitution in Canton, see Paul A. Van Dyke, 'Port Canton and the Pearl River Delta, 1690-1845' (Ph.D dissertation, Department of History, University of Southern California, 2002), 208-212; and Van Dyke, *The Canton Trade*, 61, 165, 204 n.4.

^{vii} For more examples and a thorough discussion of what the Chinese authorities would and could negotiate in the trade, see Van Dyke, *The Canton Trade*, *passim*.