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EUROPE IN CHINA

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THE HISTORY OF HONGKONG

FROM THE BEGINNING TO THE YEAR 1882

BY

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The actual well seen is the ideal. —*Carlyle*.



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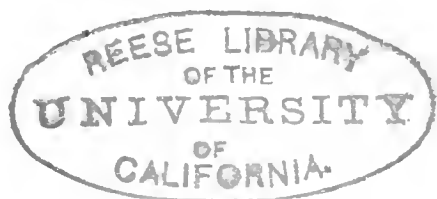
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TO
MY WIFE
WINEFRED NÉE EATON
IN MEMORY OF
THIRTY YEARS OF WEDDED LIGHTS AND SHADOWS
SPENT IN CANTON AND HONGKONG
THIS BOOK
WHICH OWES EVERYTHING TO HER
IS
AFFECTIONATELY DEDICATED

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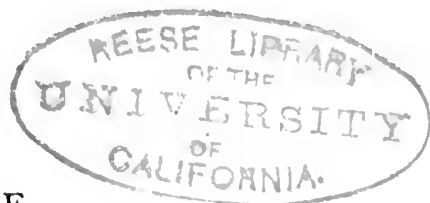


PREFACE.

TO Europeans residing in Hongkong or China, I need not offer any excuse for inviting them to take up this book. The natural desire to learn to understand the present by a consideration of the past, will plead with them better than I could do. But the general reader, in England and elsewhere, I entreat for a reconsideration of the popularly accepted view that but little importance, beyond that of a curio, attaches to Hongkong, its community and position, or indeed to European relations with China.

At first sight, indeed, the Colony of Hongkong appears like an odd conglomeration of fluctuating molecules of nationalities, whose successive Governors seem to be but extraneous factors adventitiously regulating or disturbing the heavings of this incongruous mass. But in reality the Hongkong community is solidarily one. Though an unbridged chasm does yawn in its midst, waiting for a Marcus Curtius to close it and meanwhile separating the outward social life of Europeans and Chinese, the people of Hongkong are inwardly

bound together by a steadily developing communion of interests and responsibilities: the destiny of the one race is to rule and the fate of the other to be ruled. The different periods of Hongkong's history, though demarcated each by the administration of a different Governor, are in reality the successive stages of the growth of one ideal person (the Colony) naturally expanding itself in a continuous line of so many generations, as it were, of one and the same ideal family (the community). Looking deeper still, there is seen underlying this mixed and fluctuating population of Hongkong a self-perpetuating unity: the secret inchoative union of Europe and Asia (as represented by China). This union is in process of practical elaboration through the combined forces of commerce, civilisation and Christian education, and particularly through the steady development of Great Britain's political influence in the East, an influence which dates back to the earliest days of the East India Company in India and China. Indeed, the Anglo-Chinese community of Hongkong specifically represents that coming union of Europe and Asia which China stubbornly resists while Great Britain and Russia, France and Japan unconsciously co-operate towards it. As representing that union, the Hongkong community has its root in the earlier and smaller community of British and other European merchants



with their Chinese hangers-on settled at the Canton Factories. But its earliest prototype can be discerned in the previous settlements of the Portuguese and Dutch and more particularly of the agents of the East-India Company who were unconsciously working out in China, as well as in India, the international problem with the solution of which Hongkong is specially concerned. When, under the impulse of the awakening free trade spirit in England, the East-India Company had to withdraw from the field (1834), the British free-traders at Canton continued to represent Europe in China, and, when driven out thence, transplanted to Hongkong (1841) those unifying commercial and political principles which are to the present day the underlying elements of progress in the historic evolution of Hongkong. But as the history of the Hongkong community presents thus an unbroken chain of influences connecting the political mission of Europe with the present politics of Asia, so also the successive administrations of the government of this Colony have the same inner unity. Though each Governor is but a transient visitor, each possessed of his own idiosyncracies, and each controlled by an ever shifting series of Secretaries of State for the Colonies, behind them all is that ideal but none the less real entity, the genius of British public opinion, which inspires and overrules them all. That genius, feeling its

mission in Europe and North America fulfilled, has of late commenced to enter upon a new field of action whereby to complete its destiny. Asia and generally the countries and continents bordering on the Pacific Ocean, now task the energies of Downing Street and of the Governors sent forth from it, as well as the energies of the India Office, with problems of such increasingly international bearings, that both the Colonial Office and the India Office are rapidly outstripping in importance the Foreign Office, and the necessities of both now demand the creation of a Ministry specially charged with the direction of British affairs in the Far East. The fact is, *the fulcrum of the World's balance of power has shifted from the West to the East. from the Mediterranean to the Pacific.*

To the popular view the position of Hongkong in the East appears to be that of a remote Island, a mere dot in a little-known ocean. In reality, however, Hongkong, which commercially ranks as the second port of the British Empire, occupies a geographically most fortunate place in relation to the peculiar destinies of the Far East. For the last two thousand years, the march of civilization has been directed from the East to the West: Europe has been tutored by Asia. Ennobled by Christianity, civilization now returns to the East: Europe's destiny is to govern Asia. Marching at the

head of civilization, Great Britain has commenced her individual mission in Asia by the occupation of India and Burma, the Straits Settlements and Hongkong. By fifty years' handling of Hongkong's Chinese population, Great Britain has shewn how readily the Chinese people (apart from Mandarindom) fall in with a firm European regime, and the rapid conversion of a barren rock into one of the wonders and commercial emporiums of the world, has demonstrated what Chinese labour, industry and commerce can achieve under British rule. Moreover, located on the western border of the Pacific, in line with Canada in the North-East, with Her Majesty's Indian and African Possessions in the South-West, and with the Australian Colonies in the South, Hongkong occupies a specially important position, not only with regard to the problems gathering round China and Japan (in their mutual relations to Great Britain, Russia and France), but especially also with regard to the greater rôle which the Pacific Ocean is destined to play in the closing scenes of the world's history. What the Mediterranean and Atlantic were while civilization moved from East to West, the Pacific is bound to become now since the tide of progress runs from West to East. Africa is even now being brought into the sphere of modern civilization by the combined powers of Europe. The turn of South-America will come next. There is not a first-class

power in the world that has not possessions on the shores of the Pacific. Great Britain and the United States, Russia and France, Germany and Italy, Spain and Portugal, all vie with each other in the control of countries bordering on, or islands situated in, the Pacific basin. It requires no prophet's gift to see that the politics of the near future centre in the East and that the problems of the Far East will be solved on the Pacific main. Contests will be sure to arise and in these contests Hongkong will be one of the stations most important for the general strength of the British Empire. Here, even more than in its bearing upon the Asiatic problem, lies the real importance of Hongkong. Such is the position of this Colony in relation to the destinies of the Far East: *Hongkong will yet have a prominent place in the future history of the British Empire.*

The foregoing considerations will commend the subject of this book to the attention of the general reader. As to its treatment, the endeavour of the writer has been to combine with the aims of the historian, writing from the point of view of universal history, the duties of the chronicler of events such as are of special interest to European residents in the East, so as to provide at the same time a handbook of reference for those who take an active interest in the current affairs of this British Colony

as well as in British relations with China. This volume brings down the story of Hongkong's rise and progress to the year 1882. The more recent epochs of its history are too near to our view yet to admit of impartial historic treatment for the present.

E. J. EITEL.

College Gardens,
HONGKONG, August 2, 1895.

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HISTORY OF HONGKONG.

CHAPTER I.

COMMENCEMENT OF BRITISH TRADE WITH CHINA.

A.D. 1625 to 1834.

THE history of British Trade with China, which preceded Great Britain's connection with India, is comprised, from its first commencement down to the year 1834, in the history of the Honourable East India Company. Unfortunately, however, the story of the Company's relations with China is one of the darkest blots in the whole history of British commerce. That great and powerful Corporation, which governed successfully Asiatic kings and princes, and covered itself with administrative, financial and even military glory, particularly in India, was entirely nonplussed by China's dogged self-adequacy and persistent assertion of supremacy, and had its glory, its honour, its self-respect rudely trampled under foot by subordinate Chinese Mandarins.

The Court of Directors, having at the instance of Captain J. Sares (since 1613 A.D.) established a factory at Firando, in Japan, under a treaty with the Japanese Government, was induced also (A.D. 1625) to open tentative branch-agencies at Tywan (on the island of Formosa) and next in Amoy (on the opposite mainland of China). This move was made during the last few years of the reign of the Chinese Ming Dynasty which systematically welcomed foreign merchants. Encouraged by the results, the Directors of the East India Company resolved (A.D. 1627) to open trade also with Canton, by way of Macao. But the Portuguese, who had already established themselves there

(since 1557 A.D.), strenuously objected to admit such a powerful interloper to a share in the profits of the Chinese trade, and the attempt failed.

Nothing daunted, however, the Court of Directors forthwith (A.D. 1634) negotiated a Treaty with the Portuguese Governor of Goa, under whose control Macao was, and by virtue of this Treaty the British ship *London* (Captain Weddell) was admitted into the port of Macao and, after bombarding the Bogue Forts at the entrance to the Canton River, her gallant commander was received in friendly audience by the Viceroy, who forthwith granted him (July 1655) full participation in the Canton trade, to the great chagrin of the Macao traders. Thus British trade commenced at Canton, but through petty international jealousies on the part of the Portuguese and other causes it languished, until at last Oliver Cromwell concluded, on express principles of reciprocity, a Treaty (A.D. 1654) with King John IV. of Portugal, giving free access to the ships of both nations to any port of the East Indies.

Ten years later, the East India Company, having at last secured a house at Macao, endeavoured to set up a regular factory at Canton also. But by this time the native Ming Dynasty had been supplanted by the Manchu invaders who established (A.D. 1644) the present Tatsing Dynasty and manifested from first to last a haughty contempt for all persons engaged in trade and an irreconcilable animosity against all foreign intruders.

In conquering Amoy (A.D. 1681), the Manchus destroyed the Company's agency there and at Zelandia (Formosa), but the Portuguese at Macao, having made themselves useful to the new Dynasty by rendering military aid to the invaders, were with haughty contempt tolerated where they were, without any formal concession being made to them. The Manchus, disdaining to make any distinction between Portuguese and English, as being equally barbarians in their eyes, allowed foreign trade at Canton to continue, though thenceforth under galling and vexatious restrictions.

The East India Company's Supercargoes soon found that, so long as they indirectly and humbly acknowledged the supremacy which the Manchu Dynasty now claimed over the whole world, expressly including also all foreign barbarians, the Chinese officials were perfectly ready to accept costly presents and to encourage foreign trade provided that it would quietly submit to their irregular exactions. Thereupon the Company began (A.D. 1681) sending ships direct from England to Macao, and later on (A.D. 1685) they succeeded in re-opening their agency at Amoy and (A.D. 1702) planting a factory also on the island of Chusan.

Up to this time, trade had been conducted in a loose and irregular manner. On the arrival of a ship in the waters of Canton, she was boarded by an officer of the Hoppo (Imperial Superintendent of Native Maritime Customs), who was at once offered a present (called *cumshaw*) upon the value of which depended the mode of measuring the ship, whereupon followed (in the absence of a fixed tariff) a disgraceful bargaining and haggling over the rates of port charges, linguist's fees and customs duties to be levied. When all these negotiations, hurried on frequently by a threat on the part of the Supercargo to take the ship away or temporarily suspended by sundry practical menaces on the part of the Hoppo's officers, had been concluded, the ship was allowed to proceed to Whampoa (the port of Canton) and there admitted to open trade with any officially recognized native merchant or broker.

A serious change was introduced with the year 1702. The East India Company having sent out (A.D. 1699) a Chief-Supercargo (Mr. Catchpoole) who was commissioned to act as King's Minister or Consul for the whole empire of China and the adjacent islands, the Chinese officials responded with a counter move. While the Chief-Supercargo's royal commission was studiously ignored and the term *tai-pan* (chief-manager) applied to the King's Minister, a Chinese merchant, entitled 'the Emperor's Merchant' but among the Company's Supercargoes thenceforth known as 'the Monster in Trade,' was now

(A.D. 1702) appointed by the Chinese Government to supervise foreign trade. This Emperor's Merchant had the exclusive monopoly of the foreign trade and, in addition to the Hoppo's officers who had to be plied with presents and fees as before, this Monster in Trade had now to be satisfied in the same way. All imports and exports had to pass through his hands, all commercial transactions of the foreign merchants had to be settled through his agency. He was for some time nominally the sole intermediary between the foreigners and native merchants, and likewise the exclusive channel of communications between the foreign merchants and skippers (including the East India Company's Agents with the King's Minister) on the one hand and the Chinese Government on the other. Thenceforth free trade was at an end and the monopoly of the East India Company was by astute Chinese policy met by an equally powerful combination of Chinese monopolists, who periodically had to disgorge their profits to the Provincial Authorities (the Viceroy and the Governor of Canton), and to the Hoppo, an officer of the Imperial Household. The latter had to purchase by a heavy fee a five years' tenure of the monopoly of collecting the native and foreign customs duties of Canton, and on his return to Peking, he was invariably squeezed like a sponge by the Imperial Household. Thus foreign trade was thenceforth ground down between the upper and nether mill-stones of the Chinese Authorities and the Emperor's Merchant and his successors.

Nevertheless, the East India Company's Supercargoes speedily managed to adapt their policy to the new arrangement. Trade continued to flourish. The ships proceeded thereafter first of all to Macao, then sent up agents to Canton to arrange, in whatever way it could be done, the amount of presents, measuring fees, port charges, duties and brokerage, and then, when everything was satisfactorily arranged, the ship would proceed to the Bogue (the entrance to the Canton River, guarded by two forts, Chuenpi on the East and Taikoktau on the West) and, after paying fees and duties there, a chop (a

stamped permit) would be granted to each ship to proceed to Whampoa to trade. By the year 1715, a regular routine had been established and British ships now began to omit the visit to Macao and to proceed, on arrival in Chinese waters, straight to the Bogue, where, after anchoring for some days, everything was settled by the Supercargoes as above.

A new change was made in the conduct of the foreign trade in the year 1720, when an *ad valorem* duty of 4 per cent. was laid on all imports and exports and a Committee of Chinese merchants, henceforth known as the Co-Hong, was substituted in place of the one Emperor's Merchant. But this Committee was likewise placed under the supervision of the Hoppo, and, as before, made answerable to the Viceroy and Governor for all dues on trade. These Co-Hong Merchants were as a body solidarily responsible for the solvency of each member of the Co-Hong, both as regards indebtedness towards the foreign merchants and as regards the share of the Provincial Authorities in their profits. Moreover they were responsible, as a body, for the payment of all fees and duties by every foreign ship, and even for any offences or crimes committed by the ships' officers or crews. By an Imperial Edict (A.D. 1722) they were also commissioned to levy an import duty on opium, amounting to 3 taels per picul.

This system was nominally improved upon by the introduction (A.D. 1725) of a fixed tariff. Upon this measure the Imperial Authorities at Peking had insisted to enable them better to gauge the proper amount of their own share in the profits of this flourishing foreign trade. Nevertheless, the publication of the tariff failed to do away with the previous system of bribery and corruption, as both the Hoppo's officers and the Co-Hong looked upon the tariff only as the minimum basis of their own accounts with the Provincial and Imperial Governments. Consequently they systematically exacted from the foreign ships as much over and above the tariff charges as they could possibly screw out of them.

A special tax of 10 per cent. was put on all foreign imports and exports in the year 1727, but after making (A.D. 1728) a strong united appeal to the Throne, in the humblest form of subject suppliants, the Company's Supercargoes were granted, on the occasion of the accession of the Emperor Kienlung (A.D. 1736), exemption from this tax. By this time about four English ships, two French, one Danish and one Swedish ship arrived every year to share in the Canton trade. Portuguese trade was confined to Macao. However, in the year 1754, a new method of extortion was introduced, by requiring each ship, on her arrival, to obtain first of all, by special negotiation, the security of two members of the Co-Hong, before the usual arrangements concerning measuring fee, cumshaw, linguist's fee, and customs duties could be entered upon. Up to this time, the monopoly of the Co-Hong concerned only the disposal of the cargo and the purchase of exports, but from the year 1755 all dealings of foreigners with small merchants and purveyors of ships' provisions were strictly prohibited, and especially all dealings of the ships with native junks and boats, whilst anchoring outside and before entering the river, were visited with severe penalties. Owing to occasional smuggling malpractices on the part of natives, countenanced by foreign skippers, an Imperial Edict prohibited (A.D. 1757) all commercial transactions with foreign ships, whether outside the Bogue or at Whampoa, and confined trade strictly to Canton. As this measure not only tended to hamper trade operations in Canton waters, but threatened the extinction of the flourishing Amoy agency, the Committee of Supercargoes sent Mr. Harrison, together with a very able interpreter, Mr. Flint, to Amoy (A.D. 1759) to arrange with the local Authorities a continuation of the Amoy trade on special terms. When these negotiations failed, Mr. Flint, sharing the opinion of the Supercargoes that the obnoxious Imperial Edict had been obtained by the Cantonese Authorities through false representations, proceeded (with the secret support of the Amoy Authorities) to Tientsin and succeeded in getting his views, involving serious charges against

the Hoppo and the Cantonese Authorities, brought to the notice of the Throne. An Imperial Commissioner, authorized to remove the Hoppo from his post and to abolish all illegal imposts, was sent to Canton with Mr. Flint to investigate the charges against the Provincial Authorities. The inevitable result followed. The Hoppo and the Cantonese Authorities having made their terms with the Commissioner, Mr. Flint was ordered to appear in the Viceroy's Yamên to answer a charge of having, while at Amoy, set at defiance the Imperial Edict of 1757. Mr. Flint went, accompanied by all the Supercargoes, but as soon as they reached the Viceroy's offices, they were set upon by his underlings, brutally ill-treated, thrown on the ground, forced to perform the official act of homage (kneeling and knocking their foreheads on the ground) called *kotow* and sent back with ignominy, with the exception of Mr. Flint. He was thrown into prison and, as the virtuous Court of Directors refused to pay the bribe of \$1,250 which was demanded by his jailors, he was kept under rigorous confinement at Casa Branca until November 1762, when he was released and deported to England.

The Court of Directors, who had by the action of their servants hitherto stooped *sub rosâ* to every form of Chinese bribery and corruption, and borne every indignity heaped upon their representatives with equanimity, thought at last, on hearing of the ill-treatment of their Supercargoes, that the Chinese were going rather too far. So they sent a special mission to Canton (A.D. 1760), with a letter to the Viceroy, protesting against the Co-Hong system and asking for Mr. Flint's release. But the mission was treated with contempt by the Manchu Government and failed to have any effect whatever. By giving however increased secret presents, the Supercargoes caused things to go on more smoothly, and ten years later (A.D. 1771) the Company's Supercargoes succeeded in purchasing permission to reside during the winter months (the business season) at Canton, instead of coming and going with their respective ships. The ships used to arrive towards the end of

the south-west monsoon (April to September) and leave again for Europe with the north-east monsoon (October to March). But unless special permission to linger a little longer was obtained, the Supercargoes, now at last established in separate factories (allotted to the several nationalities) in Canton, were annually, at the change of the season, furnished with passports and warned to be off to Macao. Thence they had, at the end of summer, to petition for passports again, to enable them to return to Canton the next season.

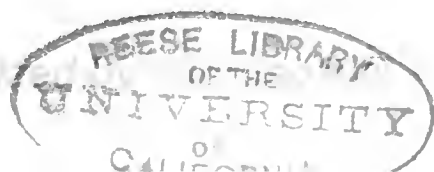
At last (February 13, 1771), the dissolution of the Co-Hong, which had become the most galling burden of the time, was gained by the Supercargoes resident at Canton, a triumph which previously every form of persuasion and every art of diplomacy had in vain been employed to secure. But the sum paid for this favour amounted to a hundred thousand taels, which sum the Authorities accepted, because the Co-Hong were bankrupt and in arrears with their contributions due to their respective official superiors.

Nevertheless, this privilege was not enjoyed very long, for ten years later (A.D. 1782) the previous Co-Hong system was, under a new name, re-established by the appointment of twelve (subsequently increased to thirteen) 'Mandarins,' who were however simply native brokers, thenceforth known as Hong merchants. These had, like the former Co-Hong, the monopoly of the foreign trade, subject to the supervision of the Hoppo and of the Provincial Authorities, to whom they were responsible for the payments due by, and for the personal conduct of, all foreigners. These Hong merchants held the same position, and had the same privileges and responsibilities as the Co-Hong. The only differences were that they bore another title and that for their previous solidary responsibility in financial matters was now substituted a guarantee fund, known as the Consoo (Association or Guild) fund. But this fund was created at the expense of the foreign trade, on which thenceforth a special tax was levied for the purpose. As the East India Company and the merchants

of other nationalities quietly submitted to this change in the system, trade continued to proceed as before. Thereupon the Chinese imposed (A.D. 1805) a further special tax, like the modern Li-kin, to provide for the necessities of coast defence and other warlike preparations against the foreign ships. This measure was taken by the Chinese because they had observed that the foreign ships had, owing to the steady increase of the value of their cargoes, gradually increased their armaments.

Trade, however, continued increasing from year to year. But soon a hand's breadth of a cloud, destined to develop into a tempest, arose on the commercial horizon in the shape of the 'exportation of bullion' question and the altered attitude of foreigners generally. With the gradual increase of the opium trade, the Chinese observed with dismay that the balance of trade, though still in favour of China, was steadily diminishing from year to year as foreign commerce expanded. In the year 1818 a rule was therefore made to restrict the exportation of silver by any vessel to three-tenths of the excess of imports over exports by that vessel. The tea trade, indeed, increased very rapidly, to the great satisfaction of the Chinese officials, especially since teas began (A.D. 1824) to be shipped direct from China to the Australian Colonies. But however fast the export of tea increased, the imports of opium out-stripped it in the race. Accordingly in the year 1831 the Chinese Authorities, in their dread of the increasing outflow of silver from China, imposed upon foreign merchants such severe additional restrictions, that the Select Committee of the East India Company's Supercargoes, headed by Mr. H. H. Lindsay, threatened to suspend all commercial intercourse. Eventually, however, when matters came to a crisis (May 27, 1831), the Select Committee yielded and, in token of their submission, handed the keys of the British Factory to the Brigadier in charge of the Provincial Constabulary (Kwong-hip).

Though victorious for the moment, the Chinese officials could not help noticing on this occasion more than ever before, that a considerable change had come over the demeanour of

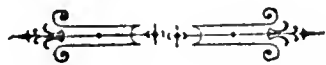


the foreign merchants. The East India Company's chiefs seemed to have lost somehow their former control over the foreign community, and the latter would not submit now, as formerly, to all the caprices of the Chinese Authorities; they were talking now of international and reciprocal responsibilities, and murmured seditiously against trade monopolies as commercial iniquities.

Moreover the restrictions placed on the opium ships, from which the Provincial Authorities were reaping their richest harvests, were persistently evaded by the ships anchoring at the island of Lintin or in the Kapsingmoon channel, outside the Bogue, where, with the connivance of the Authorities, the foreign merchants had established stationary receiving ships, serving the purpose of floating warehouses for all sorts of goods. This measure encouraged a great deal of smuggling on the part of Chinese private traders, and the consequent infringement of the official trade monopoly curtailed the share which the Provincial Authorities had in the whole trade.

The Chinese officials now saw clearly that a different spirit had crept in among the foreigners at Canton, that even the servile attitude of the former East India Company's officers was rapidly giving way to claims of national self-respect, a most preposterous thing, as it appeared to the Chinese, on the part of outer barbarians, and finally that the most intelligent private merchants freely expressed their conviction that, owing to the approaching dissolution of the East India Company's Chinese monopoly, the whole foreign trade with China would have to be placed on a distinctly international basis by the year 1834. The Viceroy now perceived and reported to Peking that a serious crisis was approaching. Accordingly an Imperial Edict was issued (September 19, 1832) ordering all the maritime provinces to put their forts and ships of war in repair 'in order to scour the seas and drive off any European vessels (of war) that might make their appearance on the coast.' Thus prepared, the Chinese calmly awaited the year 1834.

continuing meanwhile to encourage foreign trade and to levy on it as many charges, regular and irregular, as it would bear. What the British Government failed to discern, the Emperor of China foresaw clearly, viz. that a war was bound to arise from the denial of China's supremacy.



CHAPTER II.

INTERNATIONAL RELATIONS.

A.D. 1625 to 1834.

DURING the whole period above reviewed, the relations between the Chinese Government and the East India Company had been conducted on the express understanding, which for nearly two centuries was tacitly acquiesced in by the Company, that China claims the sovereignty over all under heaven; that trade, whether retail or wholesale, is a low degrading occupation, fit only for the lower classes beneath the contempt of the Chinese gentry, literati and officials; but that the Emperor of China, as the father of all human beings, is merciful even to barbarians, and as their existence seems to depend upon periodical supplies of silk, rhubarb and tea, the Emperor permits the foreign traders at Canton to follow their base instincts and allows them to make money for themselves by this trade, subject to official surveillance, restrictions and penalties. At the same time, though permitted to reside at intervals in the suburbs of Canton, foreigners must not suppose that they are the equals even of the lowest of the Chinese people; they must not presume to enter the city gates under any pretext whatever, nor travel inland, nor take into their service any natives except those belonging to the Pariah caste of the boat population (known as Ham-shui), forbidden by law to live on shore or to compete at literary examinations. So long as the Company's Supercargoes, and other foreign merchants resorting to Canton, silently accepted the degrading

status thus assigned to them, and tacitly acknowledged the political supremacy and the Heaven-bestowed jurisdiction of the Chinese Government, things went on tolerably and trade continued in spite of all restrictions.

The Chinese were confirmed in this low estimate of foreign character and culture by the to them singular fact that, with very rare exceptions, none of those foreigners seemed able to learn the Chinese language nor even to conceive any appreciation of Chinese history, philosophy or literature, besides shewing utter incapacity to comprehend the principles of Chinese polity, morality and etiquette. Nor did these barbarians exhibit any symptoms of religious life, so far as the Chinese could observe, to whom they appeared to have no soul whatever above dollars and sensual pleasures. The more the Chinese saw of foreigners, the less they found themselves able to classify them with other nations like the Coreans, Japanese, Loochooans, Annamese or Tibetans, all of whom readily appreciated and adopted Chinese culture and Chinese forms of religion and etiquette. Hence they could only characterize the barbarians from Europe or America as 'foreign devils.'

The first intimation the Chinese received of a superior moral power, inherent in the character of foreigners, was conveyed to them by contact with officers of the British navy. When the first British man-of-war, the *Centaur*, arrived in Chinese waters (November, 1741), the Hoppo's officers pretended not to understand any difference between a ship of His Majesty, and an East India Company's trader. They insisted upon measuring the *Centaur*, and coolly demanded the usual trade charges. However, her commander, Commodore Anson, very quietly and good-naturedly resisted all pretensions and by sheer force of character, combined with judicious menaces, brushed all objections aside, and forced his ship without positive hostilities through the Bogue and up to Whampoa. On arrival there, he fairly took away the breath of the Chinese officials by notifying them that he proposed to call in person on the Viceroy

to pay his respects to His Excellency, which was his bounden duty as the Officer of His Majesty King George II. of Great Britain and Ireland, and that 'there must be no breach of etiquette.' The unparalleled boldness of this typical British tar was so novel to the Chinese Authorities that it cowed them completely. The Viceroy admitted the importunate sailor to a personal interview, treated him to cold tea and ice-cold etiquette, and not until the Commodore set sail and left Chinese waters did the Chinese Authorities recover their breath and resume their former policy of undisguised contempt for all foreigners. However, on the next occasion (February, 1791), when His Majesty's Ships *Leopard* and *Thames* arrived and desired to follow the precedent set by Commodore Anson, they found things changed. The Chinese officials now stubbornly refused to allow the ships to enter the Bogue and the officers had to content themselves with a flying personal visit to the port and suburbs of Canton. Nevertheless the next visitor, Captain Maxwell, of H. M. S. *Alceste* (November 12th, 1816), was determined to follow the example of Commodore Anson. On arrival at the Bogue, a Chinese officer boarded the *Alceste* and informed the Captain that, before proceeding any further, he must obtain the security of two Hong merchants and declare the nature of his cargo. The gallant Captain pointed to his biggest guns as his security and declared the only cargo carried by a British man-of-war to be powder and shot. Thereupon the frightened officer beat a hasty retreat and subsequently sent on board a stern refusal to allow the ship to enter the Bogue. In reply, Captain Maxwell politely informed the commanders of the Bogue forts of the exact hour when he intended to pass through the Bogue, and, after giving them ample time to make all their preparations, he gallantly ran the gauntlet of the Bogue forts, under sail, leisurely returning the fire of the forts after aiming and firing the first gun with his own hands. Though becalmed within range of the forts, he succeeded in pushing his way to Whampoa without serious casualty on his own side. After anchoring there, Captain

Maxwell resumed his communications with the Chinese officials with the utmost good nature, and the Chinese Government, likewise ignoring what had happened, allowed him to do just as he pleased until he took his ship away. But no direct official intercourse was accorded to Captain Maxwell in spite of his bravery.

The several Embassies that were sent with autograph letters from King George III, accompanied by costly presents and much pomp of showy retinue, had even less effect upon the attitude which the Tatsing Dynasty assumed towards foreign commerce, than the servile bribes and presents of the East India Company's Supercargoes or the periodical demonstrations of British pluck by His Majesty's naval officers. Lord Macartney's Embassy (A.D. 1792), sent forth by George III, with strong complaints and sanguine expectations, was treated by the Chinese Government as a deputation of tribute-bearers, like those that periodically came from the Loochoo Islands. Lord Amherst's Embassy (A.D. 1815), vainly expected to result in the establishment of diplomatic intercourse with Peking, was treated politely but strictly as a tribute-bearing commission. When Lord Amherst lingered, hoping to be allowed to remain near the Court, he was quietly told that it was high time for him to petition for the issue of his passport and be off. Henceforth the chroniclers of the Tatsing Dynasty complacently recorded the fact of Great Britain having been formally admitted to a place in the list of the nations tributary to China by voluntary submission.

Nevertheless both the bold appearance of British frigates in Chinese waters and the humble presentation at Court of British Ambassadors had a certain amount of effect in impressing the Chinese people with the conviction that Europeans after all were considerably above the ordinary class of barbarians known to them.

Special instances of the steadily increasing importance of the British navy were not wanting. In the years 1802 and 1808 British marines occupied Macao to protect the Portuguese settlement against a threatened attack by the French. In the

former year the troops were not withdrawn, in spite of irate protests by the Cantonese Authorities, until peace with France was restored. In the latter year Admiral Drury withdrew his men again and abstained from forcing his way up to Canton in order to please the East India Company's Committee and to avoid interference with trade. Again, in the year 1814, H.B.M. Frigate *Doris* cruized in Canton waters to intercept American ships, and when the Viceroy instructed the Committee to order her off, the Committee, to the surprise of the Chinese officials, declared that they had no power whatever in the matter and were quite willing that trade, as threatened by the Viceroy, should be stopped. The Committee, moreover, by adroit management, improved the opportunity so as to obtain from the frightened Viceroy important concessions, viz. the right to send Chinese petitions to the Governor of Canton under seal, to employ native servants without restraint and to have their dwellings secure from Chinese intrusion.

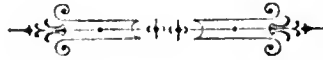
The gradual development of the British navy not only impressed the Chinese Authorities but served the purpose of enabling foreign merchants to take a firmer attitude towards Chinese pretences of political and judicial supremacy. Foreign merchants never consented to formally acknowledge their subjection to Chinese criminal jurisdiction, though they were often compelled by sheer force to submit to it. But not until the year 1822 were the Chinese distinctly informed that foreigners refused on principle to submit to Chinese jurisdiction.

In the year 1750 the French surrendered to the Chinese Authorities one of their seamen, and again in 1780. In 1784 the English surrendered a gunner who, in firing a salute, had accidentally killed a native, and they actually submitted to his being executed by strangling. In 1807 again a British sailor was surrendered, and though Captain Rolles, of H.M.S. *Lion*, obtained his release, a fine of \$20 was paid. In 1821 the Americans surrendered a foreigner (Terranuova) to Chinese jurisdiction and submitted to his being strangled. But in the very next year, when two natives were killed in a scuffle with

men of H.M.S. *Topaze*, the British commander, assisted by Dr. Morrison as interpreter, made it quite clear that a recognition of Chinese claims of jurisdiction over British seamen and particularly over men-of-war's crews was entirely out of the question. Thenceforth no foreigner was surrendered to a Chinese Court.

In 1831 a curious episode occurred, illustrating the strained international relations which had gradually arisen. In spring 1831 the Select Committee of the East India Company took upon itself to enlarge the garden in front of their factory by reclaiming a narrow strip of foreshore. Soon after, when the merchants had all retired to Macao for the summer, the Governor of Canton, resenting the unauthorized reclamation, came in person to the British factory and ordered the premises to be forthwith restored to their previous condition. Meanwhile he walked into the Select Committee's dining room where a life-size picture, representing George IV. as Prince Regent, was hanging. On being informed that it was the portrait of the then reigning King of England, the Governor took a chair and deliberately sat down with his back turned to the picture. The Select Committee reported this deliberate insult to their Directors and the merchants used various means of making their indignation known to the Chinese officials. One of their defenders publicly alleged (September 15, 1831) that the Governor disavowed any intentional disrespect and blamed the Committee for desecrating the picture by exhibiting it without a curtain of Imperial yellow and for omitting to place in front of it an altar with frankincense. Lord William Bentinck, then Governor-General of India, addressed (August 27, 1831) a letter to the Governor demanding an explanation, but took no further steps when the Governor, whilst refusing to notice Lord Bentinck's letter, issued (January 7, 1832) an edict denying the imputation. The picture in question (by Sir T. Lawrence) now graces the dining room of the Government House of Hongkong, whither it was removed from Macao in February 1842.

All these experiences impressed the Chinese Authorities with the conviction that the claim of extra-territorial jurisdiction was but a symptom of a deeper seated claim of international rights, the concession of which would be the deathblow to China's sovereignty over all the nations of the earth.



CHAPTER III.

MONOPOLY VERSUS FREE TRADE.

HOWEVER galling this stolid assertion of self-adequacy and supremacy, and this persistent exclusivism of the Chinese Government, must have been to the East India Company's officers and to the Ambassadors specially commissioned to bolster up the position of the East India Company in China, it must not be forgotten that the East India Company was, within its own sphere, just as haughty, domineering and exclusive a potentate, as any Emperor of China. Private British merchants, scientists, missionaries, and even English ladies, had as much reason to complain of the tyranny of the East India Company's Court of Directors, as their Supercargoes suffered in their relations with the Chinese Government. When naturalists or missionaries, entirely unconnected with trade, desired to pursue their noble avocations at any port of Asia occupied by the East India Company, they were either strictly prohibited and ordered off, or permission was granted in exceptional cases, as a matter of extraordinary favour, and under galling injunctions and restrictions.

As to the treatment of foreign ladies, the coincidence between the policy of the Chinese Government and that of the East India Company is striking. When the first English-speaking lady, a Mrs. McClannon who, with her maid, had been shipwrecked on her way to Sydney and picked up at sea by the American ship *Betsey*, arrived at Macao, the Chinese officials professed themselves shocked. They refused to admit the ship to trade. What with barbarian merchants residing

on the coast, and what with flying visits by naval officers, they said, it was difficult enough for Chinese officials to keep the foreign trade in order, but that barbarian women should also enter the hallowed precincts of the Celestial Kingdom was an outrage of Chinese fundamental principles of propriety and beyond all endurance. However, as usual, a cumshaw (bribe) smoothed away the objections, only the Captain of the *Betsey*, who so gallantly had rescued the shipwrecked women, was officially informed that he must never do it again, and take away the women as soon as possible on pain of permanent exclusion from the trade. As a parallel to this Chinese interdict placed on women, the Court of Directors of the East India Company renewed (A.D. 1825) a previously existing stringent order that European females were under no circumstances to be admitted to Canton. So strict was this rule, and so engrained did it become in the trading community of Canton, that the Hongkong successors in the old Canton trade maintained, until comparatively recent years, the same principle in the form of restrictions which the leading firms placed on marriage in the case of their employees.

As regards private traders in Canton, the East India Company watched, for nearly two centuries, with Argus' eye against the violation of their monopoly by adventurous intruders. No British subject was allowed to land at Canton except under a passport from the Court of Directors. Nor was any British ship permitted to participate in the China trade except when owned or chartered, or furnished with a licence, by the Company or by the Indian Government. Such licences were moreover subject to be cancelled at any moment by the Select Committee at Canton, who had also legal power to deport any British subject defying their authority. Nevertheless there were bold spirits who forced their way in. In the year 1780 a Mr. Smith was discovered at Canton trading on his own account, but was immediately ordered off without mercy. However, the East India Company's power extended only over their own nationals, and private traders of other nationalities

openly defied the Company whilst profiting by its presence. The Portuguese (from Macao), the Spaniards (from Manila), and the Dutch (from Formosa) had preceded the East India Company in the Canton trade, and could not be ousted. Danish and Swedish merchants (A.D. 1732), French (A.D. 1736), Americans (A.D. 1784) and others forced their way in, and international comity on the one side and Chinese policy on the other protected them against the interference of the East India Company.

Soon, moreover, private British merchants also secured admission to Canton, and openly defied the Company's monopoly by taking out foreign naturalization papers. Thus, for instance, Mr. W. S. Davidson, an English merchant, visited Canton in the year 1807 and subsequently traded in Canton, on his own account and as agent of English firms, for eleven consecutive years (1811 to 1822), under a Portuguese certificate of naturalization, which he had obtained without fee in London, with the assistance of the British Ambassador to Brazil. Many others followed the example of Mr. Davidson.

The renewal of the East India Company's charter, in 1813, made no great difference in the conduct of its Chinese trade. But as the Company was from that date compelled to publish its commercial accounts separately from its territorial accounts, British merchants generally became aware of the profitable aspects of trade with China. Moreover the public press now began to undermine the Company's monopoly by suggesting on sundry occasions that trade with the East would be carried on more profitably by private merchants than by the Company. But the antagonistic forces of Monopoly and Free Trade, thus evoked, took years to gather strength for a final struggle.

The earliest pioneer of British free trade in Canton was Mr. William Jardine, founder of the still flourishing firm of Jardine, Matheson & Co., who visited China off and on between the years 1802 and 1818, and resided in Canton continuously from 1820 to January 31, 1839. Next in time and influence came W. S. Davidson (referred to above), R. Inglis of Dent & Co.

(1823 to 1839) and the brothers A. Matheson (1826 to 1839) and J. Matheson (of whom we shall hear more anon). The Mathesons exercised particular influence, as so long ago as 1827 they established in Canton a weekly newspaper, the 'Canton Register,' to disseminate the principles of free trade and to oppose a prolongation of the East India Company's monopoly. To this paper Charles Grant referred (some time before 1836) in the following memorable words: 'The free traders appear to cherish high notions of their claims and privileges. Under their auspices a free press is already maintained at Canton; and should their commerce continue to increase, their importance will rise also. They will regard themselves as the depositaries of the true principles of British commerce.'

During the three or four years that preceded the expiry of the East India Company's Charter, it was already foreseen by the free traders, who were staunch advocates of the Reform Bill of 1831, that the Company's monopoly was not likely to be renewed by a Reformed Parliament. The officers of the Company themselves had the same apprehensions and gradually relaxed its rules against the admission of private interlopers at Canton. Happily, before the question of renewing the Company's Charter had to be decided, the first Reform Bill swept away those rotten boroughs which would have enabled the well-organized band of monopolists in the House of Commons, aided and abetted as they were by the ignorance or indifference as to all questions of Eastern trade which distinguished the vast majority of honourable members, to crush the few scattered advocates of commercial freedom. It was the first Reformed Parliament that fulfilled the hopes and realized the prophecies of the British free traders at Canton, stripped the East India Company of its commercial attributes, delivered the China trade from the thralldom of monopoly, and thereby paved also the way for its eventual liberation from the tyranny of Chinese mandarindom.

Thus it happened that, even before the final expiration (A.D. 1834) of the Company's Charter, free trade cheerily

began to rear its head at Canton. A new impetus was thereby given to British trade, and in the year 1832 as many as seventy-four British ships arrived at Canton. The little band of high-spirited, highly-educated and influential private merchants, that gathered at Canton during the closing years of the East India Company's monopoly, were, by their very position, ardent advocates of free trade and determined opponents of protection and monopoly in every shape or form. Some of them removed in later years to Hongkong and the spirit of free trade that filled them descended as a permanent heirloom to the future merchant princes of Hongkong. If the experiences of the East India Company negatively paved the way for the future Colony by demonstrating the irreconcilable antipathy of the Chinese against any equitable intercourse with Europeans, and the impossibility of conducting trade on a basis of international self-respect at Canton, this little band of free traders, the Jardines, the Mathesons, the Dents, the Gibbs, the Turners, the Hollidays, the Braines, the Innes, unconsciously did for the future Colony of Hongkong what subsequently Cobden did for Manchester, and prepared the public mind for future free trade in a free port on British soil in China.

When, as above mentioned, the Select Committee of the East India Company at Canton descended to the lowest step of degradation and handed the keys of the British factory to the Chinese Constabulary (May 27, 1831), the free traders, filled with righteous wrath, rushed to the front with the first of those public meetings which, in subsequent years, became such a characteristic means of venting public indignation in Hongkong. On May 30, 1831, this first public meeting of British subjects in China was held, under the presidency of William Jardine, and solemnly resolved to remonstrate against the policy of the Select Committee of yielding to the caprice of the Native Authorities and 'to appeal to the home country.' But the public mind of that dear country was by no means ripe yet for an unbiassed understanding of the real grievances

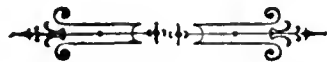
and needs of the China trade, and the next advices from London informed the free traders of Canton (April 31, 1832), then smarting under a new order of the Hoppo positively forbidding foreign ships to remain at Lintin (April 11, 1832), that general apathy prevailed in England as to the restrictions and interruptions or hardships of the China trade.

However, the hated monopoly of the East India Company at Canton finally ceased and determined on April 22, 1834, and the chagrin felt at the discovery that the East India Company, though closing its factory at Canton, left behind a Financial Committee for brokerage purposes, was almost forgotten in the general rejoicing over the first private British vessel, the ship *Sarah*, that openly sailed from Whampoa for London as the pioneer of the new free trade.

Vaticinations, principally originating with the servants of the East India Company, were not wanting that under the Company's regime British trade with China had reached its zenith and was bound to decline henceforth. It was asserted in Parliament that China offered no further outlet for British goods and that, by throwing open the trade to all comers, things would go from bad to worse. But the free traders had a better insight into the inner workings of the trade movement. They confidently predicted a great development of British trade to set in at once and history verified their expectations.

A few of these free traders were even keen enough to foretell (April, 1834) that the Act of King William IV., by which he abolished the exclusive rights of the East India Company, 'would aid very much in hastening the abolition of the long cherished exclusive rights of the Celestial Empire.' All may not have seen this at the time, but all were aware that a new period in the history of British trade with China was inaugurated thereby. It required, indeed, no prophet's vision to foresee that the inherent difficulties of commercial intercourse with the Chinese were considerably accentuated by the substitution of free trade for monopoly.

But the spirit which moved the British Parliament to wrench asunder the shackles in which British trade had been kept for two long centuries by the East India Company, was the potent spirit of free trade, and in this general free trade movement we see above the dark horizon the first streak of light heralding the advent of the future free port of Hongkong.



CHAPTER IV.

THE MISSION OF LORD NAPIER.

YEARS before the trade monopoly of the East India Company was actually dissolved, it was foreseen by both the British Cabinet and by the Cantonese Authorities, that the substitution of a heterogeneous and internally dissentient community of irresponsible free traders for a responsible and conservative Corporation like the East India Company would bring on a serious crisis in the relations existing between Great Britain and China.

When informed, by direction of the British Government, that the Charter of the East India Company would in all probability not be renewed, but British trade thrown open to all subjects of His Majesty, the then Viceroy of Canton (January 16, 1831) instructed the chief of the factory at Canton to send an early letter home, stating that, in case of the dissolution of the Company, it was incumbent to deliberate and appoint a chief-manager (*tai-pan*), who understood the business, to come to Canton for the general control of commercial dealings, by which means affairs might be prevented from going to confusion, and benefits secured to commerce.

This was the shrewd suggestion of a Viceroy holding his office for five years, and, as given informally, not necessarily binding upon his successor. It embodied, however, a recognized principle of Chinese policy, viz., that the traders of any given place must be formed into one or more guilds, each having a recognized headman who can be held solidarily responsible for the doings of every member of his guild. All that was here proposed was, to place British and foreign free traders in Canton under a

tangible and responsible head, having the status of an ordinary private trader, such as was accorded (A.D. 1699) to Mr. Catchpoole, but corresponding, on the English side, with the position held, on the Chinese side, by the head of the Hong Merchants. The establishment of a Chamber of Commerce, formed by compulsory membership and controlled by a permanent British president, would have exhausted the meaning of the Viceroy's suggestion. What the Viceroy wanted was merely leverage for applying the screw of official control and exactions whenever desirable.

It is not likely, however, that the British Cabinet acted upon this informal message of a Canton Viceroy, or at any rate not without taking pains to ascertain its authoritative character and real purport. As China had for centuries tolerated and regulated foreign trade at Canton, the Cabinet may well have proceeded on the general assumption that British merchants had gained a status involving, on the part of China and England, reciprocal responsibilities and rights. At any rate a Bill was laid before Parliament to regulate the trade to China (and India) and in due course received the Royal assent on August 28, 1833. This Act (3rd and 4th Will. IV. ch. 93), whilst throwing open, from after April 22, 1834, the trade with China (and the trade in tea) to all subjects of His Majesty, declared it expedient, 'for the objects of trade and amicable intercourse with the Dominions of the Emperor of China,' to establish 'a British Authority in the said Dominions.' Accordingly the Government was authorized by this Act to send out to China three Superintendents of Trade, one of whom should preside over 'a Court of Justice with Criminal and Admiralty Jurisdiction for the trial of offences committed by His Majesty's subjects in the said Dominions or on the high sea within a hundred miles from the coast of China.' The Act also expressly prohibited the Superintendents, as the King's Officers, from engaging in any trade or traffic, and authorized the imposition of a tonnage duty to defray the expenses of their peace establishment in China. The will of the British nation thus off-hand decided what for two centuries the Chinese Government had persistently refused to grant, viz., that British

subjects in China were entitled to the privileges of extra-territorial jurisdiction. The Chinese war of 1841 (wrongly styled the opium war) was the logical consequence of this British Act of 1833. The passing of this Act is one of the best illustrations of 'that superb disregard of consequences abroad which ever distinguishes British legislators when they try to meddle in foreign affairs of which they know nothing.'

In pursuance of this Act the Right Honourable William John Napier, Baron Napier of Merchistoun, Baronet of Nova Scotia and Captain in the Royal Navy, was selected by Lord Palmerston to proceed under a Royal Commission to China as Chief Superintendent of British Trade, and to associate with himself there, in the Superintendency of Trade, two members of the East India Company's Select Committee. By a special Commission under the Royal Signet and Sign Manual (dated January 26, 1834), Lord Napier, together with W. H. Ch. Plowden and J. F. Davis, were appointed 'Superintendents of the Trade of British Subjects in China,' empowered to impose duties on British ships, and directed to station themselves for the discharge of their duties within the port or river of Canton and not elsewhere (unless ordered), to collect trade statistics, to protect the interests of British merchants, to arbitrate or judge in disputes between British subjects, and to mediate between them and the Chinese Government. To these orders, distinctly investing the three Superintendents with extra-territorial, political and judicial power over British subjects, to be exercised within the dominions of the Emperor of China 'and not elsewhere,' there was added the special injunction 'to abstain from any appeal (for protection) to British military or naval forces, unless in any extreme case the most evident necessity shall require that any such menacing language should be holden or that any such appeal should be made.'

If we had to believe that both Lord Palmerston and his chief, Earl Grey, supposed, that the Chinese Government would concede or silently tolerate the merest shadow of extra-territorial rights to be exercised by the British Government in

its proposed supervision of British merchants residing within the Dominions of the Emperor of China, we would have to assume that these experienced statesmen made an incomprehensible blunder. It seems much more probable that we have here one of those many cases which have caused historians to characterize Lord Palmerston's general policy as an incessant violation of the principle of non-intervention. There is reason to suppose that Lord Palmerston, with his keen political foresight, anticipated the probability that this attempt to establish quietly a mild form of extra-territorial jurisdiction would by itself, apart from any existing complications, be sufficient to provoke hostilities. But he no doubt anticipated also that in the end English public opinion would support him. In giving his final instructions to Lord Napier, Lord Palmerston (January 26, 1834) enjoined him 'to foster and protect the trade of His Majesty's subjects in China, to extend trade if possible to other ports of China, to induce the Chinese Government to enter into commercial relations with the English Government, and to seek, with peculiar caution and circumspection, to establish eventually direct diplomatic communication with the Imperial Court at Peking, also to have the coast of China surveyed to prevent disasters.' But Lord Palmerston added to all these peaceful instructions the significant direction, 'to inquire for places where British ships might find requisite protection in the event of hostilities in the China sea.' Surely we are justified in saying that Lord Palmerston then, as ever after, was determined that, to use his own words, like the *civis Romanus* of old, wherever he be, 'every British subject should feel confident that the watchful eye and the strong arm of England will protect him against injustice and wrong,'—even in China.

Assuming that the British Government could reasonably argue, on the ground of their interpretation of the Viceroy's invitation of 1831, and on the principle of established reciprocal responsibilities and rights, that the Chinese Government ought to be willing, or at any rate should be compelled, to admit

into Canton a foreign Superintendent of British trade and accord to him an official status; no fault can be found with the Royal Instructions supplied to Lord Napier, except that these instructions associated with him, in the official superintendence of British trade in China, two former servants of the East India Company. Clearly it was the expectation of the Cabinet that Lord Napier should experience at the hands of the Cantonese Authorities a treatment different from that which the Chinese Government had, for two centuries, uniformly accorded to the Supercargoes of the East India Company, Mr. Catchpoole, the King's Minister or Consul, not excepted. The Cabinet desired the Chinese Government to dissociate, in mind, Lord Napier as the King's Officer from mere traders and therefore to accord to him the privilege of direct official intercourse. But at the same time the Cabinet associated him, in fact, with men who for years past had practically been the subordinates of the Hong Merchants. Mr. Plowden and Mr. Davis, though gentlemen of the highest character and refined culture, and best fitted in every respect to advise Lord Napier in his delicate mission, had in the eyes of the haughty Mandarins merely the status of peddling traders. It seems that all the lessons which the history of the East India Company's experiences in China had taught England, were entirely thrown away upon the British Cabinet Ministers, whose ignorance of the contempt in which Chinese officials hold all traders, however worthy or honoured, defeated the very object of the Royal Instructions.

But then, it would seem as if the Crown Lawyers who must have advised the Cabinet that the British Crown had an international right to plant Royal Superintendents at Canton, invested with political and judicial powers, and to do that without previous permission obtained from the Chinese Government, must have had rather peculiar notions of international law. It must be remembered, however, that the international law of those days held non-Christian States to be outside the comity of nations, and distinctly accorded to Christian communities, residing in non-Christian countries, the right of extra-territorial

jurisdiction. It is possible, also, that there was, on the part of the Crown Lawyers and the Cabinet, no assumption of any positive right to establish a British Superintendent at Canton. Lord Palmerston specially enjoined upon Lord Napier, that 'in case of putting to hazard the existing opportunities of intercourse,' he was not to enter into any negotiations with the Chinese Authorities at all. These words, together with the subsequent condemnation of Lord Napier's action by the Duke of Wellington, who gave it as his opinion that Lord Napier ought to have been satisfied 'to keep the enjoyment of what we have got,' suggest the surmise that the British Cabinet did not mean forcibly to claim any right of stationing a British official at Canton or of exercising any extra-territorial jurisdiction over British subjects within the Dominions of the Emperor of China, but that their policy was merely to take the Chinese Government by surprise, to try it on, so to say, in Chinese fashion, to see how far the Chinese Authorities would yield; but, in case of failure, rather to be satisfied with what the Chinese were willing to concede, than to demand what could be obtained only by an appeal to force.

If such, however, was the intention of the British Cabinet, it was a kind of diplomacy unworthy of England, and moreover foolish, because such a continuation of the mistaken policy which the East India Company's Court of Directors had followed for two centuries, was, under the altered circumstances, impossible. A community of independent British free traders, knowing that Parliament had conceded to them the privilege of extra-territorial jurisdiction, was not likely to remain content with the enjoyment of what they had got, if that enjoyment was to be coupled with the continuance of the old regime, galling to personal and national self-respect.

Moreover, if such was the real policy of the British Government, it was unfair to Lord Napier to keep him in the dark. For he evidently had no notion of it, until perhaps at the very last moment, when he resolved to retreat from Canton. Possibly it was then that his eyes were opened to

the strategies of the Cabinet, and, if so, it was this discovery, rather than the ignominious treatment he encountered at the hands of the Chinese, that broke his heart.

It seems very probable that, whatever the real aim of the British Government may have been, the Cabinet had been acting under the advice of the Directors of the East India Company, and if so, this was sufficient to ruin Lord Napier and his mission.

Immediately on his arrival at Macao (88 miles South of Canton), on July 15, 1834, Lord Napier, finding that Mr. Plowden had meanwhile left China, appointed Mr. (subsequently Sir) John F. Davis to be second, and Sir G. Best Robinson (another member of the East India Company's Select Committee) to be third Superintendent of British Trade in China. The three Superintendents then made the following appointments, viz., Mr. J. W. Astell to be Secretary to the Superintendents, the Rev. Dr. Robert Morrison (who unfortunately died a few weeks afterwards, when he was succeeded by Mr. J. R. Morrison) to be Chinese Secretary and Interpreter, Captain Ch. Elliot, R.N., to be Master Attendant (in charge of all British ships and crews within the Bogue), Dr. T. R. Colledge to be Surgeon, Dr. Anderson to be Assistant Surgeon, and the Rev. J. H. Vachell to be Chaplain to the Superintendents. Finally Mr. A. R. Johnston was appointed to be Private Secretary to Lord Napier. The Commission, after some interviews with messengers of the Viceroy, soon proceeded (July 25, 1834), without waiting for a passport, to Canton. On the very day of his arrival, however, Lord Napier was at once subjected by the Chinese Authorities to unprovoked insults, in the treatment of his baggage and his servants, and the Customs tide-waiters officially reported that 'some foreign devils' had arrived. To these indignities Lord Napier quietly submitted. But he endeavoured, without loss of time, to open direct official communication, first with the Viceroy and then with the Governor of Canton. His object was merely to inform the Provincial Authorities, in

pursuance of his instructions, that he had arrived bearing the King's Commission and invested with political and judicial powers for the control of British subjects in China. But this information was couched in terms characteristic of a dispatch or official communication, and implying that the writer had an official status. By accepting the letter, the Chinese Government would have recognized Lord Napier as having such a status in China. Accordingly reception of the letter was peremptorily refused. The Viceroy, after sending Lord Napier word (through the Hong Merchants) 'that he could hold no communication with outside barbarians,' authorized the Prefect of Canton, the Prefect of Swatow, and the Deputy Lieutenant-General in command at Canton to go, together with the Hong Merchants, and interview Lord Napier in order to ascertain what he really wanted. This interview took place on August 23, 1834, and ended with the sage remark of the gallant Lieutenant-General, 'that it would be very unpleasant were the two nations to come to a rupture,' to which Lord Napier made the significant reply that England was perfectly prepared. The Hong Merchants offered to deliver the letter to the Governor of Canton, on condition that it should be rewritten in form of a humble petition, having on the outside a certain Chinese character (pien) which marks an application made by one of the common people (not having literary or official rank) to a Chinese official from a Magistrate upwards. But one of the Hong Merchants used the opportunity to heap a gratuitous insult upon Lord Napier. Addressing him in writing, he used characters which designated Lord Napier, by a pun, as 'the laboriously vile.'

Lord Napier's argument that a former Viceroy had by edict invited the British Government, in 1831, to send a chief to Canton to supervise trade, was met on the part of the Chinese Authorities by a denial of the meaning which Lord Napier attached to that invitation. They pointed out that in several proclamations issued by the Governor of Canton (August 18 and September 2, 1834), it was distinctly stated, that 'the

commissioned officers of the Celestial Empire never take cognizance of the trivial affairs of trade,' that 'never has there been such a thing as official correspondence with a barbarian headman,' that 'the English nation's King has hitherto been reverently obedient,' that 'in the intercourse of merchants mutual willingness is necessary on both sides, wherefore there can be no overruling control exercised by officers,' and finally 'how can the officers of the Celestial Empire hold official correspondence with barbarians?'

Whilst declining to adopt the form of a petition, Lord Napier adopted a suggestion of the Hong Merchants to substitute another designation of the Governor of Canton, but otherwise Lord Napier's official message was left unaltered, in the form of a dispatch. But no messenger could be found to deliver it. So Mr. Astell, accompanied by the interpreters, proceeded with the latter to the city gates, where the party were detained for hours and subjected to every possible indignity. Various officials came, but one and all refused to deliver the letter to its address, unless it was couched in the form of a petition. It seemed to the Chinese preposterous that a barbarian official should claim an official status in China. It was with them not merely a question of etiquette and form of address, such as was subsequently settled by a special provision of the Treaty of Nanking, but it was a plain question of polity. The Chinese officials claimed supremacy over all barbarians, whether traders or officers, and the form of this letter was a deliberate denial of it. The one word 'petition' (pien) was now made the test of British submission to China's claim of supremacy.

Lord Napier continued firm in his refusal to 'petition' the Viceroy, nor would he accept the renewed offer of the Hong Merchants to act as his intermediaries in his communications with the Chinese Government. He remained in Canton, although the Hong Merchants had informed him that the Provincial Authorities would not receive any message from him, unless it was sent through the channel which had been constituted by Imperial Authority, and brought him an order by the Governor

of Canton, dated August 18, 1834, directing him to leave Canton at once. Thereupon the Chinese Authorities resolved to drive him away by applying, to begin with, indirect force. A proclamation was issued calling upon the people to stop all intercourse with the British factory. The supply of provisions to British merchants was strictly prohibited and all Chinese servants were ordered to leave them forthwith. Next, the Hong Merchants were ordered to stop shipping cargo by any British vessel and to make an effort to induce the several British merchants to disown the assumed authority of Lord Napier and the other Superintendents and to declare their willingness to obey the orders of the Chinese Authorities, which would be conveyed to them, as formerly, by the Hong Merchants.

Foreseeing the danger of dissension, Lord Napier had called (August 16, 1834) a public meeting of British merchants, warned them against the intrigues of Hong Merchants and suggested the formation of a British Chamber of Commerce, to ensure joint action and to provide a medium of communication between the merchants and the Superintendents. This suggestion was now adopted and (August 25, 1834) a British Chamber of Commerce was formed by the following firms, viz., Jardine, Matheson & Co., R. Turner & Co., J. McAdam Gladstone, J. Innes, A. S. Keating, N. Crooke, J. Templeton & Co., J. Watson, Douglas, Mackenzie & Co., T. Fox, and John Slade (Editor of the *Canton Register*). The Committee of this first British Chamber of Commerce in China were J. Matheson, L. Dent, R. Turner, W. Boyd, and Dadabhoy Rustomjee.

When the Chinese Authorities found that the British merchants rejected all temptations offered to them individually through the Hong Merchants, and that the whole British community unanimously supported Lord Napier's pretensions, stronger measures were taken. Trade with British merchants and communication with Whampoa was now (September 2, 1834) stopped and the factories were surrounded by a cordon of Chinese soldiers. British merchants were informed that they were allowed to depart by way of Whampoa for Macao, but none would be

allowed to return. Some Chinese compradors and shop-keepers, who had secretly supplied the British factories with provisions, were arrested and the British community found themselves in danger of being starved out. Seeing the critical position of affairs, Lord Napier, in the absence (at Macao) of the other two Superintendents, consulted the Committee of the Chamber of Commerce, and at their request dispatched an order for two frigates to come up to Whampoa and thence to send up a guard of marines for the protection of His Majesty's subjects. Accordingly H.M. Ships *Imogene* and *Andromache* sailed through the Bogue (September 5, 1834) under a rattling fire of the forts, to which they gallantly replied, silencing one battery after the other, until they reached Whampoa (September 11, 1834). A guard of marines also succeeded in forcing their way into the British factories.

Naturally enough, the Chinese now, instead of continuing hostilities, blandly recommenced negotiations through the Hong Merchants. The Provincial Authorities offered to resume trade with British merchants at Canton, on condition that the two frigates should leave the river and that Lord Napier should retire to Macao 'until the pleasure of His Majesty the Emperor of all under Heaven was known.' Recognizing now the official status of Lord Napier, they urged with some emphasis that 'it was a thing hitherto unknown for a barbarian official to reside at Canton.' But there was no room left to doubt the sincerity of the Chinese Authorities, both in their expressed willingness to resume trade and in their indignation at the attempt of the British Cabinet to establish extra-territorial jurisdiction without the previous consent of the Chinese Government.

Lord Napier turned again to his instructions, and now, perhaps, his eyes were opened as to the policy concealed under Lord Palmerston's words concerning 'the case of putting to hazard the existing opportunities of intercourse.' Sick in body and mind, separated from the other two Superintendents, Lord Napier now broke down completely and instructed his surgeon,

Dr. Colledge, to make in his name what terms he could with the Chinese Authorities.

Accordingly Dr. Colledge wrote (September 18, 1834) to the Secretary of the Chamber of Commerce, informing him that he had been authorized by Lord Napier 'to make the requisite arrangements with the Hong Merchants.' A meeting was arranged, Dr. Colledge and Mr. Jardine representing Lord Napier and the British community, whilst two Hong Merchants, Howqua and Mowqua, acted on behalf of the Chinese Authorities. Two contradictory statements of what took place at this meeting exist, and although there can be no doubt but that Dr. Colledge's account of the transaction is correct, the official report which the Hong Merchants made of this interview deserves some consideration as characteristic of the misunderstandings or misinterpretations which in subsequent years attached to all similar negotiations between Europeans and Chinese.

The words which Dr. Colledge used were these: 'I, T. R. Colledge, engage on the part of the Chief Superintendent, the Right Honourable Lord Napier, that His Lordship does grant an order for His Majesty's Ships at Whampoa to sail to Lintin, on my receiving a chop (stamped passport), from the Governor for His Lordship and suite to proceed to Macao, health not permitting him to correspond longer on this subject. One condition impose, which is, that His Majesty's any ostentatious display on the part Howqua replied: 'Mr. Colledge, your e most serious nature, and from my acter I doubt not the honesty of it. nd Mowqua, and let Mr. Jardine do

account of this meeting is as follows: Woo Tun-yuen and others (Howqua (to the Governor of Canton and his nation's private merchants, Colledge) them that Lord Napier acknowledged

that, because it was his first entrance into the Central Kingdom, he was ignorant of the prohibitions, and therefore he obtained no permit; that the ships of war were really for the purpose of protecting goods and entered the Bogue by mistake; that now he (Lord Napier) was himself aware of his error and begged to be graciously permitted to go down to Macao, and that the ships should immediately go out (of the Central Kingdom), and he therefore begged permission for them to leave the port.'

The informality of the proceedings naturally opened the door for a variety of versions as to what actually transpired. But the omission, on the part of Dr. Colledge, of any stipulation as to the resumption of trade consequent on the departure of Lord Napier and of the ships of war, indicates that, while determined to save the life of Lord Napier at any cost, he had reason to trust in the determination of the Chinese Government not to forego the profits of the British trade so long as their own exclusive supremacy was maintained.

Lord Napier received his passport and started (September 21, 1834) for Macao, after giving an order to the commanders of H.M. Ships *Imogene* and *Andromache* to retire beyond the Bogue. Lord Napier desired to travel in his own boat, but the Chinese insisted upon conveying him to Macao themselves, escorted him like a prisoner, did everything on the way to annoy him by the noise of gongs, crackers and firing salutes; which the Mandarins in charge of the escort persisted in, although Lord Napier repeatedly remonstrated against it, and they protracted the voyage, which need not have taken more than twenty-four hours, so as to last five days. By the time Lord Napier reached Macao (September 26, 1834), he was beyond recovery and died a fortnight later (October 11, 1834), worn out with the harassing and distressing annoyances which he experienced at the hands of the Chinese Authorities, as well as by the unnecessary delay interposed on his passage down to Macao, and especially also by the consciousness, that appears to have come over him at the last, that he had been placed

in a false position by the ignorance of the Cabinet as to the real attitude preserved by the Chinese Government all along, and by the obscurity in which the Orders in Council and the instructions of Lord Palmerston enveloped the real policy of the British Government. Lord Napier died, like Admiral Hosier, 'of a grieved and broken heart.'

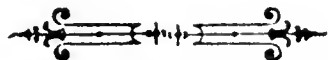
As soon as the Cantonese Authorities learned that the frigates had left the river and that Lord Napier had reached Macao, they reported to the Emperor that 'Napier had been driven out and his two ships of war dragged over the shallows and expelled,' but they eagerly resumed commercial intercourse with the British merchants (September 29, 1834), placing them, however, under fresh restrictions. They expressly stipulated that henceforth no barbarian official should presume to come to Canton but only persons holding the position of *tai-pan* (the vulgar term for the East India Company's Chief-Supercargoes), and that all commercial transactions should be strictly confined to dealings with the Hong Merchants. Moreover, they published now (November 7, 1834) an Imperial Edict prohibiting the opium trade.

Thus ended the melancholy mission of Lord Napier. Its failure is clearly not due to any want of diplomatic tact or courage on the part of Lord Napier, but to the clashing of Chinese and British interests. Nor can we blame the Chinese Authorities, who, accustomed by the policy of abject servility, maintained by the East India Company for two consecutive centuries, to deal with Europeans willing to forego for the sake of trade all claims of national and personal self-respect, were entirely taken by surprise when they suddenly encountered, on the part of the British Government, the identical notions of national self-adequacy and political supremacy which had hitherto been the undisputed monopoly of the Chinese Government. The crowning misfortune of Lord Napier was that by the time (end of November) when the first news of the disastrous ending of his mission reached England, the administration of Lord Melbourne (who had taken Earl Grey's place in July) had come

to an end (November 14), that Lord Palmerston was therefore out of office and the Duke of Wellington at the helm of affairs.

But the worst feature of this whole melancholy spectacle is the stolid apathy with which the English public received the news of the failure of Lord Napier's mission and the heartless cruelty with which the Duke of Wellington condemned Lord Napier's conduct. The silent acquiescence of the British public in the expulsion from Canton, in so degrading a manner, of the principal officer of their King and their country, lowered British reputation in the eyes of the Chinese and contributed to encourage them to venture upon future outrages. As to the Duke, he never had much respect for Lord Palmerston's or anybody's statecraft. With a belief in his own shrewd intuition of the right thing to be done at any critical moment, he combined a somewhat brusque manner of criticising supposed diplomatic blunderers. He looked upon this whole scheme of the fallen Whig leaders as a bungle from the beginning to the end and judged it, exactly as he judged the Cabul disasters eight years later, as a case of 'giving undue power to political agents.' The series of insults heaped upon Lord Napier, while alive, by the Chinese Authorities, was kindness compared with the cruel injustice with which the Duke of Wellington censured Lord Napier when dead. The man whose 'puissant arm could bind the tyrant of a world' proved childishly impotent in his encounter with Chinese mandarindom. The hero who, 'conquering Fate, enfranchised Europe,' entirely missed his opportunity of becoming also the liberator of European trade in Asia. The noble Duke entirely forgot himself when he gave it as his opinion (March 24, 1835) that Lord Napier had brought about the failure of his mission by assuming high-sounding titles, by going to Canton without permission, and by attempting an unusual mode of communication. Understanding that British trade in China was flourishing again, in spite of the defeat Lord Napier had sustained at Canton, the Duke recommended to keep the enjoyment of what we have got and to repress the ardour of British traders.

The British Government, having first disregarded the lessons afforded by the experiences of the East India Company, now misinterpreted the lessons to be derived from Lord Napier's fate. Clearly, the time for a British Colony in China had not come yet. Hongkong had to wait yet a little longer. Another and sharper lesson was needed.



CHAPTER V.

DISSENSIONS AND A QUIESCENT POLICY.

A.D. 1834 to 1836.

THE expulsion of Lord Napier and the indignities deliberately heaped upon him (in 1834) were but the premonitory symptoms of a thunderstorm of Chinese Imperial, official and popular wrath, which was to burst over the heads of the British community at Canton five years later (in 1839). For the present, this precursory brief disturbance of the peace was succeeded by a temporary lull. During this interval, however, internal dissensions sprang up among all the parties concerned, in the British Cabinet, among the Superintendents who succeeded Lord Napier, among the British merchants and among the Chinese.

Mr. J. F. Davis (later on better known as Sir John Davis, Sinologue and Governor of Hongkong) succeeded to the post of Chief Superintendent of British trade in China (October 12, 1834), Sir George B. Robinson acting as Second and Mr. J. H. Astell as Third Superintendent. When announcing to Lord Palmerston the changes that had taken place, Mr. Davis declared that an unbecoming and premature act of submission to the Chinese Authorities would not only prove fruitless but mischievous, and that therefore 'absolute silence and quiescence' seemed to him the most eligible policy to pursue, until receipt of instructions from the Cabinet.

But the British Cabinet was not in a position, for years to come, to form any definite policy with regard to China. Lord Palmerston was temporarily (November 14, 1834, to April 10, 1835) out of office and when the Whig leaders resumed the reins of the Government (April 10, 1835, to September 16, 1841),

they felt the ground under their feet too unstable to risk their existence by adopting a definite policy with regard to China. The Duke of Wellington personally adopted the views of the Chinese officials and did not shrink from applying them to the past, in condemning Lord Napier's action, or to the future in approving of Mr. Davis' proposed policy of inaction. As to the British public, it took the attitude of stolid apathy, caring nothing for these things, so long as the supply of tea and silk was forthcoming at the usual prices. Accordingly, when Mr. Davis, fearing lest he be left without any instructions, forwarded positive suggestions, they were, though good enough to be taken up and acted upon in subsequent years, quietly shelved for a good while by the Government.

Mr. Davis recommended (October 24 and 28, 1834) not to send out another cumbrous and expensive Embassy, but to appeal to the Emperor of China by means of a dispatch to be delivered by a small fleet at the mouth of the Peking River (Peiho), and, if such an appeal should fail, as he expected it would, to use then measures of coercion. Mr. Davis recommended this course on the ground that the Imperial Government of China sincerely desired to ameliorate the condition of British merchants, but that the Cantonese Authorities, by their misrepresentations, kept the Emperor in the dark as to the real position of affairs. Mr. Davis, at the same time, stated that the Mandarins at Canton were anxious to keep the control of British merchants in the hands of the Hong Merchants, because this system enabled them to lighten their own responsibilities and to practise their heavy exactions on the trade with greater impunity.

In these views Mr. Davis was cordially supported by the whole British community of Canton and Macao, who forwarded (December 9, 1834) a petition signed by sixty-four British subjects and addressed to the King's Most Excellent Majesty in Council. Their unanimous opinion was that the long acquiescence in the arrogant assumption of superiority over the monarchs and people of other countries, claimed by the Emperor

of China, had caused the disabilities and restrictions which had been imposed on British trade in China, and that Lord Napier's not having the requisite powers, properly sustained by an armed force, had put British merchants in their present degraded and insecure position. Accordingly they suggested to the King in Council, that a determined maintenance of the rank of the British Empire in the scale of nations was the proper policy to adopt, and they recommended the plan which was actually carried out seven years later in the so-called opium war, viz., that a Plenipotentiary, with an armed force, proceed to a convenient station on the east coast of China and demand of the Emperor ample reparation for the insults offered to Lord Napier, to the King and to his subjects, and to propose the appointment of Imperial Commissioners to arrange with the British Plenipotentiary a basis for regulating British trade, so as to prevent future troubles, and to extend trade to Amoy, Ningpo and Chusan.

The fact that at the close of the year 1834 ample reasons existed for making this demand and for taking this action, which without coercive measures was impossible, is important. Equally important is the other fact that the subsequent war of 1841 did no more than what was needed and demanded in the year 1834. For these facts show that the subsequent expulsion of the British community from Canton (in 1839) and the whole opium question, as connected with the war of 1841, were merely accidental accessories to the fact already patent in the year 1834 to every resident in China, the foreign merchants and the British Superintendents, that the necessities of British trade, combined with British national and individual self-respect, were so irreconcilable with Chinese contempt of trade and Chinese notions of supremacy and autocracy, as to make war between Great Britain and China an absolute necessity. In no other way could the Chinese Authorities be induced to make reasonable concessions to the merchants, whom they had themselves invited and whom they desired to continue their commerce with China. Nothing short of

an armed demonstration of force could induce the Chinese Mandarins to grant foreign trade a dignified *modus vivendi*. War with China was, at the close of the year 1834, a mere question of time. Strictly speaking it was simply a question of arousing public opinion in England to a recognition of the actual necessities of the case. But it took years to accomplish this, and meanwhile affairs in China were in a state of transition, which made the position of the British merchants and their Superintendents extremely awkward.

British merchants in Canton, at Macao and at the anchorage of Lintin, were nominally under the control of the British Superintendents. But the Chinese Authorities persistently protested against their claim of an official status, and the British Cabinet left their political authority unsupported and their jurisdiction over British subjects undefined. Moreover it was asserted by many British merchants that their own Government had broken faith with them in the matter of the dissolution of the East India Company's trade monopoly. For the Government had by Act of Parliament thrown open the trade with China and thereby invited them to operate at Canton, and yet the Government appeared to tolerate and sanction a survival in Canton of the East India Company's trade monopoly in the form of a Financial Committee of bill brokers who, with the resources of the Indian revenues at their command, hampered, and domineered over, the commercial operations of British free traders. This yoke was the more chafing, because the Chinese Authorities increased their exactions on British trade almost from month to month, ever since the East India Company's charter had ceased.

Consequently, headed by Jardine, Matheson & Co., R. Turner & Co., J. Innes, J. McAdam Gladstone, A. S. Keating, J. Watson, N. Crooke, W. S. Boyd, J. Templeton & Co., and Andrew Johnstone, the British Chamber of Commerce at Canton protested against the continuance in China of any part of the East India Company's factory, even for the purpose of selling bills on India and purchasing bills on England, by making

advances on the goods and merchandise of individuals intended for consignment to England. They pleaded that this practice was an infringement of the Act of Parliament which required the East India Company to abstain from all commercial business; that it raised the prices of Chinese produce; that it encouraged improvident speculation; that it shut out British mercantile capital through occupying the field with the revenues of India; and that it formed, through an understanding with the Hong Merchants, a close monopoly of the most desirable teas.

Meanwhile the Chinese Authorities continued their previous tactics. They had not the slightest wish to kill the goose which laid the golden eggs; only the goose must have no aspirations above a goose and remain in their own exclusive grasp. As soon as they heard of Lord Napier's arrival in Macao, they re-opened trade (September 29, 1834) and rescinded the prohibition against pilots bringing foreign vessels up to Whampoa. Trade forthwith re-commenced and proceeded as briskly as ever, both at Canton and at Lintin. But the Cantonese Authorities and the Hong Merchants scrupulously avoided recognizing the British Superintendents as having any official status whatever, whilst they used every possible means, fair and foul, to persuade individual British merchants to disavow the authority and jurisdiction of the Superintendents. They even attempted to induce the Chamber of Commerce to nominate 'a trading tai-pan' (a Chief-Supercargo) to be officially recognized by the Chinese Government as responsible for the personal conduct and for the commercial transactions of every foreign merchant, and especially also for the Lintin opium trade. To the invitation to nominate a trading tai-pan, specially ordered by the Governor (October 19 and 20, 1834), the British merchants, having been particularly warned by the Secretary to the Superintendents to remain loyal (November 10, 1834), replied in a body, that no authority of the kind could be held by any British merchant without the authority of the British Crown.

Nevertheless the British community did not disguise to the Superintendents that, if the suggestions they had both made

to the British Government were disregarded, the mercantile community would have no faith whatever in the quiescent policy of the Superintendents, and that, unrecognized as the Commission remained in relation to the Chinese Authorities and unable to assert their claims to political and judicial authority, they ought not to expect the British mercantile community to look to them for guidance, direction or protection. One of the merchants, Mr. Keating, having a petty dispute with the firm of Turner & Co. concerning a claim of three hundred dollars, preferred against him by that firm, went so far as to deny the jurisdiction of the Superintendents altogether, on the ground of the undefined character of their functions and of their want of power to enforce their decisions. On the same grounds Mr. Innes, another British merchant, when wronged by the Chinese, deliberately threatened the Superintendents with taking the law into his own hands and making independently reprisals upon the natives.

Whilst these and similar disputes divided the foreign merchants and their Superintendents, the Chinese Authorities and the Hong Merchants were not in any more amicable relations. The Hong Merchants were severely censured by their superiors for having failed to bring the foreign merchants under a responsible foreign head and for the consequent failure of any means of inducing them to stop the trade carried on at Lintin by the opium receiving-ships. Moreover, free trade principles began to assert themselves on the Chinese side. The Hong Merchants' own monopoly began to crumble down. For some time past the Senior Hong Merchant, who alone was solvent, had virtually been acting as the sole holder of the monopoly, but lately the other Hong Merchants, tempted by their indebtedness to the foreign merchants and to the Mandarins, had taken to the practice of sub-letting some of their privileges to private Chinese traders and shopkeepers, to whom they individually issued licences to deal in foreign goods under the names of the respective Hong Merchants. In this way it had come to pass that the neighbourhood of the factories at Canton

was gradually surrounded by a colony of Chinese free traders and shopkeepers. At the sight of this inroad of free trade principles, the Mandarins waxed wroth and a series of fulminating edicts went forth against the Hong Merchants and the sub-licensees.

Such was the state of affairs in January 1835, when Mr. Davis, seeing himself unrecognized, powerless and without prospect of an early change of policy, prudently vacated his post as Chief Superintendent and returned to England (January 21, 1835). Sir George Best Robinson now assumed office as the Head of the King's Commission, declaring his intention to follow the quiescent line of policy initiated by Mr. Davis. Mr. J. F. Astell acted as Second and Captain Ch. Elliot, R.N., as Third Superintendent, but when Mr. Astell resigned soon after (April 1, 1835), Captain Elliot succeeded to the post of Second and Mr. A. R. Johnston to that of Third Superintendent, whilst Mr. E. Elmslie acted as Secretary and Treasurer.

Dissensions now multiplied on all sides. Sir George Robinson conceived an insuperable antipathy against the British free traders whom he falsely represented to the Foreign Office as having caused Lord Napier's failure by their bitter party strife, as being possessed of an anxious wish, aiding and abetting therein the Chinese Authorities, to avoid any reference to the Superintendents, and as divided among themselves by virulent dissensions to a fearful extent. Sir George was, however, equally at variance with his colleagues in the Commission. He differed from the other two Superintendents on matters of policy, so much so, that he not only separated from them, leaving them at Macao or Canton while he established himself (November 2, 1835), with the Secretary and the archives of the Commission, on board the cutter *Louisa* at Lintin, but wrote from thence to Lord Palmerston (January 29, 1836) recommending to reduce the Commission to one member 'because disunion and opposition inevitably results from the existence of a Council or Board of three.'

At Lintin Sir George remained enthroned in the very centre of the hated opium traffic, which the other Superintendents equally loathed as a source of disgrace and danger. Sir George, though residing in the midst of the opium dealers, was no admirer of the opium trade. On the contrary, he expressly applied to Lord Palmerston for orders to authorize him to prevent British vessels engaging in this traffic. Sir George fondly imagined then that he would be able to enforce such orders. But the opium consumption had by this time already assumed such dimensions and gained such popularity on the Chinese side, that no power on earth, whether British or Chinese, could have stopped either the demand by the Chinese people or the supply by the foreign shipping. Very properly, therefore, Sir George further advised Lord Palmerston (February 5, 1836) that 'a more certain method would be to prohibit the growth of the poppy and manufacture of opium in British India.'

Throughout his tenure of the office of Chief Superintendent (January 22, 1835, to December 14, 1836), Sir George B. Robinson had no communication with the Hong Merchants nor with the Cantonese Authorities, who rigidly adhered to their determination not to recognize the presence of any foreign official. When the crew of the *Argyle* were seized on the Chinese coast and detained (January 25, 1835), Captain Elliot went to Canton (February 4, 1835) and demanded their liberation. He was curtly ordered to leave Canton, but the crew was set at liberty (February 18, 1835). On February 23, 1835, the Canton officials made a public demonstration of their determination to carry out the Imperial edict (of November 7, 1834) and, having seized some chests of opium, burned them in public. In private, however, they continued to connive at and to foster the opium trade, and commerce continued quietly throughout the year. In autumn (October 16, 1835) Sir G. B. Robinson wrote to the Duke of Wellington, to whom he looked as his patron rather than to Lord Palmerston, that he had never in the slightest degree perceived any disposition

on the part of the Chinese Authorities to enter into any communication, or even to permit any intercourse with the officers of this Commission and that Elliot's attempts to open up communication with them had only involved him in additional contumely and insult, thereby greatly impeding the prospective adjustment of existing difficulties. The words which the Duke of Wellington penned (March 24, 1835) in condemnation of Lord Napier's mission, 'he (the Chief Superintendent) must not go to Canton without permission, he must not depart from the accustomed channel of communication, but he must have great powers to enable him to control and keep in order the King's subjects (the free traders), and there must always be within the Consul-General's reach a stout frigate and a smaller vessel of war,' seemed to be always ringing in Sir George's ears and formed the keynote of what he loved to call his 'perfectly quiescent policy.' He regarded himself as a Consul-General, unaccredited indeed to the Chinese Government, but specially commissioned to keep the free traders in order where they most needed it, at Lintin. There he remained, out of touch with the leaders of the legitimate trade at Canton and Macao, unrecognized by the Chinese Authorities and separated from his own colleagues in the Commission who desired to follow an active policy. Until the close of the year 1836, Sir George practically did nothing except signing ships' manifests and port clearances and writing dispatches to Lord Palmerston, in which he triumphantly reported from time to time that trade continued to flourish without disturbance, thanks to his own perfectly quiescent line of policy, and persistently dinning into the Minister's ears that he was 'waiting for His Lordship's positive and definite instructions as to future measures.'

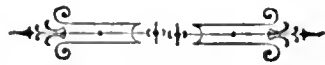
In one point, however, Sir George went beyond the lines of the Duke of Wellington's policy. He was constantly on the look-out for a place where British trade might be conducted without being shackled with the extortions and impositions of the Mandarins, and where the Chief-Superintendent might be

beyond the dissensions and virulent party strife of the Canton free traders. At first he thought only of a passive demonstration (April 13, 1835) to be made, against the Canton Authorities, by a temporary removal of all British subjects to merchant ships to be stationed 'in some of the beautiful harbours in the neighbourhood of Lantao or Hongkong.' Next he recommended (December 1, 1835) that the Commission should be permanently stationed at Lintin, and later on (January 29, and April 18, 1836) he informs Lord Palmerston, that the Chinese Authorities seem to have but one object, viz., to prevent the Commission establishing themselves permanently at Canton, and that without intimidation and ultimate resort to hostilities no proper understanding can be established. Accordingly he suggested, that 'the destruction of one or two forts, and the occupation of one of the islands in the neighbourhood, so singularly adapted by nature in every respect for commercial purposes, would promptly produce every effect we desire.' If Sir George B. Robinson had been a prophet, he could not have anticipated more distinctly the future origin of our Colony, the battle of Chuenpi and the occupation of the Island of Hongkong as accomplished seven years later, in January 1841.

Lord Palmerston, however, was not prepared yet to express an opinion as to any suggestion leading up to the permanent establishment of a British station or colony in the East. Neither did the Duke of Wellington's ideas go beyond the establishment of a Consul-General in a Chinese port, backed by a stout frigate and a smaller vessel of war. Lord Palmerston had all along been little inclined to listen to Sir George Robinson's expositions of the Duke's notions or to pay any attention to his monotonous dithyrambics on the subject of the quiescent line of policy. As to the positive and definite instructions regarding future measures, for which the Superintendents were waiting in vain from 1834 to 1836, it was not until Lord Palmerston's views had gained the ascendancy in the public mind over those of the noble Duke, that the Minister vouchsafed to give Sir George any instructions as to his policy. And when (June 7, 1836) he at last did so,

he curtly informed Sir George that there was no longer any necessity for maintaining the office of Chief-Superintendent which was hereby abolished, and that Sir George's functions should cease from the date of the receipt of this dispatch. Accordingly he instructed Sir George to hand over the archives of his office to Captain Elliot whom he requested to consider himself as Chief of the Commission. Sir George, nothing daunted, remained at his post and appealed for reconsideration (probably looking to the Duke of Wellington for rescue), but it was all in vain. The Cabinet had begun to see that the quiescent policy had failed. Four months afterwards Lord Palmerston repeated his instructions and Sir George returned to England.

Thus ended the reign of the quiescent policy of Mr. Davis and Sir George Robinson. A more active policy was to be inaugurated as soon as public attention in England could be aroused to a sense of the dishonour heaped upon British merchants and officers by Chinese autoeracy.



CHAPTER VI.

THE SEARCH FOR A COLONY.

SIR George B. Robinson was by no means the first discoverer of the need of a British Colony in the East. Nor was Lord Palmerston the only statesman that shrank from the idea and found himself unable to form hastily a final opinion upon such a suggestion until the force of events had actually accomplished it.

So far back as 1815, Mr. Elphinstone, then President of the Select Committee of the East India Company's Supercargoes at Canton, recommended to the Court of Directors, that they should establish a high diplomatic Plenipotentiary 'on a convenient station on the eastern coast of China,' and as near the capital of the country as might be found most expedient. He further recommended that this Plenipotentiary should be attended by a sufficient maritime force to demand reparation of the grievances from which the trade was suffering. The Directors of the Company, with all their statesman-like sagacity, did not see their way to follow up this suggestion, the carrying out of which would have anticipated the sound basis of commercial relations which was eventually obtained some thirty-six years later, by the very course of action first recommended by Mr. Elphinstone.

The next person to take up and develop Mr. Elphinstone's idea of a station on the east coast of China as a *point d'appui* for a naval demonstration, intended to compel China to redress grievances and to make some commercial concessions, was Sir George Staunton, the famous translator of the original statutes of the Tatsing Dynasty (Penal Code of China), who had also been a trusted servant of the East India Company in China. Having returned to England, he entered Parliament. In the course of a debate which took place in the House of

Commons (June, 1833) concerning the abrogation of the East India Company's trade monopoly, Sir George Staunton moved a series of resolutions, one of which (No. 8) ran as follows: 'That, in the event of its proving impracticable to replace the influence of the East India Company's Authorities by any system of national protection, directly emanating from the Crown, it will be expedient (though only in the last resort) to withdraw altogether from the control of the Chinese Authorities, and to establish the trade in some insular position on the Chinese coast where it may be satisfactorily carried on beyond the reach of acts of oppression and molestation, to which an unresisting submission would be equally prejudicial to the national honour and to the national interests of this country.' Whilst this important subject was under discussion, the House was counted out, and on a subsequent resumption of the debate the resolutions were negatived without a division, indicating the general indifference as regards Chinese affairs which then prevailed in England.

At the time when Sir George Staunton drafted the foregoing resolution, the project of stationing in Canton three Superintendents of British trade in China was definitely placed before the country by the Bill above mentioned which passed into law two months later. In speaking of 'a system of national protection directly emanating from the Crown,' Sir George Staunton referred to Lord Napier's proposed mission, the failure of which he appears to have foreseen. In suggesting a remedy for this expected failure, the establishment of the Commission 'in some insular position on the coast, beyond the reach of acts of oppression and molestation,' Sir George Staunton may not have had in his mind more than the establishment of a trade station after the fashion of the East India Company's factories, but he evidently came very near the idea of a British Colony. He had to advantage studied the history of the East India Company and drawn from it lessons which Cabinet Ministers failed to master. Speaking before the House of Commons in support of the above resolution, he argued that the port of

Canton was one of the least advantageous in the Chinese dominions, either for exports or for imports, that the trade of Canton was wholly abandoned to the arbitrary control of the Local Authorities, and was by them subjected to many and severe and vexatious burdens and to various restrictions and privations of the most galling and oppressive nature, and finally that those evils were wholly attributable to the nature and character of the Chinese Government.

About the time when these sage counsels were urged in the House of Commons upon an apathetic audience, another former servant of the East India Company, Sir J. B. Urmston, who had been at the head of the British Factory in Canton in the years 1819 and 1820, published (London, 1833) a pamphlet under the title 'Observations on the Trade of China' (printed for private circulation only). In this pamphlet, Sir J. B. Urmston impressed upon the British Government the necessity of removing the trade entirely from Canton to some other more northern port of the Empire. His argument was that British trade at Canton had always been at the mercy of the caprice and rapacity of the Cantonese Authorities and their subordinates, and that Canton was one of the worst places in the Empire which could have been chosen as an emporium for the British trade. Accordingly Sir J. B. Urmston named Ningpo and Hangchow as central and convenient places for British commerce, but gave it as his decided opinion that an insular situation, like Chusan, would be infinitely more so. We see, therefore, that Mr. Elphinstone, Sir George Staunton and Sir J. B. Urmston were of one and the same way of thinking, having correctly drawn the lessons of the past history of British trade in China, but that, as former employees of the East India Company, they thought of a factory rather than of a Colony. It is remarkable, however, that Cabinet Ministers profited so little from the advice thus tendered in Parliament and in the Press, as to commit the blunders which characterized, a few months later, their design of Lord Napier's mission and the instructions by which they frustrated it.

commercial purposes.' At the same time when Sir George Robinson sought to impress upon the Foreign Office the advantages of an island station, away from Canton, another former resident of China appealed to the British public, commending the same policy, seeking to arouse public opinion in England and to turn it in favour of the project first advanced by Mr. Elphinstone. In a pamphlet, entitled 'The Present Condition and Prospects of British Trade with China,' and published in London in 1836, Mr. James Matheson of Canton, expounded and expanded Mr. Elphinstone's advice of sending a Plenipotentiary to China, who should take his station on one of the islands on the east coast of China and thence negotiate, by the demonstration of a small naval force, a commercial treaty, the object of which should be to secure for British trade in China an insular location beyond the reach of Chinese officialdom. This clearly pointed to a British Colony to be established on the coast of China.

Mr. Matheson, however, was no advocate of war with China. Neither did he imagine that China would readily consent to the establishment of a British Colony at her very gates. Mr. Matheson argued that a state of preparedness for war is the surest preventive of war, especially in our dealings with a nation like China, and that a firm policy, plainly supported by a strong fleet, ready for war, might, if judiciously pressed home, be all that would be absolutely necessary. Thus Mr. Matheson struck, in 1836, the key-note of the policy which eventually procured the establishment of the Colony of Hongkong.

What Mr. Matheson thus urged upon the home country as a whole by his pamphlet, he impressed especially also upon the various Associations and Chambers of Commerce within reach of his influence in England and Scotland. In the course of the year 1836, several memorials were accordingly presented at the Foreign Office from various parts of Great Britain, requesting that immediate and energetic measures should be adopted for the extension and protection of commerce in China. Among them was a memorial of the Glasgow East India

a resident in China, under the title 'British Intercourse with China.' The anonymous author of this pamphlet represented the Missionary view of the question and suggested that the Government should choose a pacific policy towards China on grounds of expediency, humility and generosity, and confine its political action to the establishment of a Consulate at Canton together with a small fleet for the protection of trade.

To combat the foregoing opponents of his scheme, Sir George Staunton now came forward again and published, in 1836, a pamphlet entitled 'Remarks on British Relations with China.' Sir George had, however, but little to say that was new. He argued, as before, that Canton was the very worst station to select for trade purposes, but he now advocated the occupation of an island on the coast without previous negotiation with the Chinese Government. He stated that there were many islands on the coast over which the Chinese Government exercised no act of jurisdiction, and that such an island might easily be taken possession of with the entire consent and good-will of the inhabitants if there were any. Moreover he now pointed, very aptly, to the precedent afforded by the Portuguese Colony on the island of Macao, the original occupation of which was an act precisely of that description which Sir George Staunton advocated, and not the result of any previous authentic cession by the Chinese Authorities, as pretended by the Portuguese.

So far, however, this general search for a Colony in the East was more a groping about for an island on the east coast of China than in the neighbourhood of Canton. Chusan was most in favour. Next came Ningpo and Formosa. But other places also were mentioned. At the close of the year 1836, when this war of the pamphleteers was transferred from England to Canton, the general divergence of views was increased. Mr. G. Tradescant Lay, a naturalist who had accompanied Captain Beechy's Expedition to the Bonin Islands, strongly advocated, in the Canton newspapers and by a pamphlet published in 1837, the occupation of one of those islands for the purpose of a British Colony. Hongkong was almost out of the running.

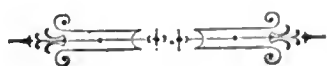
However, the annexation of Hongkong was under the consideration of the Canton free traders early in the year 1836, when a correspondent of the *Canton Register* made the following prophetic remarks (April 25, 1836). 'If the lion's paw is to be put down on any part of the south side of China, let it be Hongkong; let the lion declare it to be under his guarantee a free port, and in ten years it will be the most considerable mart east of the Cape. The Portuguese made a mistake: they adopted shallow water and exclusive rules. Hongkong, deep water, and a free port for ever!' This anticipation of the future was but the view of a minority at Canton. Most of the British merchants continued to cling to the notion that the inner waters of Canton afforded a special vantage ground, that the lion's share was there where their trade was acknowledged by the Chinese Authorities, that at Canton therefore the British representative should reside and that, unless he were to reside there, he would be simply nowhere, whether for the Chinese Government or for his countrymen. At the time when the discussion as to the best location of the British trade waxed hottest in the Canton papers, there was published in the same papers (December, 1836) a detail description of the coast of China for the benefit of mariners, and in these papers, entirely unconnected with the above-mentioned search for a Colony, we find Hongkong referred to in the following words:—

'On the west of the Lamma channel is Lantao (about 60 miles S.E. of Canton) and on the east are Hongkong and Lamma. North of Hongkong is a passage between it and the main, called Ly-ee-moon, with good depth of water close to the Hongkong shore, and perfect shelter on all sides. Here are several good anchorages. At the bottom of a bay on the opposite main is a town called Kowloon and a river is said to discharge itself here (a statement the incorrectness of which is palpable, unless by the word river a little creek is meant). On the S.W. side of Hongkong, and between it and Lamma, are several small bays, fit for anchorage, one of

which, named Heang-keang, probably has given name to the island. Tytam harbour is in a bay on the S.E. side of the island, having the S.E. point for its protection to the eastward, other parts of the island on the N. and W. and several small islands off the entrance of the bay to the south. It is roomy and free from danger.'

It was unfortunate that the search for a Colony had met with opposition in Canton and developed in England into a war of pamphleteers. This conflict confused instead of forming public opinion. At any rate nothing definite was accomplished. Parliament would not take up the question, and Lord Palmerston, whose mind was by this time made up, preferred to wait until he was sure as to the drift of public opinion.

No one, it will be observed, took a share in this search for a Colony except persons directly connected with the China Trade past or present, unless we except a crude concoction by a writer of the East India House (a Mr. Thompson) who, in a pamphlet published under the title 'Considerations representing the Trade with China' (London, 1836), deprecated war for commerce only. Neither public opinion nor the Cabinet approved of or took more than a languid interest in the measures discussed. However, attention had been called to the subject in prominent places, and the public mind was now, in some measure at least, prepared to accept, reluctantly though it be, the idea of establishing a British Colony in the East, when, four years later, this project was suddenly presented to the nation as an accomplished fact by the news of the cession of Hongkong brought about by the force of events rather than by any continuation of this search for a Colony.



CHAPTER VII.

CHANGE OF POLICY.

1836 to 1838.

IN June 1836 a marked change commenced in the policy of the British Cabinet. Previous to that time the Duke of Wellington's Memorandum of March 24, 1835, had, as above mentioned, suggested that the British Chief-Superintendent of Trade in China should not proceed to or reside at Canton, that he should not adopt high-sounding titles, that he should not depart from the accustomed mode of communication with the Chinese Government, that he should not assume a power hitherto unadmitted, but keep, by the support of a stout frigate, the enjoyment of what little had been got, and leave it to the future to decide whether any effort should be made at Peking or elsewhere to improve our relations with China, commercial as well as political. This quiescent line of policy initiated by the Duke and expounded in China, after Lord Napier's defeat, by Mr. Davis and Sir George Robinson, ended on June 7, 1836, for it was now to be substituted by Lord Palmerston's own diplomacy, hitherto restrained by the indolence of public opinion and by the divergent views of the Duke of Wellington.

The merchants at Canton, though disappointed in their expectation that the Government would take steps to obtain redress for the insulting treatment accorded to Lord Napier, soon had reason to perceive that a different policy was about to be inaugurated. When the firm of Jardine, Matheson & Co. introduced (September 20, 1835) the first merchant steamer *Jardine* to ply on the Canton River, Captain Elliot, then still under the sway of the quiescent policy, protested against such a proceeding as contrary to the laws and usages of China, and, under the orders of Sir George Robinson, placed an interdict

on the employment of the steamer in Chinese waters. But now (July 22, 1836) Lord Palmerston wrote to Captain Elliot warning him that, whilst avoiding to give any just cause of offence to the Chinese Authorities, he should at the same time be very careful not to assume a greater degree of authority over British subjects in China than that which he in reality possessed.

Another indication of the change of policy that had now taken place, was a direction Lord Palmerston gave, plainly intimating that free trade and free traders were now viewed by the Cabinet in a light different from that in which the Duke of Wellington had looked at them. What had constituted in the eyes of Canton merchants the most galling element of the Duke's quiescent policy was his determination, expressed in his Memorandum, 'to control and keep in order the King's subjects,' implying that the British community at Canton consisted of a set of smugglers, pirates and ruffians, requiring that the Superintendents be armed with the strougest powers for their coercion rather than protection. Mr. Davis, Sir George Robinson and even Captain Elliot, had hitherto been under the impression that all the powers and authorities formerly vested in the Supercargoes of the East India Company, including the power to arrest and deport to England unlicensed or otherwise objectionable persons, might be lawfully exercised by the Superintendents of British Trade in China; but now (November 8, 1836) Lord Palmerston informed Captain Elliot that, as no license from His Majesty was now necessary to enable His Majesty's subjects to trade with or reside in China, such power of expulsion had altogether ceased to exist with regard to China.

To avoid recurrence of the difference of opinion between co-ordinate Authorities, which had hampered the Commission during Sir George Robinson's tenure of office, Lord Palmerston abolished the office of Third Superintendent, and, whilst confirming Captain Elliot as Chief, and Mr. Johnston as Second Superintendent, now (November 8, 1836) placed the latter under the orders and control of the former. The suite, salaries and

contingent allowances of the Commission were also reduced at the same time, and the two Superintendents were given to understand that their appointments were only provisional and temporary. This was unfortunate, for it caused doubts, both among the British community and among the Chinese Authorities, as to the official status of the two Superintendents. Some years later Captain Elliot, with a view to control the conduct of lawless British subjects, carrying on (in daily conflict with Chinese revenue cruizers) a forced contraband trade between Lintin and Whampoa, established (April 18, 1838) a system of police regulations exclusively applicable to the crews of British-owned vessels under the British flag. Lord Palmerston, after keeping the Regulations submitted to him unnoticed for a whole year, wrote at last, on the day when the whole foreign community were already under rigorous confinement in consequence of those lawless doings, a dispatch in which he suddenly came forward with notions of international law which ought to have entirely vetoed the former mission of, and Privy Council instructions given to, Lord Napier. Lord Palmerston then (March 23, 1839) informed Captain Elliot that the Law Officers of the Crown were of opinion that the establishment of a system of ship's police at Whampoa, within the Dominions of the Emperor of China, would be an interference with the absolute right of sovereignty enjoyed by independent States, which could only be justified by positive treaty or by implied permission from usage. Accordingly Captain Elliot was instructed to obtain, first of all, the written approval of the Governor of Canton for those Regulations. By the time this curious dispatch reached Elliot, British trade had been driven out from Canton, thanks to Lord Palmerston's inaction.

But, whilst thus curtailing the powers and restricting the official standing and jurisdiction of the Commission, Lord Palmerston sought to uphold their position in other respects in relation to both the Macao and Canton Authorities.

It appeared to British observers that the Macao Governors had, ever since Lord Napier's arrival, played into the hands of

the Chinese Authorities and secretly professed themselves as their allies against the British. Latterly, when the Chinese Government, and even some of the British merchants, openly disowned and defied the authority and jurisdiction of the British Superintendents, the Macao Governor had the hardihood of declining to recognize His Majesty's Commission, going even so far as to omit returning answers to their letters. After making strong representations on this subject to the Government of Portugal and causing proper instructions to be sent from Lisbon to the Governor of Macao, Lord Palmerston now (December 6, 1836) informed Captain Elliot that measures had been taken to recall the Governor of Macao to a proper sense of the respect which is due to Officers acting under His Majesty's Commission, and that orders had been issued for a ship of war to be stationed in Chinese waters with special instructions to watch over the interests of British subjects at Macao.

The firm attitude thus assumed towards the Government of Macao, Lord Palmerston desired also to apply to the regulation of Captain Elliot's relations with the Cantonese Authorities. In direct opposition to the Duke of Wellington's Memorandum, Lord Palmerston repeatedly (July 22, 1836, and June 12, 1837) instructed Captain Elliot to decline every proposition to revive official communication through the customary channel of the Hong Merchants, to communicate with none but Officers of the Chinese Government, under no circumstances to give his written communications with the Chinese Government the name of petitions, and to insist upon his right, as an Officer commissioned by the King of England, to correspond on terms of equality with Officers commissioned by any other sovereign in the world. 'It might be very suitable,' wrote Lord Palmerston, 'for the servants of the East India Company, themselves an association of merchants, to communicate with the Authorities of China through the Merchants of the Hong, but the Superintendents are Officers of the King, and as such can properly communicate with none but Officers of the Chinese Government.'

It seemed at this moment as if the British Lion was beginning to wake up, but the Chinese cared nothing for his growl from a distance. When Lord Palmerston, however, discovered (November 2, 1837) that Elliot could not possibly communicate with the Chinese Authorities otherwise than as a tributary barbarian petitioner, he shrank from the simple expedient of a naval demonstration which, by the destruction of the Bogue forts, would, in a couple of hours, have prevented years of misery. Nevertheless, Lord Palmerston once more enjoined Captain Elliot to continue to press, on every suitable opportunity, for the recognition, on the part of the Chinese Authorities, of his right to receive, direct from the Viceroy, sealed communications (not orders) addressed to himself without the intervention of the Hong Merchants. Whilst anxious that Elliot should have a distinct official position and gain it by the logic of plausible arguments, he left him unsupported by a sufficient fleet to apply the only logic the Chinese would have respected, the demonstration of power. When Elliot urged (November 19, 1837) that Lord Palmerston should at least write a letter to the Viceroy of Canton, as the Directors of the East India Company had done on several occasions, or send a Plenipotentiary to present, at the mouth of the Peiho, an autograph letter of Queen Victoria, claiming a settlement of all the grievances of British trade in China, Lord Palmerston explained that, in such a case, the question of the opium trade would have to be taken up, but that Her Majesty's Government did not yet see their way towards such a measure with sufficient clearness to justify them in adopting such a course at the moment.

What hampered Captain Elliot, next to his want of a fleet, was the undefined state of his jurisdiction which prevented both the Chinese Government and the foreign community in Canton understanding or recognizing his authority. Lord Palmerston sought to amend this defect by means of the China Courts Bill which was before Parliament at the end of the year 1838, but it was arrested in its progress, mainly in consequence of objections raised by Sir George Staunton.

The British community of Macao and Canton were, under these circumstances, very much thrown upon their own resources. They established (November 28, 1836) a General Chamber of Commerce, but the mixture of nationalities in it caused a good deal of friction. Nevertheless the Committee (re-elected, November 4, 1837) succeeded in redressing sundry grievances by arbitration, built a clocktower, arranged a Post Office, fixed the regulations of the port and supervised the sanitary arrangements of the factories. An attempt was made (January 21, 1837) to form a representative Committee of British merchants for the purpose of providing an official channel of communication between the British community and their Superintendents, and also in order to ensure joint action in any emergency, but the attempt failed for want of unity among the leading British merchants. However, they were not wanting in loyalty. On the demise of William IV, a public meeting was held (November 27, 1837) and an address was agreed upon, expressing condolence with Queen Victoria, and praying that Her Majesty's reign might be long and glorious and that Her Majesty's name might be associated to the end of all time with things religious, enlightened and humane.

What troubled the peace of British merchants in Canton most of all at this time, was the insolvent condition of most of the Hong Merchants. The foreign free traders had not, like the East India Company, the command of an unlimited treasury, enabling them to give long credits and to sustain a long privation of large portions of their trading capital. Nor were they in a position to adopt the former policy of the East India Company's Select Committee and distribute their business among the different Hong Merchants in proportion to their respective degrees of solvency and thus maintain a command of the market. Nearly all the thirteen Hong Merchants were more or less involved at the beginning of the year 1837; four were avowedly insolvent; one, Hing-tai, was formally declared bankrupt, his indebtedness to foreigners amounting to over two million dollars; and another, King-qua, was on the verge

of bankruptcy. The Viceroy of Canton sanctioned, in the case of Hing-tai's bankruptcy, an arrangement to be made with his foreign creditors, but the latter rejected the terms offered. As the Chinese Government had originally appointed the Hong Merchants on the principle of mutual responsibility, had repeatedly insisted upon the payment of such debts, and imposed for many years past a special tax on foreign commerce in order to create a guarantee fund for their liquidation, the British merchants had both law and prescription on their side. Moreover, on a similar occasion (A.D. 1780), an officer in the service of the East India Company (Captain Panton) had succeeded, by means of a letter addressed to the Viceroy of Canton by a British Admiral (Sir Edward Vernon) and forwarded by a frigate (the *Sea-horse*), in obtaining (October, 1780) an Imperial Decree ordering partial repayment of a similar debt. Naturally enough, therefore, the British creditors of Hing-tai now argued that the simple intervention of the British Cabinet with the Imperial Government at Peking would facilitate the adjustment of the whole of their claims against the bankrupt Hongs. In this sense a memorial was addressed (March 21, 1838) to Lord Palmerston, signed by the following firms, viz.: Dent, Turner, Bell, Lindsay, Dirom, Daniell, Cragg, Layton, Henderson, Stewart, Rustomjee, Fox Rawson, Nanabhoj Framjee, Eglinton Maclean, Bibby Adam, Gibb Livingston Gemmell, Macdonald, Wise Holliday, Kingsley and Jamieson How. Nevertheless, foreseeing the unwillingness of Lord Palmerston to press their claims with due promptitude upon the Chinese Government, the above-mentioned firms meanwhile applied directly to the Cantonese Authorities, without the intervention of Captain Elliot. A long and exasperating correspondence ensued, the upshot of which was that the British merchants obtained payment of their claims against the Hing-tai Hong at a reduced rate but by instalments secured by the Chinese Government, and further the Viceroy sanctioned, at their request, the liquidation of King-qua's debts. In fact, through firmness of purpose combined with a nominal submission

to the absolutism of Chinese officialdom, the British merchants gained concessions which the British Government could not have gained for them, whilst claiming international equality, except by an armed demonstration.

Captain Elliot's relations with the Cantonese Authorities were, throughout his whole tenure of office, characterized by an unceasing battle for a formal recognition of his official status and for the ordinary courtesies of official intercourse, which China never conceded until they were wrung out of her at the point of the bayonet by the Nanking Treaty. On the ground of what on the surface seemed to be petty questions of official etiquette, Elliot had, single-handed and unsupported, to fight the battle between China's stubborn assertion of supremacy over all barbarian potentates, Queen Victoria included, and England's quiet but deliberate claim of international equality. Elliot's position in this conflict was extremely difficult.

On the one hand, the Cantonese Authorities argued that for two centuries British merchants had acknowledged, with abject servility, China's claim of supremacy and consented to take the orders of the Governor or the Hoppo at the hands of the Hong merchants; that Lord Macartney and Lord Amherst had brought tribute from the Kings of England; that Imperial Decrees, which admitted of no alteration, had fixed the mode of governing foreign trade at Canton; and that there was no intelligible difference between a Royal Superintendent like Elliot and a Supercargo of the former East India Company, the latter having wielded, in the experience of Chinese officials, more authority and power over their countrymen than Lord Napier or Captain Elliot ever possessed. On the other hand, Lord Palmerston, with equal justice, persisted in giving Captain Elliot reiterated instructions, based on an assumed equality of the British and Chinese nations, and, on account of the barbarities of the Chinese Penal Code, virtually amounting to a claim of extra-territorial criminal jurisdiction over British subjects trading at Canton. The mistake was that he, at the same time, left Elliot without

a sufficient fleet to enforce these just and proper claims. It is hard to say what Captain Elliot ought to have done under the circumstances. Had he carried out Lord Palmerston's instructions literally, had he adopted the unusual mode of communication enjoined upon him, and assumed the high-sounding title of the King's Officer, boldly insisting upon equality of official intercourse, he would have courted the fate and condemnation that fell on Lord Napier. Had he informed Lord Palmerston the thing was impossible without having recourse to arms, and advised him to adopt the only remaining alternative of retiring from Canton and establishing a British Colony on one of the beautiful islands in the neighbourhood, say Hongkong, he would probably have been dismissed with as little ceremony as Sir George Robinson.

What Captain Elliot actually did remains to be told. He commenced his duties with the determination not to protract the interruption of official communication between the Superintendents and the Cantonese Authorities by any demand of redress for the insults offered to the King and the country by the treatment accorded to Lord Napier, but to exhibit a conciliatory disposition, by respecting Chinese usages, and refraining from shocking the prejudices of the Chinese official mind. Accordingly, in his first communication to the Viceroy of Canton (December 14, 1836), he did not refer to the events connected with Lord Napier's death, but on the contrary explained that all he desired was 'to maintain and promote the good understanding which has so long and so happily subsisted.' This letter, written at Macao and delivered at Canton by the hands of two Agents of the East India Company (J. H. Astell and H. M. Clarke) and two British free traders (W. Jardine and L. Dent) to the Hong Merchants, was conveyed to the Governor of Canton as a humble petition of the barbarian headman Elliot. Looking to the tenor of this letter and to the form of its delivery, the Viceroy justly concluded that the old policy of the East India Company was to be resumed by the cowed barbarians.

To make sure, he sent a deputation of Hong Merchants to interview Elliot at Macao, to question him as to his official status and policy, and to impress upon him that he must first of all send a humble petition begging for a passport, and then remain at Macao until Imperial permission had been obtained for him to visit Canton, from time to time, during each business season. The result of the interviews that took place was that Elliot did as he was told. He applied, in form of a petition, for a passport and dutifully waited at Macao until a report had been sent to Peking stating that the hatchet had been buried in Napier's grave, that Elliot was virtually but a Chief-Supercargo with a different name and a smarter uniform, and that things would go on as of yore. Accordingly, three months later (March 18, 1837) the Hoppo informed the Hong Merchants that 'Elliot having received a public official commission for the control of foreign merchants and seamen, although his title be not the same as that of the Chief-Supercargoes (tai-pan) hitherto sent, yet in the duty of controlling he does not differ, and that therefore it is now the Imperial pleasure that he be permitted to repair to Canton, under the existing regulations applicable to Chief-Supercargoes, and that on his arrival at the provincial capital he be allowed to take the management of affairs.' In forwarding a passport for Elliot to the Hong Merchants, he instructed them to give Elliot particular orders that 'as regards his residence, sometimes at Macao, sometimes at Canton, he must in this also conform himself to the old regulations, nor can he be allowed to loiter (at Canton) beyond the proper period.' Thus the official status of the King's Officer was fixed: subject to the control of the Hong Merchants and under the orders of the Hoppo, let him obey tremblingly!

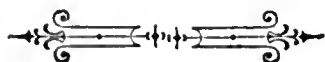
Captain Elliot accepted this humiliating position without further remonstrance and promised (December 28, 1836) to remain in Macao until further instructed. In March 1837 an Imperial edict was received at Canton authorizing Elliot's

proceeding to Canton. Accordingly he removed (April 12, 1837) to Canton with Mr. Johnston, the Second Superintendent, and took with him his whole suite, consisting of a Secretary (Mr. Elmslie), two Interpreters (Mr. Morrison and Mr. Gützlaff), two Surgeons (Mr. Colledge and Mr. Anderson), and a Chaplain (the Rev. Mr. Vachell). On arrival at Canton, Captain Elliot at once set to work to obtain a modification of his official status. He commenced (April 22, 1837) by protesting that he could not possibly continue sending any further communications to the Viceroy through the Hong Merchants, but, on meeting with a curt refusal, yielded this point five days later, on being graciously allowed to send his petitions through the Hong Merchants under a sealed cover addressed to the Viceroy. But the Canton Authorities communicated with Elliot only through the Hong Merchants, to whom they addressed their orders. Thus things went on, quietly enough, for about seven months, whilst the Viceroy (September, 1837) repeatedly instructed the Hong Merchants to order Elliot to send the receiving ships away from Lintin, and Elliot persisted in declaring that he had no power to do so, although he had informed the British merchants (December 31, 1836) that Macao and Lintin were included in his jurisdiction over British subjects and ships. On receiving, however, renewed instructions from Lord Palmerston to maintain the dignity of an Officer of the British Crown, Captain Elliot humbly informed the Viceroy of Canton (November 23, 1837) that, with all respect for His Excellency's high dignity, he must discontinue the use of the character *Pien* on his addresses to the Governor. When the Viceroy peremptorily declined making the slightest concession on this point, Elliot plucked up courage, hauled down his flag and retired to Macao (November 29, 1837). The Canton Authorities, not in least moved by this proceeding, took no notice of Elliot's departure, but recommended to the Emperor (December 30, 1837) to stop the regular foreign trade until the receiving ships at Lintin had taken their departure. Meanwhile all official intercourse with Captain Elliot remained suspended.

Lord Palmerston approved of Elliot's proceedings (June 15, 1838) and sent Admiral Maitland, who arrived on July 12, 1838, in H.M.S. *Wellesley*, to cheer him up. Here was an opportunity for Captain Elliot, and the Chinese unwittingly improved upon it by foolishly firing on a boat of the *Wellesley*. But Captain Elliot missed his chance and allowed the Chinese to cajole him. Admiral Maitland was satisfied with a mild apology by the Chinese Admiral and the usual exchange of empty civilities between the two Admirals took place. Thus the commander of the *Wellesley* was induced to sail away peacefully (September 25, 1838), but under circumstances which justified the assertion on the part of the Chinese that they had ordered him off. This palpable mismanagement of the Admiral's visit to China also met with Lord Palmerston's unqualified approval. But the Chinese Authorities, having by this time taken the measure of Captain Elliot's position, now reduced his official status to an even lower level. They induced him actually to yield (December 31, 1838) the very point for the sake of which he had struck his flag a year before, and to communicate with subordinate officers of the Governor of Canton, by means of humble petitions. The British newspapers in Canton now overwhelmed him with a torrent of abuse, and even meek Lord Palmerston regretted it and mildly suggested, six months later, (June 13, 1839) as a remedy, that Elliot should not omit to avail himself of any proper opportunity to press 'for the substitution of a less objectionable character than the character *Pien*.' But the real degradation in this move Lord Palmerston did not understand. The concession which Captain Elliot made, in December 1838, and the price he paid for the re-opening of official communications, involved far more than the use of an objectionable character. For the official status now assigned to Her Majesty's Commission and accepted by Elliot (December 26, 1838) was this: whilst previously receiving, from the lips of the Hong Merchants, the orders of the Viceroy and the Hoppo, the latter being next in rank to the Viceroy, he was henceforth to receive through the Hong Merchants the orders of the local



Governor's subordinate officers, the Prefect of Canton city and the Commandant of the local constabulary. Well might the English newspapers of Canton cry shame at the fresh indignities heaped upon British honour by placing the Queen's Commission in China on a level below that of subordinate police officers, in a position far lower than that of the former Supercargoes. But, on the other hand, it must also be considered that Elliot made these concessions at a time when, through the lawless proceedings of foreigners engaged in the opium traffic between Lintin and Whampoa, the life and property of the whole foreign community had been placed in jeopardy and a dreadful catastrophe was believed to be impending. Elliot believed that this humiliating mode of communication with the Chinese Government would only be of brief duration, pending the succour he expected to receive from the home country. In this he was mistaken. The public mind of England did not care for or understand these things, or at any rate the nation was not prepared yet to redeem the honour of the British flag in China. Stronger measures had to be taken by the Chinese to arouse public opinion in England, and the occasion for such measures was furnished by the opium trade itself.



CHAPTER VIII.

THE OPIUM QUESTION AND THE EXODUS FROM CANTON.

1839.

The taste for opium is a congenital disease of the Chinese race. At the beginning of the Christian era, the uses and effects of opium were the secret of the Buddhist priesthood in China. Priests from India secured for themselves divine honours by performing feats of ascetic discipline, fasting and mental absorption, sitting for instance motionless for months at a time indolently gazing at a black wall. These feats were performed by means of opium. Buddhist and Taoist priests peregrinated through the whole of China performing astounding medical cures by means of opiates. Centuries before European medical science discovered the uses of opium, there was all over China a large and constantly increasing demand for this drug, and, though opium was grown in China from the earliest times, most of the supply was imported into China by Arab traders at Canton and Foochow. Nevertheless, while numbers of individuals taking opium in excess were physically and morally ruined by it, the use of opium never affected the health of the race to any perceptible extent. When the smoking of opium and the consequent practice of introducing opium vapour into the lungs commenced in China, is not known. As early as A.D. 1678 a regular duty on foreign imported opium was levied at Canton, but for 77 years after that date the annual import did not exceed 200 chests. By the year 1796, however, the annual rate of importation had risen to 4,100 chests and the rapid spread of a taste for opium smoking, and the consequent demoralisation of individuals who smoked opium to excess, attracted the attention of the Government. Accordingly the importation of

Opium was formally prohibited (A.D. 1796) by an Imperial Edict, the regular levy of a duty on opium ceased, and for it was substituted, with the connivance of the Cantonese Authorities, a system of secret importation under a clandestine levy of official fees. The effect of this Imperial prohibition was an immediate rise in the selling price of opium, and a consequently increased supply. Chinese historians report that by the year 1820, the annual clandestine sales of opium at Canton had reached a total of nearly 4,000 chests.

But we have exact statistics of the annual exportation of opium from India, most of which found its way to Canton, while the remainder which went elsewhere was balanced by imports of opium into China from other countries. These Indian Government statistics show that the exportation of opium from India continued, from A.D. 1798 to 1825, with very little variation, at an average rate of 4,117 chests per annum; that it rose in the year 1826, at a bound, to 6,570 chests, and continued until the year 1829 at an average annual rate of 7,427 chests; that in the year 1830 the export suddenly rose to 11,835 chests and continued, until the year 1835, at an average annual rate of 12,095 chests. But in the year 1837, on account of the enhanced demand caused by the general expectation entertained in 1836 that the trade would be legalised, the exportation of opium took another sudden bound, rising to 19,600 chests, in consequence of which the total amount of opium, accumulated in the hands of opium merchants at Canton and Macao during the period 1836 to 1837, reached a total of 30,000 chests. Of these, some 20,000 chests were sold in 1836, to the value of about two million pounds sterling, of which sum £280,000 went into the pockets of the High Authorities. The trade in opium was all along carried on at Canton in the foreign factories, where the Hong Merchants and their privileged clients and even Chinese officials openly purchased—from the various foreign merchants, representing English, Anglo-Indian (chiefly Parsee), Portuguese, American, French, Spanish, Danish, and Dutch firms—written orders (chops) for opium to be delivered by ships

anchored in the outer waters of the Canton River. The opium was not stored at Canton, but at first it was warehoused in Macao, subsequently it was kept on board ships anchored at Whampoa (the port of Canton), until, with the year 1830, a new practice arose. Foreign ships now used, on arrival from India, to anchor first at the mouth of the Canton River, viz, at Kam-sing-moon during the S.W. monsoon (April to September) or at Lintin during the N.E. monsoon (October to March), and there to discharge their opium into stationary receiving hulks, whereupon the ships proceeded with the remainder of their cargo to Whampoa to engage there in the legitimate trade. In the year 1830, there were only five such receiving ships in Chinese waters, but by the year 1837 their number had increased to 25, most of which were either English or temporarily transferred to the English flag, though some were openly under the American, French, Dutch, Spanish and Danish flags. These receiving ships, anchored at Lintin or Kam-sing-moon, were heavily armed and strongly manned, so much so that no Chinese fleet could possibly interfere with them successfully. They were readily supplied with provisions by native boats (known as bumboats) and during the business season the officers in command of these receiving ships were in daily communication with their respective agencies at Canton and Macao by means of fast foreign cutters or schooners, manned by Indian lascars, and known as European passage-boats. Since the winter of 1836, when foreign ships were forbidden to anchor at Kam-sing-moon, and the prohibitions enforced by the erection of a shore battery guarded by a naval squadron, the opium ships were (1837 to 1841) confined to the station at Lintin. But whenever the Cantonese Authorities made a special show of interference with the opium traffic, as carried on at Lintin, some of the most powerfully armed opium ships would be sent away to the eastern and north-eastern coasts of China, to sell opium wherever practicable along the coast, in a manner similar to that practised at Lintin. In the year 1826 the commanders of the receiving ships anchored at Lintin made an arrangement

with the revenue cruizers established by the Viceroy Li Hung-pan, under which these cruizers, for a monthly fee of Taels 36,000, allowed the opium to pass freely into the ports of Whampoa and Macao. And in the year 1837, when strict orders had been issued by the Emperor to stop all opium traffic at Lintin, the Commodore Hou Shiu-hing, in command of the Viceroy's cruizers, arranged with the commanders of the opium ships at Lintin, to convoy or actually to carry by his vessels the opium from Lintin to its destination, for a fixed percentage of opium. Some of the opium which he thus received, the wily Commodore then presented to the Viceroy as captured by force of arms, and on these meritorious services being officially reported to the Throne, the Emperor bestowed on the Commodore a peacock's feather and gave him the rank of Rear-Admiral. The Annals of the present Manchu Dynasty (partly translated by Mr. E. H. Parker), from which the foregoing statements are taken, allege that the opium annually stored in the original five receiving ships did at first not amount to more than 4,000 or 5,000 chests, but that later on (1826 to 1836) there were, on the 25 receiving ships, some 20,000 chests of opium in any one year.

The extraordinary dimensions which the opium trade thus assumed, with the connivance of the Chinese Authorities, as a forced trade (neither legal nor strictly speaking contraband), especially during the decade from 1826 to 1836, naturally aroused anxious attention both on the part of the English and Chinese Cabinets.

The English Government viewed with apprehension the annually increasing importance which the East India Company's opium monopoly assumed, since 1826, as a source of public revenue. The extent to which the income of the Indian Government had gradually become dependent upon the cultivation and export of opium, likewise caused the English Cabinet much anxiety and perplexity. Parliament also took the matter up and appointed a Select Committee to investigate the questions involved, both in 1830 and 1832. In the latter year, however,

the Committee, though by no means approving of the opium traffic, gave it as their opinion that it did not seem advisable to abandon so important a source of revenue in the East India Company's monopoly of opium in Bengal.

Captain Elliot, the Government's representative in China, personally abhorred the opium trade, root and branch, and did not disguise his views either in his relations with the merchants in Canton or in his communications to the Government. He stated the perfect truth when he wrote to Lord Palmerston (November 16, 1839) that, if his private feelings were of the least consequence upon questions of a public and important nature, he might assuredly and justly say that no man entertained a deeper detestation of the disgrace and sin of this forced traffic on the coast of China; that he saw little to choose between it and piracy; and that in his place, as a public officer, he had steadily discountenanced it by all the lawful means in his power, and at the total sacrifice of his private comfort in the society in which he had lived for years. But he also stated perfect truth, and in this respect Chinese history supports him, when he wrote to Lord Palmerston (February 2, 1837), that the opium trade commenced and subsisted only by reason of the hearty concurrence of the Chief Authorities of the southern provinces of China and indeed also of the Court at Peking; that no portion of the foreign trade to China more regularly paid its entrance duties than this opium traffic; and that the least attempt to evade the fees of the Mandarins was almost certain of detection and severe punishment. Captain Elliot further stated, on the same occasion, that a large share of these emoluments reached not merely the higher dignitaries of the Empire, but in all probability, in no very indirect manner, the Imperial hand itself. The fact that, for centuries past, the principal trade revenue office at Canton (that of the Hoppo) has always been, as it still is, the monopoly of officers of the Imperial Household, lends force to this surmise. But what prevented Elliot's taking official proceedings against the opium trade, which he personally loathed, was the same consideration

which had prevented the Parliamentary Committee of 1832 disavowing it altogether. The evil had already gone on too long. The opium trade had, by its financial operations, become so intertwined with the legitimate trade, that separate dealing with it was impossible. The import of opium into China, as it gradually expanded, gave an enormous impetus to the export of tea and silk from China to the European markets, and the whole opium trade had imperceptibly become a necessity both for China and for Europe; for China, because the craving for opium was so widespread among the Chinese people, that the demand for it defied the severest criminal enactments; for Europe, because the sale of opium, which had by this time come to form three-fifths of the whole British imports into China, provided a very large portion of the funds required for operations in Chinese produce destined for European markets. Indeed, as Elliot put it (February 21, 1837), the movement of money at Canton had come to depend, by the force of circumstances, almost entirely upon the deliveries of opium at Lintin. The tares could not be rooted out now, without destroying the wheat.

Lord Palmerston, and the other members of the Cabinet, whilst unanimous in their dislike of the opium trade, could not yet agree to any definite solution of the problem. On one point Lord Palmerston was perfectly clear, viz. that Her Majesty's Government could not possibly interfere for the purpose of enabling British subjects to violate the laws of the country to which they trade, and that therefore any loss which such persons may suffer in consequence of the more effectual execution of the Chinese laws on this subject, must be borne by the parties who have brought that loss upon themselves by their own acts. He wrote to Elliot to this effect (June 15, 1838), but at the same time declared that the Cabinet did not feel sufficient confidence in their apprehension of the opium problem to enter upon any negotiations with the Chinese Government regarding the repression or legalisation of the trade in opium. Nevertheless there are indications that Lord Palmerston had, in his own mind, already settled the leading

principles of that policy which he formulated later on (February 26, 1841), in the following words. 'It is evident,' he wrote to Rear Admiral Elliot and to Captain Elliot, 'that no exertions of the Chinese Authorities can put down the opium trade on the Chinese coast, because the temptation both to the buyers and to the sellers is stronger than can be counteracted by any fear of detection and punishment. It is equally clear, that it is wholly out of the power of the British Government to prevent opium from being carried to China, because even if none were grown in any part of the British territories, plenty of it would be produced in other countries, and would thence be sent to China by adventurous men, either British or of other nations. The present state of Chinese law upon this matter makes the trade illegal; and illegal trade is always attended with acts of violence. Battles between Chinese war-junks and British smugglers have a necessary tendency to produce unfriendly and embarrassing discussions between the British and Chinese Governments, or at all events to keep alive hostile feelings between the British and the Chinese people. It would seem, therefore, that much additional stability would be given to the friendly relations between the two countries, if the Government of China would make up its mind to legalise the importation of opium upon payment of a duty sufficiently moderate to take away from the smuggler the temptation to endeavour to introduce the commodity without payment of duty. By this means, also, it is evident that a considerable increase of revenue might be obtained by the Chinese Government, because the sums which are now paid as bribes to the custom-house officers would enter the public coffers in the shape of duty.'

The policy of the Chinese Government was for a long time equally undecided, wavering between legalisation and extirpation of the opium trade. The counsels of the leading statesmen of China were divided until the close of the year 1838. But, whilst divided in their opinions as to the desirability of stamping out the use of opium, and as to the possibility of

preventing smuggling effectively, all the principal statesmen of China were singularly unanimous in looking at the opium question not, as we might suppose, from a moral point of view, but simply and solely as a financial problem. Their objection to the opium trade was not that it fostered a vice gnawing at the vitals of the nation, but that it caused the balance of the trade to turn against China and that it accordingly drained China of silver and impoverished the nation. The Chinese author of the above-mentioned Annals of the Manchu Dynasty, whilst personally holding the same views of the opium traffic which Elliot held, and occasionally indulging in elaborate tirades concerning the immorality of the traffic in opium, gives, as the reasons why the Chinese Government condemned the trade, purely financial arguments. Formerly, he says, a rule had been in force, that no silver was to be exported and that the whole foreign trade should be conducted by barter, which compelled foreign merchants annually to import half a million dollars, but, he adds, with the expansion of the opium trade it came gradually to pass that a balance of silver had annually to be made up by China. Thus also a Memorial to the Throne, by Wong Tseuk-tsz, which contributed much to the victory eventually scored by the anti-opium party in Peking, argued that the growing consumption of opium was at the root of all China's troubles, because silver was becoming scarce and relatively dear, the value of the tael having advanced from 1,000 to 1,600 cash in price. But since the year 1832, and especially all through the year 1836, the counsels of the pro-opium party were decidedly in the ascendant at Peking and in the provinces. A joint Memorial, presented to the Throne in 1832 by the ex-Viceroy and the Governor of Canton, boldly recommended the licensing of the opium trade on the ground that such a measure would reduce the price of opium and thereby diminish the export of silver, and secretly hinted that the encouragement of the growth of native opium would still further impede the avaricious plans and large profits of

the foreigners. Another Memorial, presented to the Throne in spring 1836, further argued that the legalisation of the opium trade would bring it under the rules of barter; that thereby the baneful effects of the trade, consisting in an annual loss of over ten million taels inflicted on the currency of the realm, would be entirely obviated; but that for this purpose the Hong Merchants must be made personally responsible for the conduct of the whole opium trade and for the entire abolition of the traffic carried on at Lintin; and that the success of the scheme depended upon levying such a small duty (seven dollars a chest) as to cut off all inducement to smugglers to risk their lives. When the Emperor remitted this Memorial (June 12, 1836) for further report, it was generally assumed at Canton that it was now only a question of framing the regulations for the detailed organisation of the legalisation scheme. Elliot gave utterance to an opinion generally entertained at the time in the best informed official circles of Peking and Canton, when he wrote to the Foreign Office (October 10, 1836), that he expected soon receiving the final orders from Peking for the legalisation of the opium trade. When, a few weeks later (October 28, 1836), the Viceroy issued orders for the expulsion from Canton of twelve foreign opium merchants, eight of whom were British subjects, it was still thought that this measure, though rigidly insisted on (November 23 and December 13, 1836), was only meant as a blow directed against the Lintin trade. This surmise was confirmed when an Imperial Edict (dated January 26, 1837) appeared, which declared the baneful effects, arising from a prevalence of opium throughout the Empire, to consist in a daily decrease of fine silver, and consequently placed a strict interdict on the exportation of sycee silver, without prohibiting the trade in opium. On February 2, 1837, Elliot wrote to Lord Palmerston, that he was still of opinion that the legal admission of opium may be looked for. That the Lintin trade was the principal, if not exclusive, cause of objection, was further demonstrated by another Imperial Edict which reached Canton in August, 1837. This Edict stated

that, whereas the illicit trade, the importation of opium and exportation of sycee, depended entirely on the receiving ships stationed at Lintin, the resident foreigners must immediately be ordered to send those ships away. Elliot accordingly had four successive demands made upon him to order those ships to leave China, and finally he was directed to write to his King and request him to command those ships to leave, and to prohibit their return to China. Captain Elliot declined to interfere on the ground that his duties were at Canton and that he had no power, and he hinted that the Chinese Authorities were themselves at fault in not recognising him properly as a Government Officer. But towards the close of the year the hopes of the legalisation of the opium trade grew fainter and fainter and Captain Elliot now (December 7, 1837) reported to Lord Palmerston, that things were in such a condition of uncertainty that it was impossible to divine what the Chinese Authorities meant, as they were wandering from project to project and from blunder to blunder, and that the protection of British interests demanded that a small naval force should immediately be stationed in Chinese waters.

Lord Palmerston must have seen the reasonableness of Captain Elliot's request. But he had by this time determined upon applying to Chinese affairs his favourite policy of masterly inaction. So he deliberately left Elliot and the British community to their fate, unprotected by any fleet, and waited to see what the Chinese Government would really do.

Whilst the British and Chinese Cabinets hesitated as to the course to be taken, the hangers on of the Lintin trade pushed matters to a crisis. During the first few months of the year 1838, the number of foreign cutters and schooners carrying opium from Lintin to Whampoa increased enormously, and the deliveries of opium were now frequently accompanied by conflicts in which fire-arms were used freely. Elliot discovered that many of these craft were owned by British subjects, but he was powerless. When he devised (as above

mentioned) some police regulations for the purpose, Lord Palmerston informed him that he had gone beyond his powers in doing so. The Cantonese Authorities, irritated by this incomprehensible inactivity of Elliot, desired to give foreigners in general a warning, and caused a native, convicted of smuggling opium and sycee, to be executed under the walls of Macao (April 13, 1838). Trade continued, though under gloomy apprehensions, as everybody felt that a crisis was approaching. Things went on, however, quietly enough, until the close of the year, when (December 3, 1838) some boxes of opium, that had been brought up to Canton, presumably from an American ship anchored at Whampoa, were seized in front of the house of Mr. Innes and discovered to be his property. The Chinese Authorities immediately ordered both Mr. Innes and the ship in question to leave Canton waters within three days (subsequently extended to ten), whilst the Hong Merchant, who was security for the ship, was at once exposed in the stocks with a heavy wooden collar round his neck. This caused great excitement, the more so as the other Hong Merchants sent Mr. Innes a written warning that they were going to pull down his house over his head. The threat was, however, not carried out, and the excitement had well nigh subsided, when (December 12, 1838) the Chinese Authorities, resolved to give the foreigners another lesson to intimidate them, brought a criminal, condemned to death on a charge of selling opium, and made arrangements to execute him in the square, right under the windows of the factories. Some of the foreigners at once protested against the erection of the tent which was to accommodate the officials, others pulled down what scaffolding had already been put up, while a mob of some six thousand natives that had collected stood by and at first applauded the proceedings of the foreigners, laughing at the discomfiture of the Chinese police. But when some foreigners imprudently pushed in between the mob, and assaulted some of the crowd with sticks, popular feeling turned against them and the cry

'ta, ta' (kill them) was raised on all sides. Showers of stones now forced the foreigners into their houses; the doors were hastily barricaded; a shot was fired, happily without doing any injury; the mob were about making preparations for the entire demolition of the factories, and the life of every foreigner in Canton was in imminent peril, when the Authorities sent troops at the last moment and restored quiet. But the Hong Merchants, whom the Authorities held responsible for the disturbance, now declared that trade must be suspended altogether, unless the traffic carried on in small craft between Lintin and Whampoa were immediately put a stop to. Elliot would have gladly exceeded his legal powers to do so, but Lord Palmerston had left him without sufficient naval support to clear the waters of Canton of an armed traffic, carried on by the riffraff of every foreign nation, supported by the Chinese people and secretly participated in by Chinese officials. All he could do was to make an appeal to the conscience of the foreign community and to warn the offenders. He called a public meeting (December 17, 1838) and asked the merchants to co-operate with him in his efforts to stop the traffic between Lintin and Whampoa. But the reckless foreigners on board the boats down at Whampoa cared neither for the threatenings of Elliot or the Chinese Authorities, nor for the general reprobation in which all the respectable foreign merchants at Canton held this traffic. Elliot exhausted all his executive powers by serving a notice upon all British subjects engaged on those boats, which warned them that, unless they at once left the Canton River, he would consider them as outlaws and leave them to be dealt with by the Chinese Authorities. When Elliot issued this notice (December 18, 1838), his communications with the Chinese Government had been interrupted for nearly a year. It was at this juncture, believing some dreadful calamity to be impending upon the whole foreign community at Canton, that Elliot resolved to resume official intercourse with the Chinese Government at any cost, and accordingly he made

the humiliating concessions above mentioned, consenting to address the Cantonese Authorities as a humble petitioner and to receive communications, which really were orders, from the subordinates of the Governor of Canton city. He sacrificed his personal and official dignity, because he saw no other way of preventing a massacre.

However, the Cantonese Authorities were too well aware of the advantages connected with the continuance of the foreign trade at Canton, to resort deliberately to any extreme measures. They had no wish to stop trade altogether, or even to suppress the fair opium traffic at Canton, but they were determined to stop the forced traffic between Lintin and Whampoa, because it evaded the exactions of the higher officials.

The new year (1839) opened with gloomy forebodings, for on the day when trade was re-opened (January 1, 1839), a rumour spread in Canton that the party at Peking, opposed to the legalisation of the opium trade, had gained a decided ascendancy in the Imperial councils. And, indeed, while Elliot was penning a dispatch to Lord Palmerston (January 2, 1839), imploring the Foreign Office for some support under his embarrassing circumstances, stating also that there was no time to be lost in providing for the defined and reasonable control of Her Majesty's subjects in China, the former Viceroy of Hukwang, Lam Tsak-sü, better known as Commissioner Lin, was already on his way, armed with extraordinary powers as Special Imperial Commissioner and High Admiral. Lin had previously distinguished himself as an uncompromising anti-opium agitator and now, whilst travelling along the wearisome route from Peking to Canton, he concocted an elaborate scheme to entrap all the opium dealers and to extirpate the whole opium traffic by one fell blow, besides bringing the Cantonese Authorities once for all to book for their connivance at, and share in, the opium trade. The news of his approach caused, indeed, all the local officials, from the Viceroy down to the Hong Merchants, to quake in their shoes. Accordingly the opium traffic was actually stopped

for several months before Lin's arrival, and the Authorities bestirred themselves to make a show of serious repressive measures. They now (January 10, 1839) issued a notification strictly prohibiting the conveyance of opium from Lintin to Whampoa, and further (January 16, 1839) called upon all foreign merchants to pledge their word that they would have nothing whatever to do with the smuggling of opium or with the exportation of silver. Again, acting upon advance orders sent on ahead by Commissioner Lin, the Viceroy now ordered the backdoors of the factories to be blocked up and set a watch in front. Having thus shut in the foreign community, the Viceroy and the Governor issued (January 30, 1839) a joint proclamation addressed directly, without the intervention of the Hong Merchants, to all foreign merchants. In this proclamation foreigners were told that the Imperial Commissioner Lin, sent from Peking to extirpate the whole opium traffic, was hourly expected to arrive in Canton. The Viceroy and Governor even added, in their zeal, what was entirely against Lin's plan, that the foreign merchants must at once send all the warehousing vessels, anchored in the outer seas, away. These orders were enhanced by the threat that, in case of disobedience, trade would be brought to an end for ever. The real sting of the proclamation was, however, when read in the light of the newly established blockade of the factories, in the words 'thus are the lives of all you foreigners in our grasp.'

This blockade of the factories and the imprisonment of the whole foreign community was, indeed, the indispensable preliminary to the execution of Lin's deeply laid scheme. Having thus caught the whole of the foreign merchants in his net, Lin, to keep them busy, allowed the legitimate trade to continue unmolested for the present, and proceeded first of all to examine the high officials and the gentry of Canton as to the detailed history of the opium traffic, censuring some and cashiering others. But he at once ordered measures to be taken to intimidate the foreign merchants further by the strangling

of a Chinese opium dealer (February 26, 1839). in front of the factories and in the presence of a formidable array of Chinese troops. Further, to cut off their eventual retreat to Macao, he ordered the Bogue forts to be guarded by a fleet, and a blockade of Macao to be commenced by land and sea.

To prevent a collision, now imminent, Elliot ordered (March 7, 1839) all English-owned passage boats to remain outside the Bogue. But, thinking English residents at Macao to be at the moment in greater peril than those at Canton, Elliot proceeded, with the permission of the Chinese officials (March 10, 1839) to Macao, where, to his great relief he found H.M. sloop *Larne* which had just arrived. On passing through the Bogue, Elliot had noticed that large numbers of fire-rafts and war junks were being collected there, in evident preparation of an attack on the foreign merchant shipping anchored at Lintin, and on arrival at Macao he found active measures in progress for an effective blockade. After making all necessary arrangements with Captain Blake, the commander of the *Larne*, for the protection of British residents at Macao, and ordering all British ships in Chinese waters immediately to rendezvous, for mutual protection, in the harbour of Hongkong, Elliot hastened back to Canton, and, although finding every outlet of the Canton River guarded by Chinese cruisers, he pushed resolutely on. Having heard, en route, of fresh perils of his countrymen at Canton, and believing that some desperate calamity would ensue unless he reached Canton at once, he pluckily forced his way, unarmed, in a small but fast-sailing gig of the *Larne*, manned by four blue-jackets, through the successive cordons of Chinese soldiery, until, he reached, at the imminent risk of his life, the British factories. Elliot's arrival (March 24, 1839) revived the drooping spirits of the foreign community who were at the moment in sore perplexity, and the sight of the English flag waving proudly and defiantly from the factory tower, where, in place of the demolished flagstaff, the ensign staff of the *Larne's* gig had been put up by Elliot's order, inspired every heart with fresh courage.

During Elliot's absence, the Imperial Commissioner Lin had sent to the foreign merchants (March 18, 1839) a demand for the surrender of all opium stored on board ships in Chinese waters, threatening them with their lives if the order were not obeyed forthwith. While the merchants were deliberating what to do, the Hoppo, acting under Lin's orders, prohibited foreigners, some of whom now sought to get away, retreating to Macao (March 19, 1839) and took measures to cut off all communication with Whampoa and the outside shipping. At the same time the factories were surrounded by a stockade and a triple cordon of Chinese troops on land, and by a semi-circular bridge formed by war junks on the river side. When these measures were complete (March 21, 1839), the demand of the surrender of all opium was repeated. The General Chamber of Commerce now sought to appease the Authorities by an offer to surrender 1037 chests of opium, but the offer was contemptuously rejected, and Mr. Lancelot Dent, being supposed to have under his orders six thousand chests of opium, was now (March 22, 1839) summoned to appear in person before the Imperial Commissioner and to surrender himself forthwith at the city gate. Naturally, all the foreign merchants made common cause with him and it was unanimously resolved that he should not go. Thereupon all Chinese servants were ordered to leave the factories, and all supplies of fresh water and provisions were cut off. Moreover, the senior Hong Merchants (How-qua, senior, and Mow-qua), loaded with iron chains fastened round their necks, were now (March 3, 1839) sent to the factories, under the charge of the Prefect of Canton, with orders, under pains of immediate decapitation, to bring Mr. Dent with them into the city. The whole foreign community, however, declared that he should not go, and when the Hong Merchants affirmed that it would really cost them their lives if they went away without him, Mr. Inglis pluckily volunteered to go in place of Mr. Dent, if three others would accompany him. This offer, readily accepted by the Prefect as a happy compromise, was at once acted upon by three other gentlemen,

Thom, Slade and Fearon. The four heroes proceeded accordingly, with the Prefect and the Hong Merchants, into the city and were examined, at the temple of the Queen of Heaven, by a Committee of the highest local officers, under the Governor's orders, viz. the Chief Justice, the Treasurer, the Grain Intendant and the Commissioner of the Salt Gabelle. These high officials were so struck with admiration of the bravery of the four Englishmen, that, after briefly examining them, they allowed them to return to the factories unmolested. Next day, however, the demand for Mr. Dent's surrender was renewed and the foreign community were just deliberating what was to be done now, when Elliot arrived in their midst, took Mr. Dent under his arm and carried him off to his own room, informing the Chinese officers that he would rather surrender his own life than that of any Englishman under his charge.

On the following day (March 25, 1839), whilst the foreign merchants signed bonds, pledging themselves not to deal in opium nor to introduce it in China in any way, Captain Elliot applied to the Viceroy, respectfully claiming passports for all English ships and people at Canton, adding that, unless these passports were granted within the space of three days, he would be reluctantly driven to the conclusion that the men and ships of his country were forcibly detained, and act accordingly. The Chinese Authorities took no notice of this covert threat, well knowing that H.M. sloop *Larne* could not engage the Bogue forts single-handed. If anything were wanted to prove that, even in this opium contest, the real question at issue was the absolute supremacy of China over England, the reply, which Elliot now received from the Viceroy Tang Ching-ch'ing, would prove it. Elliot had, at the close of his letter, expressed a regret that the peace 'between the two countries' (meaning of course China and England) was placed in imminent jeopardy by the late unexplained and alarming proceedings of the Chinese Authorities. The Viceroy, in reply, stated that he could not understand what Elliot meant by 'the two countries'; that of course he could not possibly mean to compare England with China, which would

be absolutely preposterous, because all regions under heaven were in humble submission to the Government of China, while the heaven-like goodness of the Emperor overshadowed all; and that the English nation and the Americans had, by their trade in Canton, of all those nations in subjection, enjoyed the largest measure of favour. 'Therefore,' argued the sarcastic Viceroy, 'I presume, it must be England and America, that are conjointly named "the two countries," but the meaning of the language is greatly wanting in perspicuity.'

However, Elliot's application for passports was peremptorily refused, as also another application he made on the same day, begging that servants, water and food supplies might be restored to the foreign community. He was reminded in reply that Mr. Dent had not yet been surrendered and that the Imperial Commissioner was determined to get possession of all the opium now in China.

The foreign community, thus officially informed that they were prisoners, calmly prepared for the worst. But they were in a sad plight, for they were absolutely without any servants, without fresh water, without fresh provisions, and had to live, at short rations, upon what they had in their cupboards. During the next few days, sundry Chinese officials overwhelmed Elliot with complaints that he was the cause of all the troubles, that Mr. Dent would have surrendered if Elliot had not appeared on the scene, and that Elliot's preposterous notions of international equality had caused the present refractoriness of the foreign merchants and the delay in the delivery of the opium. When these complaints were found to be of no avail, the officials used threats, informing Elliot that the Imperial Commissioner Lin had hitherto taken no action because 'he cannot bear to destroy ere he has instructed,' and that therefore Elliot had been allowed a few days' grace, but he should not have servants or provisions, and the opium must be delivered at once.

These were no idle threats. The factories were surrounded by masses of Chinese soldiery, all longing for plunder;

combustibles of all sorts were brought to the spot, and on the evening of March 26, 1839, there was not a foreigner in the factories but was convinced that the Chinese were ready to do the worst. After an anxious night, spent in deliberation, and feeling constrained by paramount motives affecting the safety of the lives and liberty of all the foreigners at Canton, Elliot issued, at 6 o'clock, on the morning of March 27, 1839, a public notice to British subjects, requiring them to deliver up to him all British-owned opium, either in their possession or under their control, holding him, on behalf of Her Majesty's Government, responsible, and leaving it to Her Majesty's Government hereafter to define the principles on which the proof of British property and the value of British opium should be determined. Two days later (March 28, 1839), Elliot informed the Imperial Commissioner, that he was prepared to deliver up 20,283 chests of British-owned opium. In reply, Elliot was ordered by the Prefect of Canton to give further detailed information as to the places where the several amounts of opium were stored, and he was supplied with various instructions as to the arrangements to be made for the delivery of the opium. When Elliot, however, once more requested that servants and food supplies be restored to the prisoners, the Prefect informed him that no such indulgence could be allowed until the delivery of the opium had commenced. After several days spent in discussions of the mode of securing the delivery of all the opium on board the different ships, it was finally agreed by Commissioner Lin (April 2, 1839), that Mr. Johnston, the Second Superintendent, should proceed under a guard of Chinese officials and, armed with written orders of Captain Elliot, bring all the ships up to the anchorage of Lankéet, in sections of two ships at a time, to discharge the opium there. Commissioner Lin then promised, that on completing delivery of one-fourth of the opium, the compradores and servants should be restored to the prisoners; that on completing delivery of one-half of the opium, the passage boats should be allowed to resume communication with the ships;

that on delivery of three-fourths of the opium, trade should be re-opened; and, he added pompously, on delivery of the whole being completed, everything should return to the ordinary condition and a request should be laid before the Throne that encouragements and rewards might be conferred. But Lin further added, that, if there should be any erroneous delay for three days, the supply of fresh water should be cut off; if for three days more there should be like delay, the supplies of food should be cut off, and if such delay should continue still three days longer, the criminal laws should forthwith be maintained and enforced.

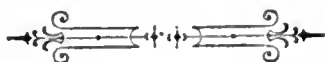
Mr. Johnston having left Canton, the imprisonment of the foreign community, numbering over two hundred persons, continued as rigorously as before, until April 17, 1839, when the servants were tardily allowed to return to the factories and food supplies were again obtainable. Meanwhile, however, the prisoners were still guarded day and night by Chinese soldiers, posted at their doors with drawn swords and instructed to cut down any one who should make an attempt to escape. Both the merchants and Captain Elliot were repeatedly worried by demands to sign a fresh bond handing over to capital punishment any of their countrymen who should hereafter deal in opium, and professing abject submission to China's claim of supremacy. No one signed the bond and the confinement continued.

The above detailed promises of Lin were by no means faithfully adhered to. The servants were not restored as soon as one-fourth of the opium was delivered; the boats were not permitted to run when one-half was delivered; and the promise that things should go on as usual on completion of the opium delivery was falsified by reducing the factories to a prison with one outlet, by the perpetual expulsion of sixteen merchants, some of whom had never dealt in opium at all (as some clerks and a lad were included), and by the introduction of novel and unbearable regulations. Not until May 4, 1839, did the imprisonment of the foreign community at Canton come to an end. On that day, trade was declared re-opened and two days

later fifty foreign merchants, known to have had no direct dealings in opium, were allowed to depart for Whampoa en route for Macao. Elliot, however, and the other merchants were still detained in custody as hostages until the delivery of the opium was completed (May 21, 1839). Then Elliot was graciously allowed to leave, but the permission was coupled with the demand now made that sixteen of the principal British merchants should remain in custody as a punishment for dealing in opium. Elliot refused to leave without them, and, after protracted negotiations, he at last (May 27, 1839) obtained their discharge on their signing a bond, guaranteeing that they would never return to China. By the end of May the exodus of British merchants and British shipping from Canton waters was complete. American merchants remained and became a favoured class.

Lin had gained a victory. He had succeeded in stopping for a time the trade in opium. But his seeming success had been gained only by driving British trade away from Canton in a manner eventually resulting in the establishment of a British Colony at Hongkong, which in turn deprived Canton of all its former commercial importance. He had also succeeded in obtaining forcible possession of over twenty-four million dollars worth of British-owned opium which it took him weeks (until June 1, 1839) to destroy with quick-lime in pits dug on the sea shore at Chinkan, near the Bogue, and the full value of which China had to repay a few years later.

‘This affair has been well managed,’ wrote the Emperor to Lin, but the verdict of the vermilion pencil is not always the verdict of history, and six months later Queen Victoria stated, in her Speech from the Throne (January, 1840), that ‘events had happened in China which deeply affected the interests of her subjects and the dignity of her crown.’



CHAPTER IX.

EXODUS FROM MACAO AND EVENTS LEADING UP TO THE CESSION OF HONGKONG.

1839 to 1841.

THE Imperial Commissioner Lin had been instructed by the Government of Peking to do two things, both of which were equally impossible, viz. to extirpate the opium traffic, root and branch, but at the same time to secure the continuance at Canton of the legitimate foreign trade under the old regime. When Lin arrived in Canton, he found the opium trade stagnant and its worst features, the forced trade between Lintin and Whampoa, entirely cut off through the vigorous action, resorted to at the last moment, of the Cantonese Authorities. Had he confined himself to do the only thing possible, viz. to seek to initiate measures tending to bring about, in course of time, a moral regeneration of the Chinese nation, so as to reduce the demand for opium to the lowest possible minimum, and at the same time to introduce a moral reform of the mode of conducting the opium trade, so as to prevent the recurrence of its glaring abuses, he might have done some good and paved the way for an eventual peaceful solution of this complicated opium problem. But his instructions, based as they were on his own original violent recommendations to the Throne, pledged him to an extreme policy, impossible to carry out and necessarily resulting in giving the opium trade a new impetus, besides convincing at last even the people in England that, apart from the opium question, the legitimate trade itself could not be carried on, in a manner compatible with England's dignity, under the old conditions.

For four months before Lin's arrival at Canton (February, 1839), the opium market had been overstocked and hardly any sales had taken place. The great bulk of the supply of 1838 had remained unsold, owing to the energetic measures taken in the inland districts, all through the southern provinces, to repress the consumption. The immense stock of the year 1839 was just commencing to arrive from India where, on the very day when over 20,000 chests were surrendered in Canton, sales were either impossible or ruinous, because the prices in China had fallen to between two or three hundred per cent. below the cost of production and charges. Under these circumstances, to rob the holders of opium of the stock which glutted the market, and to destroy over 20,000 chests of opium for which Elliot paid the owners at the rate of £120 a chest, by twelve months' bills on the Lords Commissioners of the Treasury, was not to extinguish the trade but to give it a fresh fillip by relieving an overglutted market from the depressing weight of stocks. After March 24, 1839, when 20,283 chests of opium, which the holders could not have sold without ruin, were surrendered to Lin, prices recovered and the opium traffic was carried on with greater vigour and yielded larger profits than ever. By binding sixteen men, among whom were some of the foremost English merchants, gentlemen of high culture and refined feelings, to abstain from all future participation in the opium trade, which promise they all adhered to honourably, Lin merely helped to drive the opium trade into the hands of a lower and less scrupulous set of merchants. Lin's opium policy was an utter failure.

His policy with regard to the legitimate foreign trade was, moreover, equally unfortunate, because based on an utter misconception of the character and power of the English, whom Lin, like Napoleon, supposed to be nothing but a nation of shopkeepers, whose lives and fortunes depended upon the supply of Chinese tea, silk and rhubarb. His utter disregard of the sacredness which Britain attributes to the life, the liberty and the property of others, his reckless assumption that civilised

foreigners, temporarily residing in China, must submit themselves to the barbarous code of Chinese penal laws and to the corrupt judicial process of Chinese tribunals, his open and undisguised determination to hold one set of foreign merchants responsible with their lives for the doings of others not under their control, his absurd affirmation of the sovereignty of China over Great Britain and other foreign nations, and finally his persistent refusal to give to Her Majesty's Representative in China a dignified official status, all these measures of Lin, as the typical representative of Chinese mandarindom, served only to force upon the English people, aroused at last from their apathy by the startling news of the imprisonment of the whole foreign community, the conviction that some serious alterations in British relations with the Chinese Empire were necessary and that British commerce could never be safely carried on, and certainly could never flourish in a country where British property are alike at the mercy of a capricious, corrupt and inordinately conceited Government. Driven out from Canton, and feeling that British trade with China must henceforth be carried on within sight of British shipping and close to the sea, on which Great Britain can hold her own against all comers, both Elliot and the British merchants now turned a deaf ear to all Lin's proposals for a reopening of trade, even under new regulations, at Canton or Whampoa. Forty-two British firms signed (May 23, 1889) a Memorial addressed to Lord Palmerston, in which they complained of the insincerity of the Canton Authorities in their dealing with the opium trade which these Authorities had themselves encouraged and supported for so many years, and of the violent measures of Commissioner Lin which made it a matter of pressing necessity to place the general trade of British subjects in China upon a secure and permanent basis. British merchants had no wish now to return to Canton under any circumstances. Their eyes were turned in the direction of Macao.

Even before the imprisonment of the foreign community at Canton had come to an end, Elliot had managed, with great difficulty and risks, to send a message from Canton (April 13,

1839) to the Governor of Macao, throwing himself and all Her Majesty's subjects by anticipation under the protection of the Portuguese Government, and offering at the same time, on behalf of the British Government, immediate facilities on the British Treasury for the purpose of putting Macao in a state of effectual defence and of equipping some armed vessels to keep the coast clear. The Portuguese Governor, A. A. da Silveira Pinto, in reply (April 13, 1839), declined this offer on the ground that his very peculiar position compelled him to observe a strict neutrality as long as possible or until there should be evidence of the imminent peril which, he said, Elliot seemed to fear. Governor Pinto failed to understand that the imprisonment of the foreign community and of Her Majesty's Representative in China was in itself tantamount to a declaration of war. As soon as the Canton imprisonment came to an end, Captain Elliot (May 6, 1839) wrote to Lord Palmerston stating that access to Macao was now a matter of indispensable necessity for British trade in China, and that the settlement of Macao could easily be placed in a state of effective defence. He recommended that Lord Palmerston should conclude an immediate arrangement with the Government of Macao, either for the cession of the Portuguese claims to the place, or for its effectual defence and its appropriation to British uses by means of a subsidiary convention.

By the time the Canton prisoners were free to leave and began to take refuge at Macao, Governor Pinto had reason to observe that Commissioner Lin's policy was as hostile to the interests of Portuguese as to those of the British merchants. Governor Pinto had ordered off all opium stored at Macao and sent it (3,000 chests) to Manila, where it was safe from Lin's clutches; but the revenue of Macao, previously amounting to \$100,000 a year, chiefly levied on the opium trade, had now dwindled down to next to nothing, and, besides, the Chinese now began to blockade Macao on the land side and Commissioner Lin coolly proposed to take charge of the Portuguese fortifications. Under the influence of these circumstances

Governor Pinto gave the British refugees at first a cordial welcome. It seemed, indeed, as if the Government of Macao would make common cause with the British in their hour of distress. But Commissioner Lin interfered. As soon as Elliot requested Lin to send a special deputy to Macao to confer with him as to the continuance of the trade, and asked for permission to make Macao henceforth the headquarters of British commerce in China, Lin set to work to turn the mind of Governor Pinto against the British. Lin now relinquished his claim to occupy the forts of Macao and promised the Governor to leave him in undisturbed possession of the settlement, on condition that the Macao Government should aid him in the suppression of the opium traffic and in driving out the English from the place. Lin was determined to force British trade back to Whampoa and Canton, because he had pledged his word to the Emperor that, after extirpating the opium trade, he would soon be able to report the peaceful resumption of the regular British trade at Canton.

There is no evidence to show that Governor Pinto entered into any definite understanding with Lin on the subject, but within three months after the arrival of the British refugees at Macao, they all felt more or less that they had ceased to be welcome guests, and that the Governor had fallen back upon his original position of strict neutrality.

Lin was massing troops around Macao and had also ordered a camp to be erected opposite Hongkong on the point called Tsimshatsui, which, as part of the Kowloon peninsula, protrudes into the harbour of Hongkong. Lin's object was, whilst driving out the British from Macao, to disturb at the same time their shipping in Hongkong harbour, so as to compel the British merchants to come back into his loving arms at Canton.

Whilst these measures were in course of preparation, an event happened, which caused a great deal of trouble to Elliot. Some American sailors and British lascars, belonging to the merchant ships which, for mutual protection and defence, had taken refuge in Hongkong harbour (since March 24, 1839),

went on shore one evening (July 7, 1839) at Tsimshatsui, and got into a drunken fray with the Chinese, in the course of which a Chinaman, named Lin Wai-hi, was killed. Elliot at once hastened to Hongkong and held a strict inquiry, terminating in the criminal trial of some lascars by a British jury. But there was no evidence whatever bringing home the charge of manslaughter to any one. The Chinese Government had been invited by Elliot to send some officers to witness the trial, but Lin claimed the jurisdiction for himself, sent no officer to watch the case and made a great clamour demanding of Elliot, again and again, that he should surrender the murderer or some British subject in his place. Lin, moreover, now demanded, in the most peremptory terms, that Elliot and all British merchants should at once sign a bond declaring that hereafter British subjects charged with any crime should at once be handed over to the Chinese Government to be tried according to Chinese forms of proceeding (involving examination by torture both of the accused and his witnesses) and to be executed according to the methods in vogue in China.

Poor Lin, he could not understand that the day for making such demands had entirely gone by, and that, by insisting upon them, he effectually defeated his own scheme of bringing British trade back to Canton. But he blindly rushed on in his mad career. He now ordered the Chinese sub-Prefect of Macao to withdraw all Chinese servants from British residents at Macao (July 21, 1839). Later on, he formally interdicted (August 15, 1839) the supply of provisions of any kind to British persons or ships. When British residents at Macao supplied the places of their Chinese servants with Portuguese, Lin forthwith requested Governor Pinto to prohibit Portuguese subjects either serving the British as domestic servants or supplying them with food or drink, and issued edict after edict, ordering the departure of British subjects on pain of severe punishment, and declaring them all to be responsible with their lives for the surrender of the murderer of Lin Wai-hi. A provisional Committee of a British Chamber of Commerce had been formed at Macao

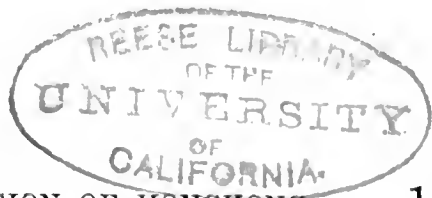
(August 3, 1839), Mr. James Mathieson acting as Chairman, Mr. Scott (the Secretary of the former Canton Chamber) as Secretary, and Messrs. J. H. Astell, G. Braine, W. Bell, G. Smith and Dinshaw Furdonjee as provisional Committee. Captain Elliot now consulted them and, acting in accord with their views, informed a public meeting of the British community at Macao (August 21, 1839) that, whereas the Chinese Imperial Commissioner had prohibited the Governor of Macao rendering any assistance to British subjects, he was unwilling to compromise Portuguese interests any further and proposed to leave Macao and to take refuge on board the ships in Hongkong harbour as soon as possible. Two days afterwards Captain Elliot and his family removed from Macao, Governor Pinto having made no declaration of his willingness that his English guests should remain. The whole British community meanwhile hastened to wind up their local business affairs and prepared for another exodus. The general excitement was increased by a disgraceful outrage, committed by the Chinese on the crew and a passenger (all British) of a small schooner (*Black Joke*), plying between Macao and Hongkong as a passage boat, when (with one exception) the whole crew were murdered and the passenger (Mr. Moss) horribly mutilated (August 24, 1839). The provisional Committee of the British Chamber of Commerce, in almost daily session after Elliot's departure, had frequent interviews with Governor Pinto, who was evidently in a great state of alarm, though he expressed his determination to afford the British community all the protection and aid in his power. However, on the evening of August 25, he told the Committee that he could not answer for the safety of British subjects remaining in Macao for more than eighteen hours longer. The Committee accordingly convened a public meeting the same night and it was resolved to leave Macao the following day. The night was spent in watching for an armed attack expected to be made simultaneously on all British houses by the Chinese soldiery. Nothing happened, however, and at noon on Monday, August 26, 1839, the second British exodus commenced. Men, women and

children, with bag and baggage, were hurried through the streets of Macao amidst a terrible excitement of the whole population, expecting every moment a massacre by the Chinese soldiery. The refugees assembled on the Praya in the presence of Governor Pinto who had the whole of the Portuguese troops (some 400 Indian lascars and 500 Caffre slaves) under arms, and embarked hurriedly on board British ships, lorchas, schooners and boats of all descriptions, which immediately set sail for Hongkong harbour, a mournful procession, to seek refuge on board the ships at Hongkong.

One might well suppose that now at last the time had come for the establishment of a British Colony on the island of Hongkong, but no such thought was entertained yet. Driven out from Canton, bowed out of Macao, forced to retreat to the ships anchored in the harbour of Hongkong, the British merchants looked back with regret to the flesh pots of Macao. The appearance of affairs at Hongkong was indeed depressing. On one side of the harbour there was a well-nigh barren rock, unable to supply provisions for the two thousand British subjects now crowded together on shipboard in a starving condition, and on the other side they beheld a large Chinese camp in process of construction on Kowloon peninsula, with two shore batteries on Tsimshatsui, one at the present Craig Millar and the other near the site of the present Military Barracks, commanding the best portions of the anchorage. These were not encouraging sights. Provisions were obtainable with great difficulty from Chinese junks and bum-boats, but prices were very high. No wonder that fresh negotiations now commenced with Governor Pinto. Captain Elliot, established on board the ship *Fort William*, which subsequently for many years graced the harbour of Hongkong as a receiving hulk, wrote to Governor Pinto (September 1, 1839), offering to send all the British subjects back to Macao, and to place at the Governor's disposal H.M.S. *Volage* which had just arrived, and a force of 800 to 1000 men for the defence of the Portuguese settlement. Elliot remarked at the same time, with reference to certain Chinese

official documents in his possession, that the action of the Chinese Government, in praising and thanking the Portuguese Authorities for 'assisting them in driving forth the British people,' was no doubt an infamous calumny, which must have been a source of deep chagrin to the Governor. Here was another chance for the Portuguese Government of preventing, at the last moment, the establishment of a rival Colony at Hongkong, and of making the fortune of Macao. But Adriaõ Accacio da Silveira Pinto, Governor of Macao and its Dependencies, impelled no doubt by foolish instructions from Lisbon, slammed the door in the face of the British community. He replied (September 3, 1839), in stiff but stately terms, that he could not cease to preserve the most strict neutrality between the Chinese and British nations, and added that the British subjects, having retired of their own accord from Macao with a view of not compromising the Portuguese establishment, had by this step placed themselves under the necessity of not landing there again so long as all the difficulties now existing between the Chinese and the English should continue unsettled. When Governor Pinto sealed this letter, he sealed the doom of Macao's prosperity as a Colony and virtually established Hongkong.

Nevertheless the time for Hongkong, though now seemingly near at hand, had not come yet. Elliot was, on the one hand, determined not to locate British trade again within the Bogue, but, on the other hand, he was averse to the idea of settling on the island of Hongkong, probably on account of its inability to furnish provisions and on account of the proximity of the Kowloon peninsula then occupied by Chinese troops. When Elliot, seeing the scarcity of provisions, went with Dr. Gützlaff in two small boats (September 4, 1839) to induce the villagers near Kowloon city to furnish the fleet with provisions, three Chinese war junks and the battery at Kowloon pier (still in existence) opened fire upon them, which was gallantly returned by Elliot's boats, and the junks were driven off. As to the merchants, they likewise do not appear to have entertained any



desire yet to settle on Hongkong. They now (September 7, 1839) addressed a Memorial to Lord Palmerston, which was signed by twenty-eight British firms, representing thirty-eight sea-going British ships assembled in Hongkong Bay. But in this Memorial there is not a word as to the establishment of a British Colony. The memorialists complained of having been driven out from Canton and from Macao. They stated that they left Macao under a perfect conviction that such a course was imperatively necessary for the general safety. They also repeated their former declaration that, after the violent acts of Commissioner Lin, the return of British subjects to Canton would be alike dangerous to themselves and to the property of their constituents and derogatory to the honour of their country, 'until such time as the power of the British Government might convince the Chinese Authorities that such outrages would not be endured.' These last words appear to indicate that the British merchants expected speedy succour from home, the effective punishment of the Cantonese Authorities, and finally re-establishment of the whole British community, on a new basis of international equality, at Canton or Macao. Hongkong had no chance yet.

Meanwhile Commissioner Lin, after arranging for a re-opening of trade with Macao, on condition that the British should remain excluded from the port, and after strengthening the defences of Tsimshatsui, set to work to cajole the American and other foreign merchants to remain in or return to Canton, and did everything he could to bring about a division among the British merchants and to set them against Elliot. Lin now looked upon Elliot as the only hindrance in his way, and accordingly charged him, in public proclamations, with all sorts of crimes, in order to arouse among the Chinese people a strong feeling against Elliot. Lin also directed the Magistrates of neighbouring districts to issue proclamations prohibiting, under severe penalties, the supply of provisions to the British fleet, and commanding the people to fire upon British subjects whenever they went on shore.

In consequence of these proceedings Captain Smith, in command of H.M.S. *Volage*, gave notice of his intention of establishing a blockade of the port of Canton (September 11, 1839), but when the Cantonese Authorities thereupon promised to withdraw the offensive proclamations, the blockade was suspended five days later. Negotiations now commenced afresh concerning Elliot's desire to bring the British community back to Macao. Captains Elliot and Smith had an interview (September 24, 1839) with the Chinese Sub-Prefect of Macao, in the presence of Governor Pinto, endeavouring to find a basis of agreement between Elliot and Lin. Elliot was determined not to re-open trade inside the Bogue. Lin was equally determined not to let the British return to Macao. Accordingly it was proposed, on the Chinese side, as a compromise, that British trade should henceforth be conducted at Chuenpi, under the guns of the Bogue forts. Lin proposed also a series of new trade regulations, the leading ideas of which were that the Hong Merchants' monopoly of supervising and conducting the trade as responsible mediators should continue, and that cargoes should be at the risk of the ship until laid down at Canton, and at the risk of the Hong Merchants until shipped on board. This compromise would have had a good chance of success, had not Lin coupled with it the impossible stipulation that every merchant, before participating in the trade, should sign a bond, agreeing that all British subjects in China should be subject to trial and capital punishment by Chinese tribunals according to the provisions of the Penal Code of China. Captain Elliot having asked a representative Committee of British merchants (Messrs. H. Wright, G. T. Braine, W. Wallace and Wilkinson Dent) to advise him on the subject of the proposed trade regulations, the Committee, after consultation with the Hong Merchants, stated (October 22, 1839) that in their opinion a trade under the proposed new plan could not be commenced until the British community had returned to Macao. Individuals from among the British community indeed went back to Macao whilst these negotiations proceeded. A British ship (*Thomas Coutts*), the

master of which (Captain Warner), acting under legal advice obtained in India, signed the bond of submission to Chinese criminal jurisdiction, entered the Bogue in defiance of Elliot's prohibition. The ship was admitted to trade and liberally treated by the Chinese who were anxious that other British skippers should follow the example of Captain Warner.

When Elliot informed Lin of his inability to approve of British trade being re-opened on the proposed basis at Chuenpi, Lin sent to Elliot (October 26, 1839) a peremptory demand that all British ships should leave the coast of China within three days, unless the bond of submission to Chinese criminal jurisdiction were signed at once. Captain Elliot, being aware that Lin followed up this demand by preparing numbers of fire-ships and assembling a large fleet of war-junks, to attack the British ships in Hongkong Bay, and considering the anchorage in Tungku Bay to be less liable to surprise by fire-ships, now ordered all the British ships anchored at Hongkong to remove to Tungku. But the commanders of thirty-five ships at Hongkong, and the heads of twenty British firms, together with the agents for Lloyds and for eleven Insurance Offices, protested repeatedly (October 26 and November 9, 1839) against this order. They were of opinion that Tungku anchorage was less safe and that, if Hongkong were deserted, the Chinese would occupy and fortify the Island. The merchant ships accordingly remained, for the present, anchored in Hongkong Harbour.

Captain Smith (H.M.S. *Volage*) was under strict injunctions from the Admiralty to avoid by all means possible any collision with the Chinese. Observing, however, the daily increase of troops in the neighbourhood of the shipping at Hongkong, and the erection of batteries approaching now the beach, he resolved to make a decided stand against further encroachments. Accordingly he proposed (October 28, 1839) to deliver at the Bogue forts a letter addressed to Commissioner Lin, demanding that the warlike and hostile proclamations should be withdrawn and British merchants allowed to reside at Macao. Captain Elliot, having agreed to this measure, went the same day on.

the *Volage* which, together with H.M.S. *Hyacinth* (Captain Warren), proceeded forthwith to the Bogue forts, where Commissioner Lin and Viceroy Tang were at the time inspecting the forts, fire-ships, and a fleet of twenty-nine powerful war-junks under the command of Admiral Kwan (a direct descendant of Kwan Ti, the god of war). On arrival at the Bogue on the morning of November 2, 1839, Captain Smith sent to Admiral Kwan a letter addressed to Commissioner Lin and Viceroy Tang. This letter, written in Chinese, contained a demand that, within three days, a proclamation should be published withdrawing the official orders for the destruction of English cargo ships, and permitting English merchants and families to reside on shore and to be furnished with servants and supplies until the commands of the Queen of England could be received for the adjustment of all difficulties. In forwarding this letter by an Interpreter (Mr. Morrison), Captain Smith informed the Admiral that he would wait for the reply of Lin and Tang and that the boat conveying the reply should carry a white flag. Admiral Kwan civilly promised to submit the letter to their Excellencies, but expressed a wish that the two frigates should meanwhile move down a little further. Captain Smith immediately complied with this request to show his sincerity. Instead of forwarding a reply, however, Admiral Kwan twice sent for Mr. Morrison to visit him, which requests were refused, on the ground that Captain Smith's letter stated all that was needful. Next morning, in the course of the forenoon (November 3, 1839), the Chinese squadron, under Admiral Kwan, broke ground and stood out towards Her Majesty's ships, which were immediately got under weigh and directed towards the approaching force. As soon as the Chinese observed this proceeding, their squadron anchored in good order to the number of twenty-nine sail, and Her Majesty's ships were hove to, whilst a message was sent by Captain Smith to the war-junks, requesting them instantly to return to the anchorage north of Chuenpi. In reply Admiral Kwan stated that, if the murderer of Lin Wai-hi were at once surrendered to him, he would draw back

his force to the Bogue, but not otherwise. The Admiral, at the same time, returned Captain Smith's original letter, addressed to Lin and Tang, without an answer. This was plain enough and forthwith ensued the Battle of Chuenpi. As it is the first naval engagement between Chinese and English ships of war that history knows of, a detailed account of it, both from Chinese and English sources, will be of interest.

According to Chinese history the Battle of Chuenpi arose out of Elliot's sending two men-of-war to the Bogue with a petition that the Chinese should have mercy on the British ships at Tsimshatsui and not destroy them, so that he might wait for dispatches from England. Admiral Kwan returned the petition unanswered because the English refused to surrender the murderer of Lin Wai-hi. Just then five Chinese war-ships started to preserve peace on the seaboard, carrying red flags at their mast-heads. The English mistook these flags for a declaration of war, because in England a red flag means war and a white one peace, and opened fire. Admiral Kwan advanced foremost, leading on the forces in his own person, standing by the mast of his junk, and returning shot for shot. The figure-head of one English ship was knocked off by shots from Kwan's guns, causing the death by drowning of many European soldiers. When the Emperor read the account of this engagement, he wrote on the margin, 'Admiral Kwan ought to have known better than standing by the mast, whereby he compromised the dignity of his office in the eyes of his men.' At the time the Emperor bestowed on him, for his bravery, the title of Batulu, and ordered a statement of officers deserving honours and a list of the persons killed and wounded in the action to be prepared that they might receive the rewards enacted by law.

The English account of the Battle of Chuenpi is somewhat different. The following is Captain Elliot's version. 'Captain Smith did not feel himself warranted in leaving this formidable Chinese flotilla at liberty to pass inside of him at night and to carry into effect the menaces against the merchant vessels.

Thinking that the retirement of the two ships of Her Majesty (*Volage* and *Hyacinth*), before a force moved out with the palpable intention to intimidate, was not compatible with the honour of the flag, he determined forthwith to constrain their return to their former anchorage. Therefore, about noon (November 3, 1839), the signal was made to engage, and the ships, then lying hove to, on the extreme right of the Chinese force, bore away in a line ahead and close order, having the wind on the starboard beam. In this way, and under sail, they ran down the Chinese line, pouring in a destructive fire. The lateral direction of the wind enabled the ships to perform the same evolution from the opposite extreme of the line, running up it again with the larboard broadsides bearing. The Chinese answered with their accustomed spirit; but the terrible effect of our own fire was soon manifest. One war-junk blew up at about pistol shot distance from the *Volage*, a shot probably having passed through the magazine; three were sunk and several others were obviously water-logged. It is an act of justice to a brave man to say, that the Chinese Admiral's conduct was worthy of his station. His junk was evidently better armed and manned than the other vessels; and, after he had weighed or, more probably, cut or slipped, he bore up and engaged Her Majesty's ships in handsome style, manifesting a resolution of behaviour, honourably enhanced by the hopelessness of his efforts. In less than three-quarters of an hour, however, he and the remainder of the squadron were retiring in great distress to their former anchorage; and as it was not Captain Smith's disposition to protract destructive hostilities, or indeed to do more than repel onward movements, he offered no obstruction to their retreat, but discontinued the fire and made sail for Macao with the purpose to cover the embarkation of such of Her Majesty's subjects as might see fit to retire from that place.' We may add to this account that the *Volage* got some shot through her sails and the *Hyacinth* was a good deal cut up in her rigging and spars; a twelve-pound shot lodged in her mizenmast and one went through her main yard, requiring it

to be secured. The wretched gunnery of the Chinese hurt no one. Their guns and powder must have been good, from the distance they carried, but not being fitted for elevation and depression, all their shots were too high to have any effect except on the spars and rigging

As soon as the news of the battle of Chuenpi reached the Chinese army encamped at Tsimshatsui, the shore batteries opened fire (November 6, 1839) upon the merchant ships anchored in Hongkong harbour, keeping up a rambling cannonade for several days. There is a statement in the Chinese Annals that, in November, 1839, the English unsuccessfully attacked the fort north of Tsimshatsui, but that, as the wells had been poisoned, and they feared a night attack, they made off to their ships again. There is no evidence for the correctness of this statement. Owing, however, to the above-mentioned cannonade, the commanders of the merchant ships resolved to yield to Elliot's previous demands and removed the ships to Tungku. Hongkong was once more deserted.

Ever since British merchants were excluded by Commissioner Lin from any direct share in the trade conducted at Macao and especially since his failure to induce them to resort to Chuenpi, and whilst Elliot prohibited their returning to Canton or Whampoa, a great deal of freighting business had been going on by means of trans-shipment of British cargoes to and from American and other foreign vessels. The anxiety of British shipowners and consignees to clear their vessels caused them to chafe under the restraints imposed upon them by the deadlock of understanding between Lin and Elliot. Only one English ship, the *Royal Saxon* (Captain Town), followed the bad example set by Captain Warner. But as the animosity of Lin extended only to loyal British merchants and ships, whilst the ships of other foreign nationalities were treated by Lin as neutrals and rather favoured because they signed the bond which Elliot so abhorred, a great demand arose for neutral ships, under the benefit of the bond, to carry cargo to and fro between the port of Whampoa and British ships at Hongkong or Tungku.

Freights for this short route rose to \$6 per bale of cotton to be carried to Whampoa, and \$10 per ton for Chinese produce from Whampoa to the British ships. This depreciation of the British flag and the enhancement of the value of other flags went to such lengths that one British ship after the other was sold for nominal considerations, the American Consul especially giving his sanction to such transfers, offensive as they were to Captain Elliot. The total exclusion of British merchants from direct trade with China, which had been an accomplished fact for some time, was formally declared by an Imperial Edict published in Canton (November 26, 1839), to the effect that, whereas the English had been vacillating in their treatment of the opium question, it was no longer compatible with dignity to continue to permit their trade, and the English trade must therefore be entirely stopped from after December 6, 1839, and for ever. This state of things, continuing for twelve months longer to the great detriment of British commercial interests, formed eventually the most powerful cause resulting in a demand for the cession of Hongkong.

For the present, however, Elliot strained every nerve to induce Lin to accede to his wish that British trade should be re-established, in some form or other, at Macao, but Lin, though once more earnestly entreated by Elliot (December 16, 1839) to consent to some compromise in this direction, proved inexorable. Even the Portuguese Governor of Macao joined Lin in his obstructive policy, and when Captain Elliot (January 1, 1840) asked Governor Pinto, in the name of Her Britannic Majesty, to permit at least the storing of the remainder of British cargoes in the warehouses of Macao upon the payment of the duties fixed by the regulations of the place, he met with an equally decided rebuff. In this unfriendly line of conduct, the Portuguese Governor went even farther. At the beginning of February, 1840, it happened that atrocious proclamations against the English were again posted on the walls of Macao. Captain Smith, seeing the lives of British subjects residing at Macao endangered by those placards, ordered H.M.S. *Hyacinth* to enter

the inner harbour of Macao (February 4, 1840), with a view to enable British subjects to take refuge on board. Thereupon both Governor Pinto and the Senate of Macao waxed wroth, declared their dignity offended, their neutrality violated and sternly ordered the ship to leave immediately. Captain Smith yielded and withdrew the *Hyacinth* on the following day. However the very lowest ebb of the honour and fortunes of British trade in China had now been reached, and a change was at hand.

In England public opinion was now at last fairly aroused, thanks to the keynote struck by the Queen's Speech from the Throne (January, 1840) in which Her Majesty identified her interests and the dignity of the Crown with the fate of Elliot and the British merchants in China. Whilst regretting or condemning the opium trade as a whole, the British public clearly perceived that British trade with China must be re-organized on an entirely new basis. Arrangements were quietly made by the Government to fit out an expedition to China. Lord Palmerston explained in the House of Commons (March 12, 1840) that the object of this expedition was not to commence hostilities but to open up communication with the Emperor of China. The good people of Great Britain did not want war with China and especially not for the sake of the opium trade, but they were quite satisfied that, as an Order in Council (April 4, 1840) expressed it, satisfaction and reparation should be demanded from the Chinese Government on account of the late injurious proceedings of certain officers of the Emperor of China.

The Chinese Government was meanwhile kept tolerably well informed of what transpired in England. Commissioner Lin had a great passion for keeping spies among the employés of British merchants and officers, and his intelligence department kept him supplied with translations of newspaper cuttings. Lin accordingly was able to inform the Emperor, long before the expedition arrived, 'that Elliot had applied for troops to be sent to China; that the Queen had directed Parliament to

deliberate upon the matter; that the official body, civil and military, were in favour of war, whilst the mercantile interest was for peace; that discussion went on for several days without any definite result; but that at last lots were drawn in the Lo Chan-sze Temple and three tickets were found in favour of war which was therefore resolved on; that Pak-mak (Bremer), the Queen's relative by marriage, was ordered to take a dozen or so of war-ships under his command, to which were added twenty or thirty guardships from India.' The Emperor replied, after reading this report, 'What can they do, if we quietly wait on the defensive and watch their movements?' Soon after, when Lin was asked (June 1, 1840) by some American merchants in Canton to allow their ships to clear with their cargoes as quickly as possible because the British expedition would soon arrive and blockade the port, Lin sneered at the idea of the English being daring enough or able to effectively blockade the Canton River.

Lin, however, was too hot-tempered a man to wait quietly. Early in the year (January 16, 1840) he strengthened the defences of Tsimshatsui by building a new fort on the site of the present Water-police Station, and supplied the Bogue forts with some 200 new cannons of foreign construction, which he had no difficulty in buying in Canton from friendly foreign merchants. He was anxious to set foreigners to fight the English but could not manage it. He then purchased several foreign ships and had junks built in foreign style, fitted them up like men-of-war, and ordered their crews to be drilled in foreign fashion. But he was quick-witted enough to see, on witnessing some trial manœuvres, that this plan would not work, and gave it up. So he turned all his attention to the plan he had commenced long before, in August, 1839, by starting a volunteer fleet, formed by engaging fishermen and pirates at \$6 a month each, with \$6 extra for each of their families, the funds being provided in the way common in China, viz. by compelling well-to-do people to give 'voluntary' subscriptions for public purposes. But this volunteer fleet, let loose to

prey upon British shipping (since August, 1839) with war-junks and fire-ships, and to prevent disloyal Chinese traders from supplying the British ships with provisions, accomplished next to nothing. They burned, by mistake, the Spanish brig *Bilbaino* (September, 1839), captured here and there Chinese junks which supplied British ships with provisions, made sundry night attacks on British vessels by sending down upon them, with the tide, fire-ships chained together in couples, but they did not capture a single British ship or boat. Commissioner Lin then resorted to the usual Chinese appeal to sordid avarice and ordered the Magistrates of the neighbouring districts to issue proclamations offering rewards, not merely for the destruction of British men-of-war or merchant vessels, for which large sums of money were promised, but for the capture or assassination of individuals. Accordingly a price of \$5,000 was put on Elliot's head, sums ranging from \$5,000 to \$500 were offered for any English officer, according to gradation of rank, made prisoner, and one third of the money in each case for any British officer killed, also a reward of \$100 was offered for any British merchant made prisoner and \$20 for any such merchant killed. But Lin's bounty and assassination schemes were nearly as fruitless as his volunteer scheme. No British officer was captured or murdered, and but few British civilians were made prisoners or assassinated, though secret ambushes were laid frequently and the poisoning of wells was a common practice.

In June 1840, the ships forming the expedition began to assemble in Hongkong harbour, and every day now brought some man-of-war or troopship or other from England or India. By the end of June there had arrived seventeen men-of-war among them three line-of-battle ships (the *Melville*, *Wellesley* and *Blenheim*), with four of the East India Company's armed steamers (the *Queen*, *Atalanta*, *Madagascar* and *Enterprise*, to which subsequently the *Nemesis* was added). There were also twenty-seven troopships, which brought three regiments (18th Royal Irish, 26th Cameronians and 49th Bengal Volunteers),

a corps of Bengal Engineers, and a corps of Madras sappers and miners, about 4,000 fighting men in all. The expedition was under the command of Sir J. J. Gordon Bremer, subject to the orders of two Plenipotentiaries, viz. Rear Admiral, the Hon. George Elliot, and Captain Ch. Elliot, R.N., the former Chief Superintendent of Trade at Canton.

The instructions which the Cabinet had given to the two Plenipotentiaries were, (1) to obtain reparation for the insults and injuries offered to Her Majesty's Superintendent and to Her Majesty's subjects by the Chinese Government, (2) to obtain for British merchants trading with China an indemnification for the loss of their property incurred by the threats of violence offered by persons under the direction of the Government, and (3) to obtain a certain security that persons in future trading with China shall be protected from insult or injury, and that their trade and commerce be maintained upon a proper footing.

It will be observed from the tenor of these general instructions, that the object of the expedition was not to make war against China, but to communicate with the Chinese Government (at Peking), in order to obtain official redress and indemnity for the past and commercial immunities and securities for the future. The means and mode of procedure now prescribed were exactly what so many former Canton residents and notably Mr. James Matheson had recommended in 1836. An appeal, against the doings of the Cantonese Authorities, was to be made to a misinformed and misguided Emperor and negotiations were to be instituted with the moral support of the presence of an expeditionary force ready for war in case pacific measures should prove fruitless. Apart from the indemnity for the opium extorted by Lin, the opium question was not included in the programme, and very justly so, for in the reckoning which England had now risen up to make with China, virtually for two centuries of ill-treatment accorded to her merchants, the opium question was a mere accidental extra. Finally, it will also be observed that, among the objects of the expedition, the

cession of any portion of Chinese territory, or the formation of a British Colony in the East, was not included. This was no doubt agreeable to Captain Elliot who, as we have seen, was averse to the notion of appropriating Hongkong or any other island for the purposes of a Colony and merely looked for a safe trade station on the coast and preferably at Macao.

The Indian Government suggested to the Plenipotentiaries that, immediately upon the arrival of the expedition in China, the Bogue forts should be razed to the ground, and the Island of Lantao (W. of Hongkong) occupied as a commissariat depot, with might at some future time answer as a trade station. But, as the first object of the expedition was peaceful communication with Peking rather than war at Canton, the two Plenipotentiaries agreed to abstain from any demonstration involving bloodshed as long as possible. However, to prevent any misunderstanding at Canton, Commodore Bremer was directed to give notice (June 21, 1840) that a blockade of the port of Canton, by all its entrances, would commence on June 28, and further, in order to have a *point d'appui* for the expected negotiations in the North, Commodore Bremer proceeded at once with an advanced force to take possession of the Island of Chusan, which was accordingly done (July 5, 1840) by the occupation of Tinghai.

Admiral Elliot and Captain Elliot, following (June 30, 1840) in the wake of Commodore Bremer with the remainder of the expedition, endeavoured first to induce the Authorities of Chehkiang (the province to which Chusan belongs) to forward to Peking a dispatch signed by Lord Palmerston and addressed to the Imperial Authorities at Peking, but eventually they proceeded to Tientsin where the dispatch was delivered to the Viceroy of Chihli, called Kishen. According to Chinese history, Lord Palmerston's dispatch, after making certain statements intended to enlighten the Emperor as to the doings of the Cantonese Authorities, made the following demands, viz. (1) payment of an indemnity for the value of the opium extorted by Lin, (2) the opening of five treaty ports (Canton, Amoy, Foochow, Tinghai and Shanghai), (3) terms of official com-

munication on the basis of international equality, (4) payment of the costs of the expedition, (5) a guarantee that one set of merchants, should not be held responsible for the doings of another, and (6) the abolition of the Hong Merchants' monopoly.

It will be observed that here also neither the cession of Hongkong, nor the establishment of a Colony anywhere else, was included in the programme. But as the Governor General of India had referred to Lantao, and as the Plenipotentiaries, immediately after the capture of Tinghai, organized a complete civil, judicial and fiscal administration for the whole Island of Chusan, as if it was to be a British Colony, the chances of Hongkong now seemed even farther removed than ever.

The Emperor's eyes were opened at last when he perused Lord Palmerston's dispatch, and seeing that he had either to concede the British demands or go to war, he is said to have observed, as he laid down the dispatch, that 'Lin caused the war by his excessive zeal and killed people in order to close their mouths.' Lin's enemies at Court now poured into the Imperial ear all sorts of whispers, in consequence of which both Lin and Tang (the former Viceroy of Canton, now Viceroy of Fohkien) were degraded. Kishen was appointed Imperial Commissioner to arrange the Canton affairs, but he was hampered by the direction to consult Lin and Tang as to the measures to be taken. Eleepoo, the Viceroy of Nanking, was also appointed Imperial Commissioner and directed to proceed to Ningpo (opposite Chusan) to settle the Chusan affairs. After various negotiations with Eleepoo, Her Majesty's Plenipotentiaries concluded at Chusan a truce (November 6, 1840) on an undefined general understanding that the peaceful negotiations, which had commenced, should be continued and concluded at Canton by Kishen, and that meanwhile the English would hold Chusan as a guarantee.

Whilst the Plenipotentiaries were occupied in the North, Commissioner Lin, though chafing under the blockade of the Canton River, continued at first his former course of egging on the scum of the people to acts of violence against the English

and placarded the walls of Macao again with inflammatory denunciations directed against the English residents at that place. The Rev. V. Stanton, officiating as British Chaplain at Macao, was kidnapped on the shore (August 5, 1840) and kept under close confinement in a common prison in Canton, until he was released by Kishen (December 12, 1840). Owing to Lin's interference with the supply of provisions at Macao, four British gunboats shelled and captured the Chinese barrier fort near Macao (August 19, 1840); otherwise no serious movement of any importance took place near Canton until the conclusion of the truce.

When the news of the Chusan truce reached Macao, disappointment, doubt and anxiety prevailed among the British community. As soon as the two Plenipotentiaries arrived, five British firms (Dent, Bell, Mevicar, Gribble Hughes and Dirom) sent a joint address to Captain Elliot, inquiring, whether the truce of Chusan implied a suspension of the Canton blockade, whether it had been determined that British trade should in future be carried on outside the Bogue, or whether it be contemplated that English ships should enter the Bogue and trade be carried on, temporarily, at Macao. To this inquiry Captain Elliot replied from Tungku (November 27, 1840), declining to answer these questions on the ground that he was ignorant of the intentions of the Chinese Government. But, as Admiral Elliot, suffering under a severe illness, had to resign his post and to return to England (December 1, 1840), leaving to Captain Elliot the conduct of the negotiations as sole Plenipotentiary, it was generally assumed that Elliot would press for British trade to be conducted thenceforth outside the Bogue, business being conducted exclusively at Macao. Sir H. S. Fleming Senhouse partially succeeded Admiral Elliot in the command of the fleet, the command of the whole expedition remaining in the hands of Sir J. J. Gordon Bremer.

At Canton, the Chinese officials and people were in a similar state of uncertainty and misgiving, until Kishen's arrival (November 29, 1840). When Elliot sent the steamer *Queen*,

under a flag of truce, to the Bogue (November 20, 1840), to announce his arrival and to deliver a dispatch by Eleepoo addressed to Kishen, she was fired upon by the Bogue forts, and the solid shot which the *Queen* dropped into the forts in return for the discourtesy were presented to Lin in great triumph, but an apology was tendered subsequently. In sending this apology the Chinese officials, for the first time, addressed Elliot in terms of proper respect. As soon as Kishen arrived in Canton, he was entreated by the officials, literati and gentry of Canton, not to give up a stone of their fortresses nor an inch of their territory, but to resume hostile operations at once. Kishen, however, had formed a better estimate of the power of foreign arms, strategy and discipline, and was honestly determined to make peace, yielding, however, as little as possible. But as he by this policy ran counter to popular feeling and lost the confidence and hearty co-operation of all his local subordinates, his position was extremely difficult. Negotiations were accordingly protracted from day to day and from week to week without any ground being gained. Elliot having asked for a port outside the Bogue, where British ships might load and unload their cargoes, Kishen thought of offering to Elliot either Amoy or Hongkong. But having been directed to consult Lin and Tang, the latter, a man of keen statesman-like foresight, urged 'that Amoy was the key of Fohkien, and that Hongkong, occupying a central position in Cantonese waters, would be a perpetual menace to the Cantonese Authorities if the English were to fortify the Island of Kwantailou (Hongkong) and the peninsula of Kowloon.' Thus Kishen found himself hemmed in at every step. Lin and Tang secretly counteracted his policy by their influence upon Kishen's local subordinates and Kishen noticed a mutinous spirit all around himself. Lin's intelligence department also would not serve Kishen with a good will and the latter was driven to confide all interpretation work to a man, Pao Pang, who was looked upon by the Chinese as a traitor and by Elliot as a menial, having been formerly Mr. Dent's favourite butler in the old factory days.

At the beginning of January, 1841, Elliot found himself, after six weeks of negotiations, no nearer a settlement than he had been before. He determined, therefore, to bring matters to a crisis and sent to Kishen an ultimatum (January 6, 1841) to the effect that, unless some definite basis for an agreement was proposed by Kishen by 8 A.M. on the following day, the Bogue forts would be taken possession of forthwith. No answer having been received next morning, the action, thenceforth to be known as the Second Battle of Chuenpi, commenced, at 9.30 A.M. on January 7, 1841, when the fleet attacked the two Bogue forts, Chuenpi (also called Shakok) on the East and Taikok on the West of the Bogue, whilst the troops (1,461 men all told) were landed in the rear of the forts and took them by assault. Within an hour and a half, eighteen Chinese war-junks were destroyed, some 500 Chinese soldiers were killed, some 300 more wounded, while the loss on the English side was 38 men wounded (mostly by explosions in blowing up Chinese powder magazines), and none killed. At 11 o'clock the action was over and the British flag fluttered lustily in the breeze over the smouldering ruins of the Bogue forts.

The Chinese historian gives the following account of the Second Battle of Chuenpi. 'Whilst the guns of the English fleet bombarded the two forts in front, a force of about 2,000 *Chinese* traitors scaled the hills and attacked them in the rear. A hundred or more of these were blown up by exploded mines, but the rest, far outnumbering the garrison of 600 men, came swarming up notwithstanding. Two or three hundred more were killed by our gingalls, but at last our powder was exhausted, and the steam-boats got round the forts and burned our fleet. The other three forts, farther up the river, commanded by Admiral Kwan, Rear-Admiral Li and Captain Ma respectively, had only a few hundred men in them, who could do nothing but regard each other with weeping eyes. Admiral Kwan sent Li to Canton to apply for more troops, but Kishen was obdurate and simply spent the night in writing out further peace proposals which he sent by Pao Pang to Elliot. Hongkong

was now offered, by Kishen, in addition to the opium indemnity and the Chehkiang prisoners were exchanged for Tinghai.'

The last sentence of this Chinese account of the Second Battle of Chuenpi is of special importance, as it fixes the source from which the proposal to cede the Island of Hongkong to the British Crown emanated. It was Kishen and not Elliot who proposed the cession. As to the 'Chehkiang prisoners' here referred to, there is some mistake here. Kishen's proposal was to cede Hongkong as a trade station (like Whampoa) and in exchange for the Bogue forts and Chusan (Tinghai). Subsequently, 'the Chehkiang prisoners,' that is to say, the crew and passengers of the troopship *Kite*, which stranded (February 15, 1841) by accident on a shoal near Tinghai and fell into Chinese hands, were naturally surrendered by the Chinese when Tinghai was evacuated.

After the capture of the Bogue forts, Admiral Kwan came with a flag of truce, begging for an armistice, in order to give the High Commissioner time to consider certain propositions he intended offering for Elliot's acceptance. The armistice was granted and shuffling negotiations recommenced. At last, on January 20, 1841, was concluded the Treaty of Chuenpi.

By this Treaty, four preliminary propositions were agreed to by the Chinese and British Plenipotentiaries, to the effect, (1) that the island and harbour of Hongkong (not including Kowloon peninsula) should be ceded for ever to the British Crown, and the Chinese batteries on Tsimshatui dismantled in return for the demolished Bogue forts, (2) that an indemnity of six million dollars should be paid to the British Government in six annual instalments, the first being paid at once, (3) that direct official intercourse between the two countries should be conducted on a footing of international equality, and (4) that the trade of the port of Canton should be opened within ten days after the Chinese new year (therefore on February 1, 1841) and be carried on at Whampoa, until further arrangements should be practicable at Hongkong. All other details were to stand over for further negotiation. It must be added, however, that

the first of the foregoing preliminaries of peace was coupled with a proviso, subsequently disapproved by the British Government, to the effect that 'all just charges and duties to the Empire of China, upon the commerce carried on at Hongkong, should be paid as if the trade were conducted at Whampoa.' These words indicate that the understanding which Kishen and Elliot, by a mutual compromise, attached to the cession of Hongkong at that time was, that Hongkong should be a hybrid cross between a treaty port of China and a British Colony, the soil being owned by Great Britain but trade charges levied by Chinese officials. Such a mixed constitution would have proved a source of endless friction between the two Governments, besides being a negation of the free traders' desire of a free port.

In notifying Her Majesty's subjects of the successful conclusion of the Chuenpi Treaty (January 20, 1890), Captain Elliot informed them that, pending Her Majesty's further pleasure, there would be no port or other charges to the British Government at Hongkong. Elliot, at the same time, offered the protection of the British flag to the subjects, citizens and ships of foreign Powers, that might resort to Her Majesty's possessions at Hongkong. He also exhorted British merchants to adopt a conciliatory treatment of the Chinese people and to show becoming deference for the country upon the threshold of which they were about to be established, and finally he expressed his gratitude to the officers and men of the expeditionary force, to whose bravery the result now accomplished was largely due.

Immediately after the conclusion of the Treaty of Chuenpi, the British squadron withdrew from the Bogue and moved down to the S. W. Bay of Lantao, leaving behind H.M.S. *Samarang*, whose commander (Captain Scott), thenceforth known as Governor of Chuenpi, was instructed to hand over to the Chinese Authorities the demolished forts of Chuenpi and Taikok. At the same time, H.M.S. *Columbine* was dispatched to Chusan, to recall thence the remainder of the expedition.

On January 24, 1841, Commodore Bremer, having arrived at Lantao from Macao, directed Captain Belcher, in command

of H.M.S. *Sulphur* (which has given her name to the Sulphur Channel) to proceed forthwith to Hongkong and commence its survey. Sir E. Belcher, accordingly, landed on Monday, January 25, 1841, at fifteen minutes past 8 a.m., at the foot of Taipingshan, and on the hill, now occupied by the Chinese recreation ground. Captain Belcher and his officers, considering themselves the *bona fide* first British possessors, drank Her Majesty's health with three cheers, the spot being thenceforth known as Possession Point. This was done unofficially and as an arbitrary preliminary to the survey of the Island. But the next day (January 26, 1841), when the whole squadron had arrived in Hongkong harbour, possession was taken of Hongkong more formally and officially by Commodore Bremer. On Tuesday, January 26, 1841, the marines from all the ships were landed at the same place as the day before and official possession was taken of the Island by Sir J. J. Gordon Bremer in the name of Her Majesty Queen Victoria. Commodore Bremer was accompanied by his officers, and at the moment when the British flag was hoisted on Possession Point, the marines on the spot fired a *feu-de-joie*, whilst all the ships-of-war in the harbour made the hills re-echo with the thunders of the first Royal Salute ever fired in Hongkong. Sir E. Belcher took the true position of Hongkong on a hillock, within a stone's throw of the houses on Morrison Hill, as being in $22^{\circ} 16' 30''$ N. Lat. and $114^{\circ} 08' 30''$ E. Long. He also determined the names and height of the principal peaks as follow, Victoria Peak (1,825 feet), High West (1,774 feet), Mount Gough 1,575 feet), Mount Kellett (1,131 feet), Mount Parker (1,711 feet) and subsequently Pottinger Peak (1,016 feet).

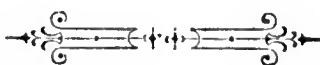
It is obvious from the foregoing account of the acquisition of Hongkong, that the actual cession was a surprise to all concerned. Kishen had, at the last moment, reluctantly offered to cede Hongkong, and Elliot, though accepting it, because at the moment he could hardly do otherwise, took it unwillingly. To the British merchants, the leaders of whom in later years stated in a joint memorial to Lord Stanley (August 13, 1845)

that 'such a settlement as Hongkong was never actually required by the British merchants,' this sudden establishment of a Colony was as unexpected as the birth of a child into a family generally is to the rest of the children. They could only wonder how it had all come about, but they could not undo the fact. They had not been consulted about it. There it was: the newborn Colony of Hongkong. And as to the people of England—'What will they say about it at home?' was the anxious thought of both Elliot and the merchants, and none could foretell with certainty whether the new-fledged Colony would ever live to celebrate its jubilee or indeed outlast the year of its birth.

On February 3, 1841, ignorant as yet of the cession as a *fait accompli*, the Foreign Office dispatched instructions to Captain Elliot which seemed to him to furnish good cause for the expectation that the establishment of a trade station at Hongkong might eventually meet with the approval of Her Majesty's Government. This dispatch contained the following prophetic caution: 'You are authorized to propose a condition that, if there be ceded to the British Crown an island off the Eastern Coast of China to serve as a commercial station for British subjects, the Chinese merchants and inhabitants of all the towns and cities on the Coast of China shall be permitted by the Chinese Government to come freely and without the least hindrance and molestation to that Island for the purpose of trading with the British subjects there established.' Unfortunately for Hongkong, the injunction here wisely coupled with its probable cession was entirely neglected for years after the cession had been accomplished. Kishen offered Hongkong as a residence for foreigners but he did not intend it to become the Alsatia of China.

Difficult as it may be to say, with perfect accuracy and in a few words, how Hongkong came to be ceded to the British Crown, this much will be clearly established by the above narrative, viz. that the ordinarily current accounts of the cession of Hongkong are inaccurate. It is evidently unjust to say, what is commonly found stated in Continental and American

histories of British intercourse with the Far East, that 'the English wanted Hongkong and they took it by force of arms.' But that is also an unwarranted inference which the compiler of the Colonial Year Book (1890) has drawn from his view of the cession, by the allegation that 'the annexation of Hongkong affords a remarkable example of the aptitude of the English for grasping the requirements of any given condition of circumstances and meeting them accordingly.' It is to be feared, with all respect for British quickness of perception generally, that in the present case the lesson of the above chapter points rather in the opposite direction.



CHAPTER X.

PRE-BRITISH HISTORY OF THE ISLAND OF HONGKONG.

GEOLOGICAL upheavals had felicitously formed Hongkong of the toughest material and placed it just where the Continent of Asia—large enough for the destinies of China, Russia and Britain—juts out into the Pacific, as if beckoning to the rest of the world to come on. Small as a dot in the ocean, Hongkong was yet formed large enough for its own destiny: to act as the thin end of the wedge which shall yet open up China to the the civilization of the West; to form Britain's Key to the East, as the combined Malta and Gibraltar of the Pacific; to be China's guarantee of British support along the strategic line formed by India, the Straits Settlements and the China Sea.

Previous to its cession to the British Crown, the Island of Hongkong was too little known to be accorded special notice either in the Annals or in the Topographies of the Chinese Empire, to which it belonged.

Hongkong, and the opposite portion of the mainland of China, known as the Peninsula of Kowloon, together with the few tiny islets situated close inshore (Kellett Island, Stone-cutter's Island, Green Island, Tree Island, Aberdeen Island, Middle Island, and Round Island), all of which are at the present day comprised within the boundaries of the Colony, formed, since time immemorial, a portion of the Kwangtung (Canton) Province. The Island of Hongkong (covering an area of about 29 square miles) is situated, 76 miles S.E. of Canton, near the mouth of the Pearl River, the eastern banks of which are lined by the Tungkoon District (24 miles S.E. of Canton city) and the Sanon District (52 miles S.E. of Canton city), of which the Kowloon Peninsula and Kowloon City

Promontory from the south-eastern extremities, whilst Hongkong is separated from Kowloon Peninsula by a channel of one nautical mile in width.

For many centuries Hongkong formed a part of the Tungkoon District, but when the eastern half of the latter was constituted a separate District, called Sanon, the territory now included in the British Colony of Hongkong came under the jurisdiction of the Sanon Magistrate who resides in a walled town on the Canton River called Namtau (or Sanon), and who has under his direction a Sub-Magistrate residing at Kowloon city, a small fortified town, situated close to the British frontier, in the north-eastern corner of Kowloon Peninsula. The land-register, however, which forms the Domesday Book for the few arable and vegetable fields possessed by the Colony remained all along at Tungkoon. Thence used to issue from time to time the tax-gatherers to dun the villagers for the payment of the grain tax and to worry them into taking out licences for ground newly brought under cultivation.

The fishing grounds also, all along the coast of Hongkong and Kowloon, were parcelled out, under special licences for which the Sanon Magistrate's underlings used to collect annual fees. The waters of Hongkong, with the beautiful, roomy and almost land-locked harbour, enclosed on the North by the Peninsula of Kowloon and its eastern Promontory, and in the South by the Island of Hongkong with its several bays, were under the special supervision of the Marine Constabulary Station of Taipang, a walled town in the north-eastern portion of Mirs Bay, some 30 miles to the North-east of Kowloon city. But when the Colony became British, the head-quarters of the Colonel in command of the Marine Constabulary stations of Taipang and Kowloon were removed to the citadel of Kowloon city.

The above-mentioned administrative and executive arrangements date back, in their present form, no farther than the commencement of the present Tatsing (Manchu) Dynasty and notably to the reign of the enlightened Emperor Kanghi (A.D.

1662 to 1722), who took quite an exceptional position in that he positively encouraged foreigners to come to his Court and systematically favoured foreign trade. During his reign the water-ways of Hongkong which, with the Kap-shui-moon and Sulphur channels in the West, and the Ly-ee-moon pass in the East, formed all along the natural highway of commerce, connecting Canton and the South-west coast with the ports of Swatow, Amoy, Foochow and Shanghai on the East coast of China, rose into commercial importance.

As to the history of Hongkong previous to the rise of the Tatsing Dynasty (A.D. 1644) very little is known.

There is, however, on the Kowloon peninsula, and within British territory, an ancient rock inscription, on a large loose-lying granite boulder, which crowns the summit of a circular hill, jutting out into the sea, close to the village of Matauchung, directly West of Kowloon city. This inscription, consisting of three Chinese characters (Sung Wong T'ong, *lit.* Hall of a King of the Sung) arranged horizontally, was originally cut about half an inch deep in the northern face of the boulder. The Chinese Government believe it to be a genuine inscription, about 600 years old. The original characters, having become nearly effaced in course of time, were renewed at the beginning of the present century (1897) by order of the Viceroy of Canton, the date of this restoration being recorded by a separate inscription the characters of which are arranged perpendicularly. The memories attaching to this inscription and to the whole hill, which still shows the outlines of the original entrenchments, are so sacred in the eyes of Chinese officials and literati, that excavations and quarrying were prohibited in that locality under the severest penalties. When the Peninsula was leased and subsequently ceded to the British Crown, the Chinese Government specially stipulated that the rock inscription and the whole hill should remain untouched. Nevertheless, quarrying has occasionally been attempted there since the locality came into British possession.

Chinese history states that, when the Sung Dynasty was overturned by the invasion of the Mongols under Kublai Khan,

who subsequently seated himself on the throne of China (A.D. 1280), the last Emperor of the Sung Dynasty, then a young child, was driven with the Imperial Court to the South of China and finally compelled to take refuge on board ship, when he continued his flight, accompanied by a small fleet. Coasting along from Foochow, past Amoy and Swatow, he passed (about 1278 A.D.) through the Ly-ee-moon into the waters of Hongkong. After a short stay on Kowloon Peninsula, he sailed westwards until he reached Ngaishan, at the mouth of the West River (South-west of Macao). But meanwhile the Mongols had taken possession of Canton and hastily organized a fleet with which they hemmed in the Imperial flotilla on all sides. The Prime Minister (Luk Sau-fu), seeing all was lost, took the youthful Emperor on his back, jumped into the sea (A.D. 1279) and perished together with him.

Within a few months previous to this event, the Imperial Court had rested for a while in the little bay of Kowloon, called Matauchung. Tradition says that Kowloon city and the present hamlets of Matauchung and Matauwai were not in existence at the time, and that the Imperial troops were encamped for a time on the hill now marked by the inscription, whilst the Court were lodged in a roughly constructed wooden palace erected at a short distance from the beach, on the other side of Matauchung creek, at a place now marked by a temple. There, it is said, the last Emperor of the Sung resided for a while, on ground now British and in sight of Hongkong, waiting for news from Canton concerning the movements of the Mongols, and hoping in vain to receive succour from that treacherous city.

Tradition further states that, ever since the downfall of the Sung (A.D. 1279) and all through the reign of the Mongol Yuen Dynasty (A.D. 1280 to 1333), Hongkong was a haunt of pirates. The bay of Shaukiwan (close to the Ly-ee-moon pass) and the bay of Aberdeen (close to the Lamma channel) were specially dreaded by peaceful traders, because piratical craft used to issue thence plundering or levying black-mail on passing junks. These pirates, it is said, were generally engaged in fishing whilst men

stationed on the hill tops kept a look-out for merchant vessels. The descendants of these piratical fishermen gave, in subsequent years, an endless deal of trouble to the British Government. It was this piratical predisposition of the fishermen residing in the neighbourhood of Hongkong that had caused the early Portuguese navigators to give these Islands the general name *Ladrones*.

During the reign of the native Ming Dynasty (A.D. 1468 to 1628), a period of comparative peace and order ensued whilst the fishing vessels of Shaukiwan and Aberdeen confined their depredations to the regular levy of a small fee, willingly paid by junks benefitting by the short cut afforded by the Ly-eemoon and Lamma channels or by the safe anchorage which some of the bays of Hongkong provided in case of an approaching typhoon. Both the Peninsula of Kowloon and the Island of Hongkong now began to be peopled by peaceful and industrious settlers from the neighbouring Tungkoon District. The town of Kowloon was formed about this time by settlers speaking the Cantonese dialect, called *Puntis* (*lit.* aborigines). These *Puntis*, after denuding the hill sides of all available timber or firewood, took possession of all arable ground to be found on the territory now British, and took out licenses for such fields from the Tungkoon Magistracy. Thus the hamlets of Matauwai (near Kowloon city) with Kwantailou (Eastpoint) and Wongnaichung (on the Island of Hongkong) were among the first to be formed, and to them were added later on the hamlets of Sookonpou (Bowring-town), Tanglungchau and Pokfulam. Some of the fishing villages, Chikchü (Stanley), Shekou (between Cape Collinson and Cape D'Aguilar), and Yaumati (on Kowloon Peninsula) now rose also into importance. Among the people then residing on Hongkong a number of families of the Tong clan held all the best pieces of ground and the members of this Tong clan looked upon themselves as the owners of Hongkong.

Some time, however, after the *Puntis* had occupied the best portions of Kowloon and Hongkong, settlers from the North-east of the Canton Province, speaking a different dialect, called *Hakkas* (*lit.* strangers), began to push their way in between *Punti*

settlements. These Hakkas cut the grass from the hill sides for fuel, made charcoal as long as there was any timber left, formed vegetable fields on hilly or swampy ground neglected by the Puntis, started granite quarries, or worked in the Puntis villages as blacksmiths or barbers. Thus the Hakka villages of Mongkok, Tsopaitσαι, Tsimshatsui and Matauchung were formed on Kowloon Peninsula, and on Hongkong Island the hamlets of Hungheunglou, Tunglowan, Taitamtuk, Shaiwan, Hoktsui, Wongmakok, and Little Hongkong. Similar hamlets were formed by the Hakkas at the quarries of Taikoktsui, Hokün, and Tokwawan on Kowloon, and at the quarries of Tsattsimui, Shuitsingwan, Wongkoktsui, and Akungngam on the Island of Hongkong.

Thus it happened that, ever since the Ming Dynasty, two distinct tribes of Chinese, differing from each other in language, customs and manners, formed the native population of Hongkong and Kowloon. As a rule, the Puntis were more intelligent, active and cunning, and became the dominant race, whilst the Hakkas, good-natured, industrious and honest, served as hewers of wood and stone and drawers of water. But from the first advent of the British and all through the wars with China, the Puntis as a rule were the enemies and the Hakkas the friends, purveyors, commissariat and transport coolies of the foreigners, whilst the fishing population provided boatmen and pilots for the foreign trade.

Later on, a third class of natives, speaking another dialect (Tiehchin, or Swatow dialect), settled at Shaukiwan, Tokwawan, Hunghom and Yaumati. These people, generally called Hoklos, were all seafaring men, bolder in character than either Hakkas or Puntis, and specially addicted to smuggling and piracy. Among all the pirates on the coast, these Hoklos were most dreaded on account of their ferocious and daring deeds. In later years, these Hoklos supplied the crews of nearly all the salt smuggling and opium smuggling boats, the terror of the Chinese revenue cruisers.

After the downfall of the Ming Dynasty (A.D. 1628), the scattered remnants of the Ming army, still hoping to retrieve the

fortunes of the Ming and to expel the Tsing (Manchus), took refuge on the Island of Hongkong (about A.D. 1650). Thereupon the Emperor Kanghi issued an Edict, cancelling all leases issued for Hongkong and calling upon all loyal subjects of the Tatsing Dynasty to withdraw themselves and all supplies of provisions from the Island, until all the rebels who had taken refuge there were starved out and exterminated. All the agricultural settlers, Puntis and Hakkas left Hongkong forthwith—an exodus which, in the history of British Hongkong, was repeated several times—until the rebels had been dislodged and order restored, when they returned and had their licenses renewed.

Chinese tradition has nothing further to say of Hongkong, except that, at the beginning of the present century (A.D. 1806 to 1810), the present Victoria Peak (1,774 feet high) formed the look-out and the fortified head-quarters of a pirate, named Chang Pao, famous in popular local history for his daring exploits until, having conquered several districts bordering on the Canton River, he was bought over by the Viceroy of Canton and entered his service.

As to the name of Hongkong, the Chinese are not in the habit of naming an island, as a whole, apart from any prominent place or feature of it. Previous to the cession of Hongkong, there was no term in existence designating the Island of Hongkong as a whole. The principal port on the South of the Island, now known as the port of Aberdeen, was always known among Puntis, and fishermen especially, as Heung-kong (*lit.* port of fragrance) and is so known among the natives generally to the present day when referring to the anchorage as distinct from the village of Shekpaiwan (Aberdeen village) and the village of Aplichau (Aberdeen Island). The Hakka village of Heung-kongtsai (Little Hongkong) is situated two miles farther inland. The stream which, by a pretty little waterfall, falls into the sea at Aberdeen village (at the present paper mill), has nothing to do with the native term Hongkong, but it attracted European vessels which used to replenish their empty water-casks there. These European mariners, mistaking

the name of the anchorage for that of the whole Island, marked the Island of Hongkong on their charts accordingly, and in subsequent years, on the occasion of the Treaties of Chuenpi (A.D. 1841) and Nanking (A.D. 1843), the term 'Hong Kong' was adopted as a designation of the whole Island and thus passed into general use, both among foreigners and natives, and finally the term 'Hongkong' was used as a designation of the whole Colony (including Kowloon).

Along the northern shore of Island there used to be, previous to the British occupation, a narrow bridlepath leading, high above the beach, across rocks and boulders, all the way from Westpoint to a hamlet near Eastpoint called Kwantailou, described in the first census (May 15, 1841) as a fishing village with 50 inhabitants. This path was used by the crews of trading junks, in cases of wind and tide being unfavourable, to track the junks along by a towing line attached to the peak of the foremast. Now this hard-trodden path standing, to an observer from the opposite shore, clear out from the grass-grown hillside, like a fringe or border along the skirts of the hill, was by the natives called Kwantailou (*lit.* petticoat string road), and the hamlet at which this path ended was naturally called by this same name. But among the Hakkas, the Island of Hongkong, or rather this northern portion of it, is to the present day called by the same name Kiuntailou.

The name of the Kowloon peninsula, which covers an area of four square miles, is derived from a series of nine peaks or ridges (Kau-lung, *lit.* nine dragons) which form the northern background of the panorama spread out before an observer standing on the northern slope of the Island of Hongkong. After these nine dragons, both the city of Kowloon (which is in Chinese territory) and the Peninsula of Kowloon (ceded to Great Britain in 1861) are named.

Previous to the British occupation of Hongkong, the population of it probably never exceeded, at any one time, a total of 2,000 people, including Puntis, Hakkas and Hoklos, whether ashore or afloat.

CHAPTER XI.

CONFIRMATION OF THE CESSION OF HONGKONG, *1841 to 1843.*

BEFORE entering now upon the modern history of Hongkong, it is necessary briefly to sketch first of all the history of those political events which, directly connected with the Treaty of Chuenpi, and of the cession of Hongkong, brought about eventually the confirmation of the cession by the Treaty of Nanking (August 29, 1843). For the latter, though not alluding to any previous cession, was virtually but a ratification of the action taken by the representatives of the British Government in taking possession of Hongkong (January 26, 1841) under the Treaty of Chuenpi.

Up to the day when the Island of Hongkong was taken possession of, the Imperial Commissioner Kishen appears to have acted in perfect good faith, honestly determined to make peace and to abide by the promises he had made at Tientsin, and by the purport of the truce concluded by Eleepoo at Chusan and confirmed by his own Treaty of Chuenpi. But on the day when Sir J. J. Gordon Bremer took possession of Hongkong (January 26, 1841), believing, with Elliot, that an era of peace was now being inaugurated, Kishen received an Imperial Edict which virtually nullified the Tientsin promises, the Chusan truce and the Chuenpi Treaty, and indicated a complete reversal of that policy which had been initiated by the Emperor whilst the British fleet threatened Tientsin and Peking. The force of Lord Palmerston's arguments, as set forth in his dispatch, was in the fleet which presented the dispatch and not in the text of the latter. The order which Kishen now (January 26, 1841)

received was, 'Let a large body of troops be assembled and let an awful display of celestial vengeance be made.'

With these orders in his pocket, Kishen went down next day (January 27, 1841) to the Second Bar Pagoda where, with beaming countenance and a pleasant smile on his lips, he held a levée and entertained Elliot and a select company of British officers at lunch, pretending the utmost cordiality and the frankest determination to carry out the stipulations of the Treaty of Chuenpi. Elliot and the British officers were all completely deceived. Whilst Kishen were pleasantly chatting with his guests near the Bogue, another Edict issued at Peking, in which the Emperor, referring to the proposed cession of a port, stated that a glance at these memorials filled him with indignation and grief, that Kishen had deceived him by soliciting as an Imperial favour what the barbarians demanded by force. One more chance was, however, given to Kishen, to amend his craven conduct, by driving off and destroying those foreigners: 'Let him proceed immediately to take command of all the officers and subalterns and lead them on to the extermination of these barbarians, thus hoping to atone for and save himself.' Other Edicts were issued within the next few days ordering the immediate recapture of Chusan, and the dispatch of picked veteran soldiers from Hupeh, Szechuen and Kweichou to Canton. Three special Commissioners (Yikshan, Lung Wan and Yang Fang) were ordered to proceed to Canton to organize and superintend a war of unconditional extermination. No question of opium was now raised. The 'hateful brood of barbarians' were to be destroyed, one and all, by any means, foul or fair.

On the day when one of these Edicts was issued at Peking (January 30, 1841) and dispatched so as to reach Kishen in 12 days, Elliot issued a circular to Her Majesty's subjects in China stating that 'negotiations with the Imperial Commission proceed satisfactorily.' However, when Elliot had his next interview with Kishen (February 13, 1841), he had heard a whisper of the contents of the Edict which had reached Kishen two days before (February 11, 1841) and put a few searching

questions to him. Meeting with evasive answers, Elliot found his worst suspicions confirmed, and prepared once more for war. Five days later (February 18, 1841) the Chinese themselves commenced hostilities by firing on a boat of the armed steamer *Nemesis* from a fort on Wangtong island. Next day the British squadron began to assemble at the Bogue. Kishen having formally declined to carry out the stipulations of the Chuenpi Treaty, war was declared, and the Cantonese Authorities commenced it by the issue of proclamations offering \$50,000 for Elliot or any other 'rebellious ringleader' (February 25, 1841).

A landing having been effected by the English, beyond the reach of the Chinese guns, on South-Wangtong (February 25, 1841), a battery was erected there during the night, and at daybreak (February 26, 1841) commenced the Third Battle of the Bogue, by an attack on the batteries of North-Wangtong and Aneunghoi. In the space of a few hours the Chinese positions were carried, 300 guns spiked, 1,000 prisoners made in the forts, and about 250 Chinese killed and 102 wounded. Admiral Kwan, the descendant of the god of war, was among the killed. After compelling the prisoners to bury the dead, the victors allowed them all to depart in peace. Next day (February 27, 1841) the fleet proceeded to attack an entrenched camp, situated on the left bank of the river, just below Whampoa. It was defended by 100 pieces of artillery and garrisoned by 2,000 men of the élite of the Hunan troops, who offered a brave and determined resistance in a hand to hand fight. But British discipline and pluck scattered them and the camp was carried. An old British ship (*Cambridge*) which the Chinese had purchased under the name *Chesapeake*, and fitted out as a frigate, was also captured and blown up, after great slaughter.

As the troops advanced beyond Whampoa, destroying battery after battery, the European merchant ships came up to Whampoa apace and resumed trade on the day (March 1, 1841) when the fleet, by carrying the enemy's works at Liptak and Eshamei, approached Canton city. Major-General Sir Hugh Gough, having arrived (March 2, 1841), took command of the



land forces, whilst Captain the Hon. Le Fleming Senhouse commanded the fleet as Senior Naval Officer, in the absence of Commodore Bremer. A masked battery on the N.E. end of Whampoa Island was carried (March 2, 1841) and when Liptak (Howqua's Folly) was occupied (March 3, 1841) by the advanced squadron, the Acting Prefect of Canton city (Yue Pao-shun) came with a flag of truce, begging for a suspension of hostilities for three days. Negotiations commenced but came to nothing. The armistice having expired at 11 a.m. on March 6, 1841, the works in advance of Howqua's Folly were captured at once. Elliot, seeing the city in the power of the fleet anchored close to its southern frontage, assumed that all opposition was now subdued, and issued forthwith a proclamation to the people (March 6, 1841) stating that the Emperor's bad advisers were responsible for the proceedings, that the war was with the Chinese Government, and that the people and the city would be spared, if trade were quietly resumed without further opposition.

Trade indeed did flourish all through this month in spite of the hostilities between the troops, the war being so far only a contest between the naval and military forces of the two countries. But the Chinese officials secretly continued their policy of extermination without flinching. Kishen was arrested by Imperial orders, loaded with chains and thus carried off from Canton (March 12, 1841) to be tried in Peking. On the same day, the first merchant ship, since the raising of the blockade, left Whampoa with a full cargo. Business continued to increase there steadily.

Observing, however, active preparations for a resumption of hostilities in the S.W. of Canton city, the British commanders resumed hostilities (March 13, 1841), when seven batteries, obstructing the inner passage (Taiwong-kau) from Macao to Canton, being armed with 105 cannons, were captured by the armed steamer *Nemesis* (Captain Hall), and the fort in the Macao passage, near Canton, was captured by H.M.S. *Calliope* (Captain Herbert). A lull of quiet now ensued and lasted for a few days.

But on March 16, 1841, a flag of truce having been fired upon by the Chinese, the enemy's works on Fatee and Dutch Folly were attacked and captured and a large flotilla of war-junks was destroyed. By this action the western as well as the southern portions of Canton city were brought under the guns of the squadron. The factories also were occupied by British troops (March 18, 1841) and the whole city was now at the mercy of Captain Elliot. But for the second time the city was spared, without a ransom, on condition that the hostile preparations should be discontinued and trade resumed. One of the newly appointed Special Imperial Commissioners, Yang Fang, who, to the chagrin of the Emperor, had boldly recommended that 'a haven for stowage should be allowed to the foreigners,' had already arrived in Canton. He now concluded with Elliot a formal Convention (March 30, 1841). The terms of this Convention were, (1) that the British ships of war remain near the factories, (2) that the Chinese discontinue further preparations for war, (3) that foreign merchants may at once return to the factories and that foreign ships may continue the legitimate trade at Whampao, paying the usual port charges and other duties to the Chinese Government. Yang Fang and the Viceroy (Eliang) issued forthwith a joint proclamation stating that Elliot had assured them that 'all he wanted was trade and nothing else.' Accordingly they exhorted the people, by all means to continue trading with foreigners without fear. At the same time the two officials reported to the Emperor, that Elliot, in saying all he wanted was trade and nothing else, had renounced his claim to Hongkong as well as his former demand of an indemnity for the opium surrendered to Lin, and that the British fleet would retire from Canton as soon as an Imperial Decree authorizing resumption of trade with the barbarians was received.

Things now appeared to go on quietly. The Chinese officials, however, continued their warlike preparations, and secretly stirred up the people to join in the war of extermination. The continuance of the trade kept them in funds. So the foundries

at Fatshan were working day and night, casting new cannons and turning out, under foreign superintendence, a number of five-ton guns, which were forthwith placed in position for an attack on the British fleet, but, in the absence of proper gun carriages, in a manner which left the guns unworkable. Masked batteries were also erected on the sly along the river front, and new fleets of war-junks and fire-ships were collected in the creeks connecting Fatshan with Canton.

Meanwhile, however, trade continued briskly as if all were peace, although a Mr. Field and two young officers of H.M.S. *Blenheim* were assassinated (March 26, 1841) on their way to Macao. Elliot himself took up once more his residence in the factories (April 5, 1841) where he had been a prisoner but a year before. He did so partly to disarm suspicion as to the good intentions of the English and partly to keep himself informed of what was going on in Canton city, where Lin was still residing as adviser of the Commissioners who were daily expected. As soon as Yikshan, the Chief of the Commission, arrived in Canton (April 14, 1841), together with Lung Wan, the second Commissioner, and the new Viceroy, Kikung, a secret conclave was held between them and Yang Fang, the third Commissioner, and Lin. They all agreed that Canton was defenceless, that there were not sufficient troops to dislodge the British from their present position, and that therefore they should all make a show of friendly relations until the British forces had left Canton, as they intended doing, to prosecute the war in the North, but that, as soon as the expedition had left, they would block up with piles and stone junks every single outlet of the Canton River and re-build every fort, ready to assume the offensive once more.

This scheme they confidentially reported forthwith to the Emperor. But Elliot, who generally had good information, heard something of this plan (May 14, 1841) and at once ordered the expedition, which was to have started for Amoy and Ningpo the next day (May 15, 1841), to be postponed indefinitely. H.M.S. *Columbine* also had brought news (May 10,

1841) that Eleepoo had, like Kishen, fallen into disgrace, and that Yuekien, one of the most violent enemies of the English, had replaced him as Imperial Commissioner at Ningpo.

Elliot was waiting for the Chinese to strike the first blow. But when he found that the Shameen battery, which had been carried and dismantled in March, was about to be re-armed, he called upon the Cantonese Authorities to stop this and every other warlike movement at once. Finding that they evaded his demands, Captain Elliot forthwith (May 17, 1841) sent for troops from Hongkong. Next day (~~March~~ ^{May} 18, 1841), the British forces (consisting of 2,600 combatants) started from Hongkong for Canton, leaving but a small portion of the 37th Madras Native Infantry to protect the settlement at Hongkong. The Cantonese Authorities meanwhile continued to pretend friendly feelings, whilst heavy masses of picked troops from other provinces were daily pouring into the city. To mislead Elliot and the foreign merchants, the Acting Prefect issued (May 20, 1841) a proclamation urging the people, who were leaving the city in large numbers in dread of the approaching conflict, to remain quiet in their lawful pursuits and to continue trade with foreigners without alarm or suspicion. Unbeknown to Yang Fang, who as an experienced soldier knew the strength of the British forces and accordingly counselled patience, Yikshan made secret arrangements for a simultaneous night-attack on the British fleet, by means of fire-ships. Elliot received information of the proposed movement and immediately issued a circular (~~March~~ ^{May} 21, 1841) warning Her Majesty's subjects and all other foreign merchants in the factories to retire from Canton before sunset. At 11 p.m. the attack commenced from the western fort (Saipaotoi) near Shameen, where a new five-ton gun had been mounted. A series of fire-boats came suddenly, with the tide, down upon the British ships. The crews of these fire-ships carried stink-pots and fire-balls and were armed with long boarding pikes. The moment the first of these fire-ships were hailed and fired into by the British sentries, the Chinese forts and masked batteries along the river front opened fire on the

British ships anchored in the river and the Hunan and Szechuen troops attacked the untenanted factories and plundered them. Yang Fang only heard of the attack when it had commenced. He stamped and swore, but it was too late. The attack entirely miscarried, because the British ships were all on the alert and prepared for it. They immediately poured shot and shell into the fire-ships, the moment they came within easy range, and then turned their guns on the batteries which were speedily silenced. Next morning all the Chinese batteries within range of the ships were carried by assault and a flotilla of over 100 war-junks and fire-ships was captured and burned (May 22, 1841). The next two days the British forces prepared for a concerted attack on Canton city. On May 24, 1841, after firing a royal salute in honour of Her Majesty's birthday, the afternoon was spent in collecting large numbers of barges for the transport of the troops in shallow water, in replying to occasional shots fired from masked batteries in the suburbs, and in moving troops to their appointed stations. In the evening, nearly 2,000 men were conveyed in large covered barges, collected by Captain Belcher, up the northern branch of the river from Shameen towards the North-west gate of the city. After landing, near the village of Tsinghoi, the guns and artillery during the night, and reconnoitring the neighbourhood at daybreak, a start was made, under the command of Major-General Burrell, at 9 a.m. (May 25, 1841). The troops marched across the swampy paddy-fields in the direction of the North-west gate, driving the village volunteers before them, attacked and carried at the point of the bayonet the four outlying forts outside that and the North gate, and took by assault, though not without considerable loss of men and officers, a strongly entrenched camp which was protected by the guns on the city walls. At the same time an attack was made on the southern suburbs. Major Pratt, with the Cameronians, took possession of the factories, whilst the ships in the river bombarded the Tartar General's head-quarters.

Yikshan and Yang Fang were entirely disconcerted by these movements. They had not expected the city to be attacked in

the North-west, where its fortifications were strongest, but had prepared for an assault in the South and especially in the East. The bombardment also caused a great panic in the city, while the Chinese five-ton guns could not be brought to bear upon the British ships so as to reply to their fire.

The following day (May 26, 1841) the rain poured down in torrents and put almost a stop to the movements of both sides. The British troops were waiting for fresh supplies of guns and ammunition, but before nightfall all preparations for the assault of the city walls were completed and fifteen pieces of artillery in position before the northern gates. Next morning (May 27, 1841), at the very moment when the attack was going to be sounded, a sudden stop was put to the movement of the troops, to their intense disappointment. The news came that Elliot had concluded a treaty of peace. This Treaty of Canton, arranged between Elliot, Yikshan and Kikung (May 27, 1841) was based on the following stipulations, viz. (1) that the Tartar troops and the braves from the other provinces (between whom and the volunteers there was a deadly feud), amounting to about 35,000 men, should immediately evacuate the city without display of banners ; (2) that the Imperial Commissioners should leave the city within six days and proceed to a distance of at least 60 miles ; (3) that the British forces would not leave Canton nor retire beyond the Bogue, until the following payments had been made, viz. \$6,000,000 as a ransom of the city to be paid within one week, \$300,000 compensation for the pillage of the factories, \$10,000 for Mr. Moss and the other sufferers by the attack on the British schooner *Black Joke*, and \$25,000 for the owners of the Spanish brig *Bilbaino* ; (4) that a promise be given, not to re-arm any of the fortified places at the Bogue or inside the river, and to stop all further warlike preparations until affairs should be settled between the two nations ; (5) that trade should at once be resumed at Canton and Whampoa.

It will be noticed that Elliot did not expressly include among the stipulations of this Treaty either the confirmation

of the cession of Hongkong (which, he no doubt supposed, required no further confirmation), or compensation for the opium surrendered to Lin (which he considered settled by his drafts on the Lords Commissioners of the Treasury). As to a war indemnity, he no doubt reserved that for the reckoning yet to be made with the Imperial Government, the real instigators of the war. The Manchu Annals incorrectly state that Elliot demanded and obtained 'the opium money' in addition to a 'war indemnity,' and make the further doubtful assertion that Elliot first proposed to Yikshan to exchange Tsimshatsui and Kowloon for the Island of Hongkong, but that, when Yikshan pointed out that the Emperor had not yet been invited to agree to the cession of Hongkong, Elliot consented to let the question of Hongkong stand over for discussion (with the Imperial Government). The Annalist accordingly blames the Commissioners for omitting, in their reports to the Throne, all reference to the payment of the opium indemnity and to the cession of Hongkong.

The advantages gained by this ten days' campaign and the consequent Treaty of Canton were very great. The removal from the scene of those troops which alone had stood the British fire, and which had drawn upon themselves the ill-feeling of the Cantonese so as to cause danger of civil war in the city, was a decided advantage. The expulsion of the Imperial Commissioners, who had been the prime movers in all hostilities, was calculated to make them comparatively harmless, while the temporary crippling of the provincial exchequer deprived them, at least for a time, of the sinews of war. But the greatest advantage gained by the Canton Treaty was the speedy termination of the campaign which, within a few weeks after the first blow was struck, set the British troops free, just when the summer was coming on, to operate in the North.

On the day after the conclusion of peace (May 28, 1841), it happened that the third company of the 37th Madras Native Infantry, under Lieutenant Hadfield and two subalterns, Devereux and Berkeley, having lost their way, were surrounded,

late in the evening and far from the main body, by masses of Chinese volunteers. Seeing that the muskets of the company (none of which had percussion locks), being soaked with the rain, persistently missed fire, these volunteers attacked our men with long spears and pruning hooks, against which the bayonets were at a fearful disadvantage. But there this little company of sepoys, between fifty and sixty strong, stood undaunted for several hours, formed in square, unable to fire their muskets, but bravely repelling the continued attacks of some two thousand Chinese until at last two companies of Royal Marines came to the rescue and scattered the volunteers. Yet the rescued company lost only one man killed (hacked to pieces in their sight) and fifteen (including Ensign Berkeley) wounded. This rencontre, between that one company of Madras Native Infantry and a few thousand volunteers near the village of Samyuenli, was vastly exaggerated by the Chinese officials and reported to the Emperor in glowing colours as 'the Battle of Samyuen Village,' whereupon the Emperor sarcastically remarked that the Canton yokels appeared to have accomplished more than the whole of the regular armies of China. These remarks of the Emperor gave subsequently an immense impetus to the Fatshan-Canton volunteer movement.

Five months later (October 30, 1841), Her Majesty the Queen expressed her entire approbation of the operations against Canton, but Captain Elliot, to whom the credit of the conclusion of the Treaty is due, appears to have received neither approbation nor thanks at the hands of his country. His Treaty of Chuenpi, by which he gained the territory of Hongkong for Her Majesty's possession, remained ignored by both Governments. The six million dollars which he recovered by his Canton Treaty 'in diminution of the just claims of Her Majesty's Government,' and which covered the amount of the bills drawn by him on Her Majesty's Treasury in payment of the opium surrendered to Lin, was not applied to that purpose, but his bills were left dishonoured and the opium compensation question allowed to stand over for some years longer, while Her Majesty immediately

allowed twelve months' full batta to the naval and military forces in China out of those six million dollars.

Elliot may have been to blame for the trust he reposed in Kishen's willingness or ability to carry out the stipulations of the Chuenpi Treaty, for the haste with which he withdrew the British troops from Chusan (though the frightful mortality rate which reigned there may be his excuse), and for his omission to secure the approval of the Emperor before thus carrying out his part of the stipulations. But such errors of judgment ought to have been balanced by the consideration of the many years' faithful and approved service which he had rendered to his country under the most harassing and painful circumstances, and by the heroism he displayed in hurrying to the rescue of his imprisoned countrymen at the risk of his life in 1839. All honour is due to the memory of brave Captain Elliot.

Strange to say, Commodore Bremer returned (June 18, 1841) from Calcutta with the news that he had been appointed Joint Plenipotentiary, though, if telegraphic communication had then existed, Elliot would have been informed long before (May 14, 1841) that both he and Bremer had already been superseded. A few weeks after Commodore Bremer's return, he was, together with Captain Elliot, shipwrecked in the great typhoon (July 21, 1841) and they escaped but by a hair's breadth capture and probable assassination by Chinese pirates or soldiers. Captain Elliot left China for Europe (August 24, 1841) disappointed and unjustly dishonoured, together with Commodore Bremer. There is a singular coincidence in the fact that the fate of Sir George Robinson, who first recommended the annexation of Hongkong officially, and who was curtly recalled for it, befell also the man who, against his own will perhaps, had procured the formal cession of Hongkong.

Sir Henry Pottinger, Baronet, a Major-General in the East India Company's service, had been selected (May 15, 1841) to be Her Majesty's Sole Plenipotentiary and Minister Extraordinary, to proceed to China on a special mission to the Chinese Government. He had, at the same time, been commissioned

to act as Chief Superintendent of the trade of Her Majesty's subjects with that country and invested with full power to negotiate and conclude a Treaty for the arrangement of the differences subsisting between Great Britain and China. For the latter purpose, Major-General Sir Hugh Gough and Admiral Sir William Parker were associated with him as respective Commanders-in-chief of the military and naval forces in China. Sir H. Pottinger having arrived at Macao (August 10, 1841) together with Sir W. Parker, by the steam-frigate *Sesostris*, and called on Governor Pinto, held forthwith several conferences with Captain Elliot, Sir Hugh Gough and Mr. A. R. Johnston. He next dispatched (August 13, 1841) his Secretary, Major Malcolm, to Canton, to deliver to the Imperial Commissioners and to the Viceroy dispatches announcing his arrival as Sole Plenipotentiary, and warning the Chinese Authorities that the slightest infringement of the terms of the truce, concluded by the Treaty of Canton, would lead to an instant renewal of hostilities in the Canton Province.

The arrival of these dispatches, and the plain warning thus given to the Chinese Authorities, caused great excitement at Canton. The literati and gentry viewed the attitude of superiority and the tone of undisguised severity, which Sir H. Pottinger had adopted in these dispatches, so utterly at variance with the polite and humbly respectful style of Elliot's communications, as a studied insult and unbearable disgrace. The popular feeling, thus aroused, vented itself at the next public examination of graduates (September 16, 1841), when the Acting Prefect (Yü Pao-shun) was hooted by the students and driven out of the examination hall as a public traitor. The people now made common cause with their officials, though they hated them, and the officials, egged on by the literati to defy Sir H. Pottinger's warning, waited only for a diminution of the forces at Hongkong when they re-built most of the forts inside the Bogue. But when they attempted (September, 1841) to re-arm the Wangtong forts, close to the Bogue, H.M.S. *Royalist*, forming part of the small squadron under the command

of Captain Nias (of H.M.S. *Herald*), immediately destroyed the works without ado.

On the day of his arrival at Macao (August 10, 1841), Sir H. Pottinger issued a Gazette Extraordinary to inform Her Majesty's subjects at Macao and Hongkong of his appointment and the nature of his commission. Two days later he intimated (August 12, 1841) that the primary object of his mission was to secure a speedy and satisfactory close of the war, and that no consideration of mercantile interests would be allowed to interfere with that object. In the same notification he referred to 'the well-understood perfidy and bad faith' of the Cantonese Authorities, and warned British subjects of a probable interruption of the present truce, cautioning them against putting themselves or their property in the power of the Chinese officials. As to the occupation of Hongkong, Sir H. Pottinger stated, at the close of this notification, that the arrangements made by his predecessor with reference to Hongkong should remain in force 'until the pleasure of Her Majesty regarding that Island and those arrangements should be received.' These words plainly intimated that the Chuenpi Treaty and the cession of Hongkong, and especially the act of formally taking possession of the Island in the name of Her Majesty, had so far been neither disapproved nor formally approved by Her Majesty's Government. Things were left in statu quo and that meant, to all practical intents and purposes, tacit provisional confirmation of the cession of Hongkong.

On August 21, 1841, the expedition started from Hongkong, the ships being all cleared for action. A descent was made first upon Amoy. The forts, town and citadel of Amoy, together with the fortified island of Kulangsoo, were captured (August 26, 1841). Leaving a small garrison at Amoy, the expedition proceeded to Chusan, where Tinghai fell into the hands of the English after a noble resistance (October 1, 1841). In taking possession again of the whole island of Chusan, Sir H. Pottinger notified (October 2, 1841), by a public circular, that under no circumstances would Chusan be restored again to the Chinese

Government, until the whole of the demands of England (as previously made at Tientsin) were not only complied with but carried into full effect. The fortified towns of Chinhai (October 10, 1841) and Ningpo (October 13, 1841) were next occupied. At Chinhai a most obstinate resistance was offered by the Chinese troops. When the Imperial Commissioner Yue-kien, who had previously tortured and murdered an English prisoner (Captain Stead), saw that all was lost, he committed suicide rather than surrender himself into the hands of the English. The transport *Nerbudda* having been wrecked on the Formosan coast (September 26, 1841), nearly the whole of the crew and passengers were murdered by Chinese officials in prison. The same scenes occurred after the wreck of the British brig *Anne*. These dastardly deeds, for which a Manchu Brigadier called Tahunga was chiefly responsible, were reported to the Emperor, and gloated over all through the Empire as great victories gained in battle, and Tahunga was promoted in consequence. On receiving the news of the fall of Tinghai, Chinhai and Ningpo, the Emperor immediately ordered the defences of Tientsin and Taku to be strengthened (November 1, 1841) and appealed to the whole nation to rise against the English and continue unsparingly the war of extermination (November 15, 1841). Kishen was now pardoned and called into service again as assistant to Yikking, who was dispatched (December 1, 1841) as Imperial Commissioner to recover Chinhai at any cost.

A lull now ensued in the proceedings. The Chinese felt that the supremacy of China over the rest of the world was at stake and carefully prepared for the struggle which was to decide the question for ever. The British expedition also was waiting for reinforcements, as sickness had made great havoc among the troops. Sir H. Pottinger meanwhile returned to Hongkong and Macao where he learned that the Cantonese had, for months past, been straining every nerve to prepare for an early renewal of hostilities. The Imperial Commissioner Yikshan had enrolled (October 8, 1841) large bodies of paid village volunteers for the defence of Canton city, to the great annoyance

of the citizens. Stoneboats had been scuttled at Howqua's Folly and in Blenheim Reach, to obstruct access to Canton. The Chinese gunpowder factories—one of which, near Canton city, blew up by accident (January 12, 1842)—were working extra time. The cannon foundries at Fatshan were turning out superior kinds of brass guns of a foreign pattern. Six new forts had been constructed under foreign advice, and an army of 30,000 men was under instruction in the use of musket and bayonet. Sir H. Pottinger stopped the seizure of Chinese vessels which had been ordered by the officer (Captain Nias) who, after the death at Hongkong of Sir Humphrey Le Fleming Senhouse (June 13, 1841), had succeeded to the post of Senior Naval Officer. But Sir H. Pottinger at the same time warned the Cantonese Authorities repeatedly that the least attempt to rebuild the Bogue Forts would bring upon Canton a most severe chastisement.

During the month of March, 1842, the struggle was to be renewed. For months previous to that date the Provincial Authorities up and down the coast made extensive preparations with a view to resume the combat, in March, by simultaneous attacks upon the British positions at Hongkong, Chinhai and Ningpo.

As to Hongkong, it appears from Chinese records that Yikshan had secretly reported to the Emperor, that Hongkong had but a feeble garrison of Indian troops, and that among the large Chinese population that had flocked to that Colony, he had secured the services of 3,000 Chinese residents of Hongkong who had promised to rise against the foreigners at the proper time, whilst the remainder of Chinese residing in the Colony were all desirous to return to their Chinese allegiance. To provide a popular leader for this movement, the Emperor selected Kiying for the purpose of organizing a sudden massacre of all foreigners at Hongkong. At the same time, a Censor, Soo Ting-kwai, reported to the Throne, that the moment was propitious for a general attack on the British positions in China, because the Nepaulese had commenced war against them in

India and the British commanders in China had thereby been compelled to send many of their ships to India to rescue their countrymen there. Kiying was accordingly ordered by the Emperor to proceed immediately to Canton, with a view to direct the attack to be made on Hongkong, but soon after he had started he was recalled again, because the Emperor had learned that Nanking was threatened by the British forces. The preconcerted attack on the British positions at Ningpo and Chinhai was now made at once (March 10, 1842) but failed. Not only were the assaults immediately repelled, but the British forces now resumed the offensive, capturing the district cities of Tszeki (March 15, 1842) and Chapu (May 18, 1842) and moving northward in the direction of Nanking. Through the recall of Kiying and the advance of the British forces, the intended rising in Hongkong came to nothing. Rumours of a proposed attack on Hongkong were repeatedly referred to in the local papers (April 21 and July 28, 1842) but found no credence among the European community. Nevertheless Admiral Cochrane and General Burrell deemed it prudent (about the middle of July) to make a counter-demonstration by proceeding with a small squadron up the Canton River as far as Whampoa. This measure had the desired effect. But the British residents of Hongkong never knew what a serious danger they had escaped.

Yikshan and the Viceroy of Canton commenced (since February, 1842) negotiations with the French, or, if the Manchu Annals (partly translated by Mr. E. H. Parker) are to be trusted, had offers to build war-ships for use against the English thrust upon them. Yikshan and Kikung had several interviews with M. de Challaye, the French Consul at Canton, and Colonel de Jancigny (the latter having just arrived on a commercial mission to China). Possibly, the aim of M. de Challaye was merely to tender the mediation of the French Government with a view to arrange terms of peace, whilst M. de Jancigny was looking for orders for French manufacturers of warlike stores. Yikshan reported to the Emperor the offers of assistance he had received from the French, but added, 'the enemy's designs

are unfathomable and possibly they are really assisting the English in an underhand way and acting as spies on us for them.' The Manchu Annalist further states that 'the French hung on from February to June (1842) awaiting our commands and at last, in June, proceeded to Wusung, but the English were already far up the Yangtze.' But, whilst the Cantonese officials distrusted this first syndicate represented by Colonel de Jancigny, a wealthy private citizen of Canton, Poon Sze-shing, received permission from the Emperor to employ Colonel de Jancigny to order out from France a number of war vessels, guns, and torpedoes (then quite a novelty), for use against the English, and to re-organize, with de Jancigny's advice, the whole Cantonese navy.

These intrigues were, however, too late in the field. Whilst the Cantonese were wasting public and private funds in purchasing new and expensive munitions of war, the English expedition in Central China made a speedy end of the war. After the fall of Wusung (June 16, 1842) and Shanghai (June 19, 1842) the Chinese Commissioners offered terms of peace. Sir H. Pottinger, who had rejoined the expedition (June 22, 1842), informed them what the demands of England were, but declined entering upon any negotiations with the Commissioners until they had received the authority of the Emperor to concede those demands. Sir H. Pottinger also issued a public proclamation (July 5, 1842) in which he informed the Chinese people of the real points at issue between England and China. This proclamation brought forward four complaints and three demands. The complaints were, (1) that, whilst English merchants had for two centuries patiently suffered continuous ill-treatment at the hands of Cantonese officials, this systematic ill-usage exceeded all bounds when Commissioner Lin, in 1839, instead of seizing the actual offenders, Chinese and foreign, implicated in the opium traffic, forcibly confined an English officer and English merchants and threatened them with death, so as to extort from them what opium there might be in China at that time, in order to gain favour with the Emperor; (2) that

the Ministers at Peking, 'men without truth or good faith,' after concluding a truce and sending Kishen to Canton to arrange terms of peace, suddenly changed their minds, replaced Kishen by Yikshan and commenced a war of extermination, thus compelling the English to take the Bogue Forts, to bring Canton itself to submission, and to take from it a ransom for the punishment of such ill faith; (3) that the High Commissioner Yuekien and other high officers, like Tahunga, had tortured and killed shipwrecked Englishmen, reporting such brutal outrages committed on defenceless individuals to the Emperor as victories gained in battle; and finally (4) that the Cantonese Authorities, seeking to confine to themselves the profits of the foreign trade and extorting, through the Hong Merchants, illegal payments from the foreign merchants, disguised everything under false statements to the Emperor. The demands which the English nation was thus in justice entitled to make were (1) compensation for losses and expenses, (2) a friendly and becoming intercourse on terms of equality between officers of the two countries, and (3) the cession of insular territory for commerce and for the residence of merchants and as a security and guarantee against future renewal of offensive acts.

This appeal to the conscience of the nation, and this impeachment of the Manchu Government at the bar of public opinion in China, had a very great effect. It was, as many Chinese themselves acknowledged, a truthful exposition of the real issue of the conflict between China and England, caused by the treatment accorded to foreigners at the hands of Chinese officials, who acted on the supposition of China's absolute supremacy and in defiance of international equality. Moreover, this proclamation, whilst justifying the cession of Hongkong and the occupation of Chusan, gave to the opium question that accidental and extraneous position which it really occupied in the history of this first Anglo-Chinese war.

Whilst the British forces were steadily advancing towards Chinkiang and Nanking, the minds of the Chinese officials and people in the North were filled with dread. The superiority

of British strategy, arms and discipline, over the best Chinese military resources and efforts, were painfully obvious to the whole nation. All through the maritime provinces, public opinion now began to turn in favour of making peace with the English, the people having to their surprise noticed that the English confined their warlike operations to retributive dealings with the Government troops and spared the people themselves as much as possible. Yikshan now wrote to the Emperor that the Cantonese were all in league with the foreigners. A feeling of despair began to take possession of the statesmen, officials and military leaders of China, and a positive panic fell on them when a total eclipse of the sun, the usual presage, according to Chinese superstition, of national disaster, occurred (July 8, 1842) during the advance of the English fleet on Nanking. With the capture of Chinkiang (July 21, 1842) the key to the Grand Canal, the principal channel of the food supply of North-China, fell into the hands of the English. Kiying, Eleepoo and Niu Kien now (July 22, 1842) offered terms of peace again, but were once more told to go and get first of all the Emperor's approval of the British demands as a whole, and then they might come and discuss details. The expedition steadily continued its onward move towards Nanking. On August 9, 1842, the troops were landed a few miles from Nanking, a reconnaissance was made, and two days later everything was in readiness for an assault on Nanking city (August 11, 1842), when an armistice was applied for and granted for the purpose of obtaining the Emperor's sanction of the formulated British demands, in order to conclude on that basis a formal treaty of peace. The stipulations were forwarded (August 13, 1842) to Peking by special messenger, and, on his return with the Emperor's approval, the Treaty of Nanking, between Her Majesty the Queen of England by Sir H. Pottinger on the one side, and the Emperor of China by the Commissioners Kiying, Eleepoo and Niu Kien on the other side, was solemnly concluded (August 29, 1842). Major Malcolm started next day for London, with one copy of the Treaty, to lose no time in obtaining Her Majesty's signature,

whilst another copy was immediately forwarded to Peking and returned thence with the Emperor's signature a fortnight later (September 15, 1842).

The demands agreed to by the Treaty of Nanking were: (1) peace and friendship between China and England; (2) the opening of five ports, Canton, Amoy, Foochow, Ningpo, and Shanghai, for the residence of British merchants, and their families, under the extra-territorial jurisdiction of British Consular officers; (3) the cession of Hongkong; (4) payment of an opium indemnity of six million dollars; (5) payment of the Hong Merchants' debts, amounting to three million dollars; (6) payment of twelve million dollars war expenses; (7) all payments to be made, with interest at 5 per cent., within fixed periods; (8) release of all prisoners of war; (9) a general amnesty in favour of all Chinese who had served the English during the war; (10) a fair and regular tariff of export and import duties and transit charges; (11) fixed terms of equality to be used in official correspondence; (12) withdrawal of British troops from Nanking, Chinkiang, Chinhai, Chusan, and Kulangsoo on certain conditions; (13) ratifications of the Treaty to be exchanged as soon as possible. This Treaty is more noteworthy for the stipulations omitted than for those included in it. The prohibition or legalisation of the opium trade was not referred to. The war had not been undertaken for the sake of opium. China was therefore justly left free to settle the opium question at her own sweet will. More remarkable is the omission to secure for Chinese settlers on Hongkong freedom of commercial intercourse with the mainland of China, in the sense of the Foreign Office instructions of February 3, 1841. Mandarindom was left unaccountably free to make or mar the fortunes of Hongkong as a settlement for Chinese.

Whilst negotiating the provisions contained in the third article of the foregoing Treaty, Sir H. Pottinger was informed by the Commissioners, that the cession of Hongkong had some time ago been approved by the Emperor, and needed no further confirmation. Sir H. Pottinger, however, wished the cession

of Hongkong to be discussed *de novo*, and informed the Commissioners, as he himself subsequently (January 21, 1843) stated in writing to a Committee of British merchants, that, 'the British Government holding Hongkong could not in any way disadvantageously affect the external commerce of China, because the English Government had no intention of levying any kind of duties there,' and that 'Hongkong was merely to be looked upon as a sort of bonded warehouse in which merchants could deposit their goods in safety until it should suit their purposes to sell them to native Chinese dealers or to send them to a port or place in China for sale.'

This is a point of considerable importance, as it indicates that the free-port character of Hongkong was the preliminary understanding on which the third article of the Nanking Treaty and the cession of Hongkong to the British Crown was now based. The future discontinuance or continuance of the freedom of the port of Hongkong is therefore by no means an open question left to the discretion of the Colonial or Imperial British Governments, but the latter is absolutely bound by the Nanking Treaty, as negotiated by Sir H. Pottinger, to maintain the freedom of the port from all export or import duties of any sort.

It was on this understanding that the Chinese Government issued, with Sir H. Pottinger's express approval, an edict allowing free and unrestricted intercourse to all vessels from treaty ports in China to Hongkong, and *vice versâ*, on payment of the export or import duties, as well as anchorage or harbour charges, legally due at the ports to which goods may be carried or from which they may be shipped within the Chinese Empire. The Chinese Government having thus acted on the promise of Sir H. Pottinger that Hongkong should remain a free port, the British Government would seem to be bound in good faith to maintain the freedom of the port inviolate.

The Article referring to the cession of Hongkong runs thus: 'It being obviously necessary, and desirable, that British subjects should have some port whereat they may careen and refit their ships when required and keep stores for that purpose,

His Majesty the Emperor of China cedes to Her Majesty the Queen of Great Britain, &c., the Island of Hongkong, to be possessed in perpetuity by Her Britannic Majesty, her Heirs and Successors, and to be governed by such laws and regulations as Her Majesty the Queen of Great Britain, &c., shall see fit to direct.' The reason here given why Hongkong should be ceded is rather curious. It appears to be rather Elliot's than Pottinger's view of the *raison d'être* of a British possession called Hongkong. We should not be surprised to find that the English rendering of this third Article of the Nanking Treaty is a literal translation of the Chinese text of the corresponding Article of the Chuenpi Treaty. If it was 'obviously' necessary in 1843, that English merchants should have dockyards and dockyard stores in a separate locality on the Chinese coast, it is very strange that Lord Palmerston and the Cabinet, that Parliament and the nation, could not be brought to see it, though the Mathesons, and Stauntons, and Robinsons and others did everything to demonstrate that necessity and desirability from 1833 to 1836. Moreover, it was obviously a sort of bonded warehouse, with dwelling houses, out of the reach of the avarice, corruption and oppression of Chinese officials that was needed, far more than dockyards and dockyard stores. And it was a Colony rather than a mere trade station or dockyard that Hongkong had become by the time, when this curious third Article of the Nanking Treaty was drafted.

Chastised and humbled as China was by the terms of the Treaty of Nanking, one might suppose that now at last the Chinese had been taught to surrender, once for all, their claim of supremacy over all foreign nations. But the popular Chinese theory, that 'as there is but one sun in the heavens, so there can be but one supreme ruler over all under heaven,' which proposition all mankind ought indeed to be ready to assent to in a religious sense, was so ingrained in the diplomatic mind and language of China, in the sense of China's political supremacy, that, within four months after the conclusion of the Nanking Treaty, the Emperor issued an Edict (December 24,

1842), ordering Eleepoo 'to meet Pottinger and immediately explain to him that the Celestial Dynasty has for its principle, *in governing all foreigners without its pale*, to look upon them with the same feeling of universal benevolence with which she looks upon her own children.' To this *non plus ultra* of diplomatic cant—for cant it seemed to be in view of the Emperor's rejoicing over the destruction of life caused in Hongkong by the typhoon, and in view of the wholesale murders committed by Tahunga and approved by the Emperor—Sir H. Pottinger replied in good earnest. He at once informed the Emperor, that his Royal Mistress, the Queen of England, 'acknowledges no superior or governor but God; and that the dignity, the power, and the universal benevolence of Her Majesty are known to be second to none on earth and are only equalled by Her Majesty's good faith and studious anxiety to fulfil her Royal promises and engagements.' After this castigation, thus quietly administered by Sir H. Pottinger, the Chinese officials were not only careful to exclude from diplomatic correspondence their usual stock phrases of Chinese political supremacy, but the Viceroy Kikung actually employed the phrase 'the two countries' which, in Elliot's time had provoked the ire and sarcasm of Viceroy Tang, and wrote to Pottinger (April 16, 1843) frankly admitting that 'the two countries are now united in friendship.'

The news of the conclusion of the Nanking Treaty was received throughout China with a sigh of intense relief. Everywhere the preparations for war were immediately discontinued. In fact the official measures taken everywhere along the coast indicated plainly that the Provincial Authorities were sincerely determined to abide by and carry out the provisions of the Treaty in good faith. In Canton, the militia was disbanded (October 13, 1842) and all temporary forts were dismantled. There was indeed a brief popular outburst of excitement in Canton (November, 1842), when it was rumoured that building lots in the Honan suburbs would be appropriated for dwelling houses for foreign merchants and their families,

and a mob made an attack upon the factories and partially burned them (December 7, 1842). But the excitement was all over the very next day, when Sir Hugh Gough went up to Canton to investigate the state of things. Within a fortnight after this ebullition of popular temper, it was so evident that China meant to abide by the Nanking Treaty, that the military and naval forces were sent back to England, and over 50 transports and ships of war left Hongkong harbour (December 20, 1842) homeward bound. The war was over. The piping times of peace had come, and now it was the mission of Hongkong to smooth down the animosities of the past and to cement friendship between the two countries in the future.

Sir H. Pottinger at once set to work (January, 1843) to complete the remainder of his successful diplomatic mission, by settling the details of tariff duties and trade regulations. For this purpose he had frequent consultations with a representative Committee of British merchants consisting of Messrs. A. Matheson, G. T. Braine, W. Thomson, D. L. Burn, and W. P. Livingston. After the death of Eleepoo (March 4, 1843), Kiying was appointed Chief of the Imperial Commission, and it was at once foreseen that he would heartily work together with Pottinger in settling all details. The Viceroy of Canton (Kikung) also kept up friendly relations and cordially accepted Pottinger's offer (April 16, 1843) to co-operate with him in putting down the wholesale smuggling (partly in English craft) then going on, with the connivance of the Hoppo's underlings (as the Viceroy himself admitted), on the Canton River. Previous to Kiying's arrival, the two other members of the Imperial Commission, Wang An-tung and Hienling, visited Hongkong (May 11, 1843) were freely introduced to Hongkong society, dined twice with Sir H. Pottinger, drove out in a carriage (the first that passed the gap) to the Happy Valley, spent an evening at the Morrison Education Society's Institution (on Morrison Hill), attended a parade of artillery under Major Knowles, witnessed the investiture of Sir W. Parker, by Sir H. Pottinger, as Knight Grand Cross of the Bath, and returned to Canton thoroughly charmed with

English civilization. Immediately after Kiying's arrival (June 4, 1843), Lieutenant-Colonel Malcolm, who had meanwhile returned from London with Her Majesty's signature and the Great Seal of England affixed to the Nanking Treaty, proceeded to Canton (June 6, 1843) and invited Kiying to exchange the ratifications of the Treaty at Hongkong. Kiying acceded to the request, repaired to Hongkong (June 23, 1843), with Hienling and Wang An-tung, and the exchange of ratifications was solemnly performed (June 26, 1843) at Government House (then situated on the spur above the Gaol). A guard of honour was in attendance, a large number of residents was present, and at the moment when the ratifications were exchanged, a royal salute was fired and responded to from the forts and shipping. Next, Her Majesty's Proclamation, declaring Hongkong to be a possession of the British Crown, was read by Lieutenant-Colonel Malcolm, in the presence of the Imperial Commissioners. Subsequently, Kiying having retired, the Royal Warrant was read, appointing Sir H. Pottinger Governor of Hongkong and its Dependencies. A large dinner party, given in the evening, concluded the festivities.

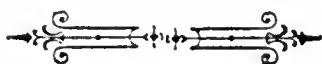
Four months afterwards a Supplementary Treaty, concluded by Sir H. Pottinger and the Imperial Commissioners, was signed (October 8, 1843) at the Bogue (Foomoonchai), by Kiying and Sir H. Pottinger on behalf of their Majesties, the Emperor of China and the Queen of England. Besides providing all the detailed trade-regulations to be observed at the five open ports of China, this Supplementary Treaty, the stipulations of which were to be as binding and of the same efficacy as if they had been inserted in the original Treaty of Nanking, contains several articles specially referring to Hongkong.

The extradition of criminals was provided for by Article IX, which stipulated that all Chinese criminals and offenders against the law, who may flee to Hongkong or to British ships of war or to British merchantmen for refuge, should be delivered up on proof or admission of their guilt. Article XIV provided, for the purpose of effectually preventing piracy and smuggling, that

an officer of the British Government should examine the registers and passes of all Chinese vessels visiting Hongkong to buy or sell, and that any Chinese vessel arriving in Hongkong without such register or pass should be considered an unauthorized or smuggling vessel, forbidden to trade, and to be reported to the Chinese Authorities. Article XV provided for the recovery of debts, incurred by Chinese residents of Hongkong, through the English Court of Justice, or, if the debtor should flee into Chinese territory, through the British Consul at an open Treaty port. Article XVI provided that the Hoppo of Canton should furnish the corresponding British officer in Hongkong with monthly returns of passes granted to Chinese vessels to visit Hongkong, and that the British officer in Hongkong should forward similar monthly returns to the Hoppo. Article XVII provided for small craft plying between Hongkong, Canton and Macao, being exempt from all port charges if they carried only passengers, letters or baggage, to the exclusion of all dutiable articles. Those of the foregoing articles, which referred to a British officer doing in Hongkong the work of the Chinese revenue preventive service, and which would have practically confined Chinese trade with Hongkong to trade between the five open ports and Hongkong, were disapproved by the Home Government as much as by the local mercantile community. No such British officer was ever appointed, and fifteen years later (June 26, 1858) the whole Supplementary Treaty was formally abrogated. The object aimed at by those two Articles (XIV and XVI), the Chinese Government sought later on to attain by the so-called Custom's Blockade of Hongkong, and the duties, assigned by those two Articles to a British officer, are at the present day discharged by the English staff of the Kowloon Imperial Maritime Customs Office, established in Hongkong.

As regards that Article of the Nanking Treaty which provided for the payment by the Chinese Government of an opium indemnity amounting to six million dollars, the London Gazette of August 25, 1843, gave notice to those entitled to

compensation, being holders of the certificates given, in 1839, by Captain Elliot for British-owned opium, that they might apply, on or after August 30, 1843, for payment at the Treasury Chambers, at the following rates, per chest, viz.: Patna, £66 7s. 7½*d.*; Malwa, £64 11s. 2*d.*; Benares, £61 11s. 3½*d.*; and Turkey, £43 3s. 5*d.* This arrangement, based on the average prices realized in Canton during 78 days, from September 11 to November 27, 1838, caused much dissatisfaction, as it was alleged that the merchants thus received, after four years' delay, scarcely one half of what they originally had paid for the opium directly to the East India Company, besides losing four years' interest on their capital. But on the other side it might have been urged, that, at the time when the opium was taken possession of by Commissioner Lin, the market was overstocked, sales impossible, and, if Lin had not destroyed the opium but returned it to the merchants, they could not have sold it for anything like what they finally received for it.



CHAPTER XII.

THE ADMINISTRATION OF CAPTAIN ELLIOT.

January 26 to August 10, 1841.

HAVING, in the preceding chapter, given an outline of the political events connected with the cession of Hongkong to the British Crown, we now take up the thread of its internal history.

On the very day when the Treaty of Chuenpi was concluded (January 20, 1841), Captain Elliot issued a circular at Macao, addressed to Her Britannic Majesty's subjects, informing them that the Island and Harbour of Hongkong had been ceded to the British Crown. The news of the cession of Hongkong was conveyed to England by the steamship *Enterprise* which left China on January 23, 1841. Captain Elliot explained in his circular of January 20, 1841, that Her Majesty's Government had sought for no privilege in China for the exclusive advantage of British ships and merchants, and that he therefore only performed his duty in offering the protection of the British flag to the subjects, citizens and ships of foreign Powers that might resort to Her Majesty's Possession at Hongkong. A general invitation was thus given to all the merchants of other countries to utilize the proposed new British trade station for commercial purposes. At the same time, Captain Elliot expressly stated that all just charges and duties to the Chinese Empire were to be paid as if the trade were conducted at Whampoa. The Chinese Government was left at liberty to deal with Hongkong by levying, outside the port and boundaries of the Colony, charges and duties on exports from or imports into Chinese territory. This was probably all that Elliot intended.

and in these respects he simply gave to Hongkong the same position which Macao had so long maintained.

The Island of Hongkong having been formally taken possession of, for the purposes of a trade station, in the name of Her Majesty Queen Victoria (January 26, 1841), Captain Elliot, as Chief Superintendent of the trade of British subjects in China, and holding full powers under the Great Seal of the United Kingdom, to execute the office of Her Majesty's Commissioner, Procurator, and Plenipotentiary in China, issued on January 29, 1841, his first local proclamation (the original of which is, however, dated February 2, 1841). In this proclamation, Captain Elliot, after making due reservation of Her Majesty's rights, royalties, and privileges, declared that the Government of the Island should be exercised, pending Her Majesty's further pleasure, by the person filling the office of Chief Superintendent of the trade of British subjects in China. The next point in Captain Elliot's proclamation of January 29, 1841, was that it established two different systems of government and two separate codes of law for the administration of justice in Hongkong. Natives of the Island, and all natives of China resorting to Hongkong, were to be governed, pending Her Majesty's further pleasure, according to the laws and customs of China, every description of torture excepted. But all persons other than natives of the Island or of China, should fall under the cognizance of the Criminal and Admiralty jurisdiction at the time existing in China and enjoy full security and protection according to the principles and practice of British Law. This natural bifurcation reflected, at the first formation of the settlement, the fundamental incompatibility of the Chinese and European systems of civilization, by creating two separate forms of government and two separate codes of law, corresponding with the two separate communities, Chinese and European, which were about to settle at Hongkong and which immediately proceeded to divide the town into separate European and Chinese quarters. But regarding this bifurcation, thus provisionally introduced, the pleasure of Her Majesty was subsequently made

known, from time to time, gradually extending, by special Ordinances and executive Regulations, the sphere of English forms of government and the application of English Law. This was, however, done cautiously and gradually, in proportion as the two local communities, European and Chinese, were, by the slow process of the interaction of English and Chinese modes of thought, life and education, brought a little nearer to each other. This process (though hardly perceptible) is still going on at the present day, but executive regulations and legal enactments have all along proved utterly futile whenever they went too far ahead of the successive stages reached by this extremely slow process of race amalgamation which depends more on the silent influences of English education, English speaking and English modes of living than on the exercise of the rights and powers of the Crown. The Chinese, though the most docile people in the world when under fair government, proved utterly intractable whenever the Executive or the Legislature of the Colony rushed into any unreconciled conflict with deep-seated national customs of the Chinese people.

By a second proclamation—issued conjointly by Sir J. J. Gordon Bremer, Commander-in-Chief, and by Captain Elliot, as Her Majesty's Plenipotentiary, on February 1, 1841—all natives of China, residing in Hongkong, were informed that they were all, by the fact of their residing on the Island, which was now part of Her Majesty's Dominions, subjects of the Queen of England, to whom and to whose officers they must pay duty and obedience. Moreover, it was added, that 'the inhabitants are hereby promised protection, in Her Majesty's gracious name, against all enemies whatever and they are further secured in the free exercise of their religious rites, ceremonies and social customs, and in the enjoyment of their lawful private property and interests.' It must be noted that, in the case of this stipulation, not only is the usual reservation 'until Her Majesty's further pleasure' omitted, but for it is substituted the positive affirmation that this promise was given 'in Her Majesty's gracious name.' Anyhow, Her Majesty never,

in the whole history of the Colony, made her pleasure known contrary to the just principles of religious and social toleration here guaranteed to Chinese semi-civilized pagans, who were thereby, more than by anything else, induced to flock to Hongkong and settle on the Island. The same proclamation added, to the statement of the previous proclamation concerning the rule that Chinese in Hongkong should, until Her Majesty's further pleasure, be governed according to Chinese laws, customs and usages (every description of torture excepted), the detailed provision that, pending Her Majesty's further pleasure, the Chinese in Hongkong should be governed by the elders of villages (Tipos), subject to the control of a British Magistrate. Regarding this point Her Majesty's further pleasure was made known many years after (Ordinance 8 of 1858), when an attempt was made to improve the working of the Tippo system by giving them official salaries. Some years later, when this measure proved fruitless, the Government discarded the Tippo system altogether. Yet, although this system is now officially not recognized and has been replaced by the Registrar General's Office, the Chinese secretly adhere to their own system faithfully. The Chinese people in town are at the present day under the sway of their own headmen (the Tungwa Hospital Committee), and the people in the villages are ruled by their elders, as much as ever.

As regards commerce, this same proclamation stated that 'Chinese ships and merchants resorting to the port of Hongkong for purposes of trade, are hereby exempted, in the name of the Queen of England, from charge or duty of any kind to the British Government,' but, it was added, that the pleasure of the Government would be declared from time to time by further proclamations.

According to a (seemingly incorrect) statement resting on the authority of Commander J. Elliot Bingham, who was at this time First Lieutenant of H.M.S. *Modeste*, the terms of the Chuenpi Treaty included also the surrender by the Chinese, as neutral ground, of 'the peninsula of Kowloon' meaning



probably only Tsimshatsui). Mr. Bingham also states that, when the Chuenpi Treaty was disavowed by the Imperial Government, it was seized by the British troops 'by right of conquest,' a garrison being kept in 'Fort Victoria' (probably on the site of the present Barracks), where many commissariat and other stores were deposited.

During the course of February, 1841, numerous parties of British and foreign merchants and missionaries came over from Macao to prospect the capabilities of Hongkong and to select sites for warehouses and residences. By the end of March and the beginning of April, 1841, shanties, labourers' matsheds, roughly-built store-houses (called godowns), Chinese shop-keepers' booths, European bungalows and houses of all descriptions began to rise up. The first buildings erected in Hongkong are said (on the evidence of Mr. W. Rawson) to have been the so-called Albany godowns (near Spring Gardens) of Lindsay & Co. Next rose up the buildings at East Point, where Jardine, Matheson & Co. established themselves. Later on buildings were erected in the Happy Valley and here and there along the hill side as far as the present centre of the town. While the Military and Naval Authorities commenced settling at West Point, erecting cantonments on the hill side (on the site of the present Reformatory and later on above Fairlea) and large Naval Stores (near the shore in the neighbourhood of the present Gas Company's premises), the Happy Valley was at first intended by British merchants for the principal business centre. However, the prejudices of the Chinese merchants against the Fungshui (geomantic aspects) of the Happy Valley and the peculiarly malignant fever which emptied every European house in that neighbourhood almost as soon as it was tenanted, caused the business settlement to move gradually westwards. Hill sites, freely exposed towards the South-west and South-east, as well as to the North, were soon discovered as being less subject to the worst type of malarial fever, and were accordingly studded with frail European houses mostly covered at first with palm-leaves. A number of wooden houses were imported from

Singapore and erected on lower storeys of brick or stones. But at first the only substantial buildings erected by private parties were a house and godowns built at East Point by order of Mr. A. Matheson who foresaw the permanency of the Colony at a time when most people doubted it. The native stone masons, brick-layers, carpenters and scaffold builders, required for the construction of roads and barracks (by the Engineer corps of the Expedition) and for the erection of mercantile buildings, were immediately followed by a considerable influx of Chinese provision dealers (who settled near the site of the present Central Market, soon known as 'the Bazaar'), and by Chinese furniture dealers, joiners, cabinet makers and curio shops, congregating opposite the present Naval Yard, and along the present Queen's Road East, then known as the 'Canton Bazaar.' The day labourers settled down in huts at Taipingshan, at Saiyingpun and at Tsimshatsui. But the largest proportion of the Chinese population were the so-called Tanka or boat people, the pariahs of South-China, whose intimate connection with the social life of the foreign merchants in the Canton factories used to call forth an annual proclamation on the part of the Cantonese Authorities warning foreigners against the demoralising influences of these people. These Tan-ka people, forbidden by Chinese law (since A.D. 1730) to settle on shore or to compete at literary examinations, and prohibited by custom from intermarrying with the rest of the people, were from the earliest days of the East India Company always the trusty allies of foreigners. They furnished pilots and supplies of provisions to British men-of-war, troopships and mercantile vessels, at times when doing so was declared by the Chinese Government to be rank treason, unsparingly visited with capital punishment. They were the hangers-on of the foreign factories of Canton and of the British shipping at Lintin, Kamsingmoon, Tungku and Hongkong Bay. They invaded Hongkong the moment the settlement was started, living at first on boats in the harbour with their numerous families, and gradually settling on shore. They have maintained ever since almost a monopoly of the supply of pilots and ships'

crews, of the fish trade and the cattle trade, but unfortunately also of the trade in girls and women. Strange to say, when the settlement was first started, it was estimated that some 2,000 of these Tan-ka people had flocked to Hongkong, but at the present time they are about the same number, a tendency having set in among them to settle on shore rather than on the water and to disavow their Tan-ka extraction in order to mix on equal terms with the mass of the Chinese community. The half-caste population in Hongkong were, from the earliest days of the settlement of the Colony and down to the present day, almost exclusively the off-spring of these Tan-ka people. But, like the Tan-ka people themselves, they are happily under the influence of a process of continuous re-absorption in the mass of the Chinese residents of the Colony.

[In addition to this spontaneous influx of Chinese provision-dealers, artizans, labourers and boat-people, there commenced also, early in 1841, a natural trade movement, which, if war-times had been protracted or if the Chinese Mandarins and the policy of the Hongkong Government had permitted its continuance, would have resulted in the gradual transfer to Hongkong of the larger portion of the Macao and Canton junk-trade and made Hongkong the trade centre of the whole coast of the Canton Province and the great depot of the entire China trade. We have on this point the valuable evidence of Mr. A. Matheson (given before the Select Committee of the House of Commons on May 4, 1847). 'Prior to our taking possession of Hongkong, and for some time after, all the native traders between Canton and the East Coast passed through the harbour, and generally anchored there. When the first Europeans settled in Hongkong, the Chinese showed every disposition to frequent the place; and there was a fair prospect of its becoming a place of considerable trade. The junks from the coast made up their cargoes there, in place of going to Canton and Macao; these cargoes consisted of opium, cotton shirtings, a few pieces of camlets, and other woollens, and Straits produce, such as pepper, betel-nut, rattans, &c.' Mr. William Scott, another former Canton

and Hongkong merchant, gave similar evidence (May 18, 1847) to the effect that, in the first instance, there was no disinclination whatever on the part of the respectable Chinese shopkeepers, and other useful people, to come to the Colony. Lieutenant-Colonel Malcolm's evidence (June 1, 1847) confirms the foregoing statements. 'In a few months,' he said, 'an extensive trade sprung up and immense quantities of piece goods were sold on the island, which were transported to the mainland in native boats. Small vessels were passing hourly between Canton and Hongkong carrying the goods which were sold by sample at the former place, and daily vessels were coming from the north to obtain supplies for the other ports.' Both Mr. A. Matheson and Lieutenant-Colonel Malcolm further stated that this prosperous state of things, brought on rather suddenly, continued until an equally sudden reaction set in about two years later (in 1843). In our own opinion, this early trade movement was simply the natural result of the interference caused by the war of 1841 with the junk trade of the Canton river. The junk trade having once gravitated towards Hongkong, it took some time, after the declaration of peace in 1842, to return to its original channel. But, certainly, had the free trade policy been maintained in Hongkong, a large share of the junk trade might have been retained in the Colony.]

With the return of the troops from Chusan, the harbour of Hongkong began to be crowded again with men-of-war and troopships, and a Naval Court of Inquiry was held in Hongkong, (April 25, 1841) to ascertain the causes of the extraordinary rate of mortality which had decimated the troops stationed at Chusan in 1840.

An augury of the rapid progress which the new settlement of Hongkong was expected to make, was the appearance (May 1, 1841) of the first Hongkong Government Gazette. In the first number of this Gazette (printed yet at Macao) Captain Elliot, as charged with the Government of Hongkong, notified that, pending Her Majesty's further pleasure, he had appointed (April 30, 1841) Captain W. Caine (26th Cameronian Regiment) Chief

Magistrate of the Island of Hongkong to exercise authority, for the preservation of the peace and the protection of life and property, over all non-Chinese inhabitants (those of the Army and Navy excepted) according to the customs and usages of British police law, and over all Chinese inhabitants according to the laws, customs and usages of China, as near as may be, every description of torture excepted. But all cases requiring punishments exceeding a fine of \$400, or imprisonment of over 3 months, or, in case of flogging, more than 100 lashes, or capital punishment, were to be remitted to the judgment of the Head of the Government. Captain Caine was at the same time appointed Superintendent of the Goal, which had been hastily constructed, but as all minor offences committed by the Chinese were punished by a free resort to bambooning, the Gaol, small as it was, was never crowded while this rough and ready system of administering justice by means of the bamboo continued in force.

The next Gazette (May 15, 1841) published the first Census of Hongkong. By some clerical blunder, however, the hamlet of Stanley, which never counted more than a few hundred inhabitants, was put down as having 2,000 Chinese inhabitants, and accordingly received the false description of 'the capital (of Hongkong), a large town.' It never was anything of the sort. Correcting this first Census table accordingly, we find that there were in Hongkong, in May 1841, altogether 5,650 Chinese residents, viz. 2,550 villagers and fishermen, scattered over 20 hamlets among which Shaukiwan and Wongnaichung take a prominent place, 800 Chinese in the Bazaar, 2,000 Chinese living in boats on the harbour, and 300 labourers from Kowloon. The Census also states that at that time the population of Tsimshatsui (not included in the Census) amounted to 800 Chinese.

One of the most important measures of Captain Elliot's regime was the declaration of the freedom of the port which constituted in fact the most powerful incentive to bring trade to Hongkong. By a proclamation issued at Macao (June 7, 1841), Captain Elliot informed the merchants and traders at

Canton and in all parts of the Empire, that they and their ships have free permission to resort to and trade at the port of Hongkong where they will receive full protection from the High Officers of the British nation and that, 'Hongkong being on the shores of the Chinese Empire, neither will there be any charges on imports and exports payable to the British Government.' By these words Captain Elliot appears to assign, as a *raison d'être* of the port of Hongkong, the topographical fact that Hongkong is situated within the waters of China. It is just possible, though we have no further grounds for the inference, that Elliot may have cherished the notion that the Chinese Government were justified in levying, outside the limits of Hongkong, in Chinese waters, duties on all goods entering or leaving the harbour of Hongkong. If so, he virtually treated Hongkong as an open port of China, whilst admitting the Island to be Her Majesty's Possession. Sir Henry Pottinger subsequently rectified this assumption by a clear distinction of the British Possession of Hongkong from the five ports of China, opened by the Nanking Treaty.

That Elliot now had reason to believe that a permanent settlement on Hongkong Island would eventually receive the formal sanction of the Home Government, appears from the fact that he now advertized (June 7, 1841) a sale, by public auction, 'of the annual quit-rent of 100 lots of land, having water frontage, on Saturday the 12th instant, as also of 100 town or suburban lots.' As many merchants had purchased land from natives, Captain Elliot notified them at the same time that arrangements with natives for the cession of land were to be made only through an officer deputed by the Government and that all native occupiers of land would be constrained to establish their rights. It was originally intended to dispose by this first land sale of a sufficiently large number of lots, situated both North and South of the present Queen's Road, which had been already roughly staked out by this time. But it was found impossible to survey and stake out, in time for the sale (though postponed from 8th to 14th June), more than 40 lots, all situated

along the shore, North of Queen's Road, and having each a sea frontage of 100 feet. Six of these lots were reserved for the Crown, one remained unsold, but the remaining 33 lots, put up at an upset price of £10, were sold (June 14, 1841) at an average rate of £71, prices ranging from £20 to £265 per lot. Those 33 lots amounted in the aggregate to an extent not much exceeding nine acres. The annual payment bid for them was £3,032. This amounts to an average of £7 8s. 6d. per 1,000 square feet, a price which is equal to a rate of more than £323 per annum for the acre. The principle of the sale was somewhat undefined, but it was understood to be an annual rate of quit rent, if that tenure should be sanctioned by the Home Government, coupled with the condition of prepayment of one year's rent, and a deposit of \$500 (which, however, was never claimed by the Government) as a guarantee that the purchaser would, within six months, spend at least \$1,000 on buildings or other improvements of the lot. There are on record several criticisms of this first land sale. Sir H. Pottinger stated (March 27, 1841) that the tenure which Captain Elliot proposed to obtain was wholly unprecedented and untenable, and later on (November 19, 1844) he added that Captain Elliot had not been armed with any authority to dispose of the public lands. Mr. A. Matheson (May 4, 1847) gave it as his opinion that, had a sufficient number of sea frontage lots been put up for sale, the rate would not have much exceeded the upset price of £10, but that, owing to the number of lots being quite disproportionate to the number of competitors, a keen competition drove the price up to £100 and upwards, for some lots, and that the average of this was afterwards (unjustly) retained by the Government as the standard of value. The purchasers, somewhat sanguinely but honestly believed themselves entitled to receive eventually a perpetual lease at the prices at which they had bought the land, because Captain Elliot wrote (June 17, 1841) to Jardine, Matheson & Co. and to Dent & Co., declaring his purpose 'to move Her Majesty's Government either to pass the lands in fee simple for one or two years purchase at the late rates or to charge them in future with

no more than a nominal quit rent, *if that tenure continues to obtain.*' When later on (April 10, 1843) it was understood that the Government would only grant leases for 75 years, the Hongkong merchants had a real grievance which they thenceforth nursed industriously until they brought it before Parliament in 1847.

The purchasers of those lots, who may be considered as the first British settlers on Hongkong, were the following firms or individuals, viz.: Jardine, Matheson & Co.; Heerjeebhoy Rustomjee; Dent & Co.; Macvicar & Co.; Gemmel & Co.; John Smith; D. Rustomjee; Gribble, Hughes & Co.; Lindsay & Co.; Hooker and Lane; Holliday & Co.; F. Leighton & Co.; Innes, Fletcher & Co.; Jamieson and How; Fox, Rawson & Co.; Turner & Co.; Robert Webster; R. Gully; Charles Hart; Captain Larkins; P. F. Robertson; Captain Morgan; Dirom & Co.; Pestonjee Cowasjee; and Framjee Jamsetjee. This sale was followed by the erection of godowns and houses, and the building of a seawall, the road alongside of which was thenceforth (in imitation of Macao parlance) called the Praya. The following places were the first to be utilized for commercial buildings, and private residences of merchants, viz.: West Point, the Happy Valley, Spring Gardens, the neighbourhood of the present Naval Yard (Canton Bazaar); the sites now occupied by Butterfield and Swire, by the Hongkong Hotel, by the *China Mail*, by the Hongkong Dispensary (which can trace back its history to 1841); the slope below Wyndham Street; Pottinger Street, Queen's Road Central (the Bazaar); the site below Gough Street enclosed by a ring fence (Gibb, Livingston & Co.); Jervois Street (where the first Chinese piece goods trade settled), ending in the Upper Bazaar; the Civil Hospital site; and Saiyingpun.

Captain Elliot, whose attention and presence was required by the troubles brewing at Canton, consequent upon the disavowal of the Chuenpi Treaty, appointed Mr. A. R. Johnston, the Second Superintendent of Trade, to be Acting Governor of the Island of Hongkong. Mr. Johnston accordingly assumed charge of the local Government on behalf of Captain Elliot

(June 22, 1841), assisted by Mr. J. R. Morrison, the Chinese Secretary. How little these three men, trained in the East India Company's service, understood the important bearing which the maintenance of free trade principles had on the future welfare of the new Colony, appears from the fact that in one of his earliest dispatches Mr. Johnston forwarded (June 28, 1841), with Captain Elliot's approval, a recommendation framed by Mr. Morrison to impose in England a differential duty of a penny per pound on tea imported from Hongkong. Happily the sinister suggestion was not listened to. But a mournful time now set in at Hongkong. With the progress made in terracing the hill sides, in road making, and excavating sites for houses, a peculiar malarial fever spread everywhere, thenceforth known as Hongkong fever. This fever arose wherever the ground, having been opened up for the first time, was exposed for some time to the heat of the sun and then to heavy rains. The troops encamped at West Point, above the present Fairlea (where the cantonment lines can still be traced) and below it, suffered most particularly. But the Chinese settlers at the foot of the same hill in the district called Saiyingpun (*lit.* Western English Camp) suffered likewise severely. Deaths now became frequent occurrences also among the European community, hospitals had to be hastily constructed, and the first cemetery (near the present St. Francis' Chapel, above Queen's Road East) began to fill. The death, by fever, of the Senior Naval Officer, Sir H. le Fleming Senhouse (June 13, 1841) cast a gloom over the whole community.

Moreover, this outburst of sickness was but the precursor of a terrific typhoon which soon after swept over the Colony. During the night from July 21st to 22nd, 1841, the harbour and the new settlement on shore presented a weird scene of heart-rending disasters. The overcrowded and badly built hospitals were all levelled to the ground, mat houses, booths and shanties were shattered and their fragments whirled through the air. Almost every bungalow or house on shore was unroofed, 6 foreign ships were totally lost, 4 were driven on shore, 22

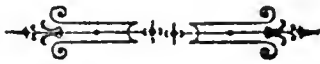
were dismayed or otherwise injured, and the loss of life among the Chinese boat population was very great. The general impression among foreign residents during that dreadful night was that 'the last days of Hongkong seemed to be approaching.' Nevertheless, as soon as the typhoon was over, everybody set to work with unabated energy to repair the damages. The sick were sent on board improvised floating hospitals, the barracks, mat houses, bungalows, godowns, booths and huts were speedily made habitable again. When the typhoon recurved and, during the night of 25th to 26th, again burst over Hongkong, and levelled once more to the ground every frail structure, the residents of Hongkong had learned a valuable lesson: they now commenced to build a new style of godowns, such as should stand a typhoon, and houses which combined with spacious verandahs also strong walls and substantial roofs. There was little loss of life during the two typhoons among the European community. The Chinese boat people were the principal sufferers. Nevertheless His benevolent Majesty, the Emperor of China, rejoiced when he heard the news. Kikung and Eliang, the Viceroy and Governor of Canton, sent a hasty memorial to Peking, stating that at Hongkong innumerable foreign ships had been dashed to pieces, that innumerable foreign soldiers and Chinese traitors had been swept into the sea, that all their tents and matsheds, the new Praya, and so forth, had been utterly annihilated and that the sea was literally covered with corpses. On receipt of this news, the Emperor went forthwith in festive procession to the temple of the dragon god of the seas, and solemnly returned thanks for the destruction of Hongkong. An Imperial Edict, published with rejoicing all over the Empire, also proclaimed the judgment that had fallen on Hongkong, with the same display of inhumanity, contrary to the leading principle of Confucian ethics which declares humaneness to be the essential characteristic of civilized humanity.

This typhoon, by which Captain Elliot and Commodore Bremer were overtaken on their way (in the cutter *Louise*) from Macào to Hongkong, and themselves shipwrecked and

well-nigh captured by the Chinese, was followed a few weeks later by a conflagration (August 12, 1841) which destroyed the greater part of the Bazaar. The very first period in the history of Hongkong brought thus to the front the three great enemies of local prosperity, fever, typhoons and conflagrations. Nevertheless the settlers persevered and the number of inhabitants steadily continued to increase from month to month. The provisional Government also continued to perfect its organization. A Harbour Master and Marine Magistrate was now appointed, in the person of Lieutenant W. Pedder, R.N., with Mr. A. Lena as Assistant Harbour Master. The hill, on which the Harbour Master established his quarters, has ever since been known as Pedder's Hill. The Public Works Department was organized by the appointment of Mr. J. R. Bird as Clerk of Works. Finally arrangements were made for the establishment of a Civil Hospital for foreign seamen. This was done under the influence of the generous offer of a donation of \$12,000 by Mr. Herjeebhoy Rustomjee (June 23, 1841), and the arrangements were placed under the direction of a Committee consisting of Messrs. A. Anderson (Assistant Surgeon to H.M. Superintendents), James Matheson and J. R. Morrison. Unfortunately, however, the Committee neglected to secure payment of the donation.

On July 29, 1841, H.M.S. *Phlegeton* arrived in Hongkong with dispatches informing Captain Elliot of the disapproval of the Chuenpi Treaty by Her Majesty's Government and of the appointment of Sir H. Pottinger as Plenipotentiary. Captain Elliot's administration ended on August 10, 1841. A fortnight later he left Macao, with his family, accompanied by Sir J. J. Gordon Bremer, en route for Europe (August 24, 1841). As he embarked on the *Atalanta*, a Portuguese fort fired a salute of thirteen guns, but we read of no public address presented to him, nor of any honours bestowed either by the Hongkong community or by the Government on the man who found Hongkong a barren rock and left it a prosperous city. The new settlers on Hongkong, feeling the grievances they had in connection with Elliot's attitude towards the opium trade

trade and his dishonoured Treasury bills, and subsequently learning the disavowal by the Government of his land sales, were unable at the time to do justice to Elliot's real merits. They indeed gave to what was once the most romantic glen on the Island the name 'Elliot's Vale,' but in later years, when it was shorn of much of its beauty, called it 'Glenealy.' Early in 1842, Sir Robert Peel, who soon after appointed Elliot as Consul-General for Texas (June 1, 1842), did some tardy justice to Elliot's memory by stating in the House of Commons, 'that, without giving any opinion on the conduct or character of Captain Elliot, during the occupancy of his difficult and embarrassing position at Canton, he nevertheless was disposed, from his intercourse with him since he returned home, to repose the highest confidence in his integrity and ability.'



CHAPTER XIII.

THE ADMINISTRATION OF SIR HENRY POTTINGER.

August 10, 1841, to May 8, 1844.

SIR Henry Pottinger arrived (August 10, 1841) in Macao after what was then called 'an astonishingly short passage' of sixty-seven days, by the overland route. It is stated that his arrival was warmly hailed by all the British residents. No wonder, for with his advent as Her Majesty's Sole Plenipotentiary and Minister Extraordinary to the Court of Peking (charged also with the duties of the Chief Superintendency of Trade) doubts, as to the permanency of the British occupation of Hongkong, began to vanish. Not that he proclaimed the Queen's approval of the cession of the Island, or that he came to undertake the Government of the new settlement. But Sir Henry at once gave to those that met him the impression that the days of vacillation and yielding to Chinese cunning and duplicity were over, and that England was going now simply to state its grievances, formulate its demands and insist upon immediate redress.

Sir H. Pottinger did not disturb Mr. Johnston in his office of Acting Governor, and that meant a good deal. As the latter had now ceased to be Superintendent of Trade, Sir Henry appointed him Deputy Superintendent. But what confirmed the general belief now gaining ground that Hongkong would never be surrendered by the British Government, was an announcement which Sir H. Pottinger made in a Notification issued at Macao (August 12, 1841) stating that 'the arrangements which had been made by his predecessor (Captain Elliot), connected with the Island of Hongkong, should remain in force until the pleasure of Her Majesty regarding that Island and those

arrangements should be received.' Mr. Johnston accordingly continued his duties as Acting Governor, whilst Sir H. Pottinger went North with the expedition, and occupied towards Sir Henry the same position which he had previously held in relation to Captain Elliot. In fact, Mr. Johnston acted 'on behalf' of Sir H. Pottinger as Governor of the Island until Sir Henry himself assumed the Government of the Colony.

About noon on August 21, 1841, Sir H. Pottinger arrived in Hongkong by the steam-frigate *Queen*. He landed immediately, visited all the departmental offices, inspected the public works and expressed himself much pleased with the appearance and evident progress of the new Colony. In consequence of dispatches which arrived just then, he directed Mr. Johnston to discontinue all further grants or sales of land, but allowed Captain Elliot's arrangements to remain as he found them. He gave orders for the expedition to start for the North at once, leaving behind seven war-vessels, with the steamer *Hooghly* under the command of Captain J. Nias, C.B., to guard the harbour and mouth of the Canton River, whilst Major-General Burrell, with a garrison consisting of a wing of the 49th Regiment, the 37th Madras Native Infantry and the Bengal Volunteers, was to see to the defence of the Colony. Literally overwhelmed and oppressed with the variety of affairs that demanded instant attention, Sir H. Pottinger returned in the evening on board the *Queen*, paid another hurried visit to some of the Government offices next morning and then started (August 22, 1841) to overtake the expedition, having spent in the Colony barely twenty-four hours.

The work of organizing the administrative machinery of the Government now continued unchecked. A Colonial Surgeon's Department, under Mr. H. Holgate, was established (August, 1841) but subsequently disallowed. A Notary Public and Coroner was appointed (September, 1841) in the person of Mr. S. Fearon, who acted also as Interpreter and Clerk of Court. Captain G. F. Mylius took charge of the Land Office (September, 1841), with the able assistance of Lieutenant Sargent who acted as land surveyor and made the first map of building lots. A small

granite Gaol building, on the site now occupied by Victoria Gaol, was completed, and the erection of a Court House near the site of the present Masonic Hall was commenced (October, 1841). At the same time Colonel Burrell constructed a fort on Kellett Island for the protection of the eastern section of the harbour, destroyed two masonry forts erected by the Chinese at Tsimshatsui in 1839, and constructed in their place two batteries for heavy pieces in the same locality. On the arrival of the French Frigate *Erigone* (December 8, 1841), which brought Colonel de Jancigny on a commercial mission to China, the port was for the first time saluted. The American men-of-war delayed this courtesy for several years longer.

The progress of Hongkong was furthered by disturbances which occurred at Canton (December 14, 1841), causing a number of European merchants to remove their offices from Canton to Hongkong, and by the blockade of the Canton River by Captain Nias' Squadron (December 1, 1841) which caused numbers of salt junks to resort to Hongkong and to make the Colony, for some time after, the centre of a considerable trade in salt. On his return from the North (February 1, 1842), Sir H. Pottinger at once countermanded this blockade and ordered restoration to be made to the Chinese whose junks and cargoes had been sold by auction. He also discovered to his great annoyance, that the Acting Governor, Mr. A. R. Johnston, under a misconception of the hurried instructions given to him on August 22, 1842, had framed rules for fresh grants of Crown-land and had allowed additional lands to be assigned to applicants. Sir H. Pottinger, therefore, now renewed his prohibition against granting land to general applicants. Nevertheless, he did make some grants to persons chiefly in the employ of the Government and also to some of the charitable institutions such as the Morrison Education Society, the Medical Missionary Society (Dr. Hobson), the future St. Paul's College, and the Roman Catholic Church.

Without reference to Elliot's former declarations of the freedom of the port, Sir H. Pottinger issued (February 6, 1842) a proclamation notifying that, pending the receipt of the Queen's

gracious and royal pleasure, the harbour of Hongkong (like that of Chusan) should be considered a free port and that no manner of customs, port duties or any other charges, should be levied on any ships or vessels of whatever nation or on their cargoes. He then proceeded (February 15, 1842) to Macao and removed the whole establishment of the Superintendency of Trade from thence to Hongkong (February 27, 1842). The staff of this Department (under Mr. A. R. Johnston, as Deputy Superintendent), consisted of E. Elmslie (Secretary and Treasurer), J. R. Morrison (Chinese Secretary and Interpreter), L. d'Almada e Castro, A. W. Elmslie, and J. M. d'Almada e Castro (Clerks), Rev. Ch. Gützlaff and R. Thom (Joint Interpreters), J. B. Rodriguez, W. H. Medhurst, and Kazigachi Kiukitchi (Clerks). These two measures of Sir Henry, the removal of the Superintendency to Hongkong, and the encouragement he held out, by the confirmation of the freedom of the port, to Chinese and foreign vessels to resort to Hongkong, were generally viewed, in combination with the purchase of the Commissariat Buildings, and the large sums now spent in the erection of barracks, hospitals, naval and victualling stores, as an indirect intimation that the settlement on Hongkong would sooner or later receive official recognition as a British Colony. Even the news of the debate which took place in the House of Commons on the subject (March 15, 1842), unsatisfactory as it was, did not shake the faith now generally placed in the future of Hongkong. For the words of Sir Robert Peel (who had meanwhile stepped into the place of Lord Palmerston) 'that, really, during the progress of hostilities in China, he must decline to commit the Government by answering the question as to what were the intentions of the Government regarding the Island of Hongkong,' were read by the residents in the light of the above measures of Sir H. Pottinger.

Ever since this belief in the permanency of the British occupation of Hongkong gained ground, some of the leading British merchants, instead of merely opening branch offices at Hongkong, began to break up their establishments at Macao.

and Canton and to remove their offices to the new settlement. Contrary to the views of a minority which stubbornly preferred Canton, they expected that Chinese trade would speedily gravitate towards Hongkong, if but the freedom of the port were strictly and vigorously maintained by the Government. Indeed, the experience of the Colony's first eighteen months fully bore out the soundness of their views. As soon as the rumour of the expected permanency of the new settlement began to spread abroad, there set in a rapid and steady influx of Chinese traders as well as artisans and labourers flocking together in Hongkong from all the neighbouring districts, and business was flourishing. In October 1841, the total population of Hongkong, including both the troops and residents of all nationalities, was estimated to amount to 15,000 people, three times the amount at which the population stood six months previous. With the advent of the cool season (October, 1841) sickness was noticed to decline all of a sudden and the spirits of the community were considerably cheered by the appearance, on the new Queen's Road, of the first carriage and pair imported from Manila, as a sign of the coming comforts of civilization.

A fresh indication of the intentions of the Government to retain permanent possession of Hongkong, was given by a Notification of Sir H. Pottinger, which appeared in the first locally printed newspaper, the *Friend of China and Hongkong Gazette*, issued on March 24, 1842, under the editorship of the Rev. J. L. Schuck and Mr. James White (subsequently M.P. for Brighton). In this Notification (dated Hongkong Government House, March 22, 1842) Sir H. Pottinger announced his intention of appointing a Land Committee to investigate claims, to mark off boundaries, to fix the direction and breadth of the road, now for the first time called 'Queen's Road,' and other public roads, to order the removal of encroachments, and to assign new locations for dwellings of Europeans and Chinese. At the same time, Sir H. Pottinger expressly notified that no purchases or renting of ground from the natives, formerly or now in possession, would be recognized or confirmed.

unless the previous sanction of the constituted Authorities should have been obtained, 'it being the basis of the footing on which the Island of Hongkong has been taken possession of and is to be held pending the Queen's royal and gracious commands, that the proprietary of the soil is vested in and appertains solely to the Crown.' The same principle was also applied to reclamations of foreshore. But the fact that Sir H. Pottinger referred in a public document to an officially recognized and defined footing on which the Island had been taken possession of, convinced everybody now that the formal recognition of Hongkong as a British Colony had already been decided upon and was only delayed pending diplomatic and war-like dealings with the Peking Government.

The promised Land Committee, consisting of Major Malcolm, Captain Meik, Lieutenant Sargent, Surgeon W. Woosnam, and Captain J. Pascoe, was appointed (March 29, 1842) and instructed to recommend the amount of remuneration to be given to native Chinese, for ground which was in their possession previous to the British occupation of the Island and which had been appropriated, to select spots for public landing places, to define the limits of cantonments, to fix the extent of the ground to be reserved for H.M. Naval Yard and for private commercial ventures in the shape of patent slips, and finally to recommend a watering place with a good running stream of water to be reserved for the shipping. The points previously mentioned and not now included in the instructions of the Committee were no doubt left to the discretion of the Land Officer, Captain Mylius, who had been provided with a new Assistant, Mr. E. G. Reynolds. The separation of the Land Office from the Public Works Department was, however, soon after disapproved (May 17, 1842) by the Home Government.

Another important problem which Sir H. Pottinger now took in hand was the regulation of the currency of the settlement. For this purpose he took the dollar for a standard and fixed the rate at which Indian coins and Chinese copper cash were to be accepted as legal tender. A proclamation (March

29, 1842) stated, that two and a quarter Company's rupees should be equal to one dollar; one rupee and two annas (or half a quarter) equal to half a dollar; half a rupee and two annas equal to a quarter dollar; 1,200 cash equal to one dollar; 600 cash equal to half a dollar; 300 cash equal to a quarter dollar; 533 cash equal to a rupee; 266 cash equal to a half a rupee; and 133 cash equal to a quarter of a rupee. Subsequently (April 27, 1842) Sir H. Pottinger issued, at the suggestion of the leading English firms, a further proclamation declaring Mexican or other Republican dollars to be the standard in all matters of trade unless otherwise particularly specified.

Sir H. Pottinger organized also a Post Office (under Mr. Fitz Gibbon, succeeded by Mr. Mullaly and R. Edwards), which was to receive and deliver, free of any charge, letters or parcels. This office was located on the hill just above the present Cathedral, and the communication between the office and the ships was under the charge of the Harbour Master. The erection of substantial barracks on Cantonment Hill (S. of present Wellington Barracks) and at Stanley and Aberdeen, was also taken in hand and pushed on vigorously.

All these measures of Sir H. Pottinger contradicted the rumour which was persistently going about that the cession of Hongkong was not officially recognized and that the Government was prepared to relinquish Hongkong in case the Chinese Government should, in the coming negotiations, raise any serious objection on that score, and to be satisfied in that case with the opening of some treaty ports. That the Home Government had at this time, in order not to prejudice the pending negotiations with the Chinese Government, left the question of the permanency of the new Colony in abeyance, is evident from the fact that in June, 1842, just before leaving Hongkong to rejoin the expedition, Sir H. Pottinger received a dispatch from the Earl of Aberdeen 'directing that this Island should be considered a mere military position and that all buildings &c., not required in that light, should be discontinued.' Sir H. Pottinger, however, knew perfectly well that the necessities of British trade would

be sure to bring sooner or later a ratification of the cession of Hongkong, regarding which he stated in a dispatch to Lord Stanley (July 17, 1843) that he had always been of opinion that the sole or at least chief object of it was to secure an emporium of trade. The fact that Sir H. Pottinger's measures all rested on the assumption that the occupation of Hongkong would never be annulled, gave a fresh impetus to the growth of the settlement. In March, 1842, the population, then estimated at over 15,000 people, was stated to include 12,361 Chinese, mostly labourers and artizans, attracted to Hongkong by the high wages obtainable here, and numbers of large buildings were reported to be in course of erection. The Central Market, then South of Queen's Road, opposite its present site, was formally opened (June 10, 1842) and farmed out to a Chinaman (Afoon); all the roads were improved and extended, a good road, in the direction of Stanley, completed as far as Taitamtuk (June, 1842), and a picnic house built at Little Hongkong by Mr. Johnston, Major Caine and a number of other private subscribers.

Apart from all these signs of material progress, there are also evidences of the higher interests of religion and education receiving now recognition and attention in Hongkong. The building of a Roman Catholic church was commenced, in June 1842, on a site in Wellington Street granted by Government. A Baptist chapel was opened in Queen's Road (July 7, 1842) by the Rev. J. L. Schuck, by subscriptions obtained from the foreign residents and visitors. The Morrison Education Society of Canton and Macao, which for years past had supported various Mission Schools in the Straits and in China by money grants and (in 1841) started at Macao a training school (under Mr. and Mrs. Brown), now arranged to remove its establishment to Hongkong and commenced (October, 1842) building a large house on Morrison Hill on a site granted by Sir H. Pottinger (February 22, 1842), who became the patron of the institution (April 5, 1842). In autumn 1842, a Naval Chaplain, Mr. Phelps and Mr. A. R. Johnston started a subscription by means of which a room was erected on the site of the present Parade ground

for occasional services in connection with the Church of England or any other Protestant denomination.

When the news of the conclusion of the Nanking Treaty and the consequent confirmation of the cession of Hongkong reached the settlers (September 9, 1842), no particular rejoicing took place, for the recognition of the cession had all along been to the local community a mere question of time or of official etiquette. The merchants were yet unaware of the serious crisis now at hand for the commerce of the Colony in consequence of the cessation of the war and the opening of five Chinese ports. On the contrary, the expectation appears to have been entertained that these measures would forthwith enhance the prospects of the Colony. 'We are nearly bewildered,' apostrophized the Editor of the *Friend of China* (September 22, 1842), 'at the magnificence of the prosperous career which seems now before us. Our Island will be the single British possession in China. What more in praise of its prospects can we say than this? Already we hear of teeming projects fraught with good for our Island.' The conclusion of the war and the departure of the fleet and troops, which considerably desolated the harbour, affected for the present the social life of the community far more than its commerce, which continued in its old grooves yet for a little while longer. With the return to Europe of the expeditionary forces, which left behind (December 24, 1842) only 700 men as a garrison, the settlement now entered at last upon its normal condition of a purely commercial community.

Consequent upon the conclusion of the Treaty of Nanking, the British Government took immediate steps for the formal organisation of a distinctly Colonial Government at Hongkong, by transferring the management of local affairs from the Foreign Office to the Colonial Office. The Superintendency of Trade and the direction of the new Consular Service in China, subject to the Foreign Office, were, however, for the present combined with the office of Governor and Commander-in-Chief of the Colony. On this basis an Order in Council was issued (January 4, 1843) establishing in Hongkong the Court of Justice, with

Criminal and Admiralty Jurisdiction, which nominally had existed, since the time of Lord Napier, in Chinese waters, under an Order of the Privy Council of December 9, 1843.³³ This Court was now endowed with jurisdiction over British subjects residing within the Colony or on the mainland of China or on the high seas within 100 miles of the coast thereof. Three months later (April 5, 1843), the Privy Council issued Letters Patent, under the Great Seal of the United Kingdom, erecting the settlement on the Island of Hongkong into a Crown Colony by Charter, and on the same day a Royal Warrant was issued, under the Queen's Signet and Sign Manual, appointing the Chief Superintendent of Trade, Sir Henry Pottinger, Baronet, K.C.B., as Governor and Commander-in-Chief of the Colony of Hongkong and its Dependencies, to enact laws and to govern the Colony with or without the assistance of a Council. A grand ceremony was performed at Government House on May 20, 1843, when Sir William Parker, by order of the Queen, invested Sir H. Pottinger with the insignia of a Knight Commander of the Order of the Bath. When the ratifications of the Nanking Treaty were exchanged (June 26, 1843) between Sir H. Pottinger and the Chinese Commissioners who had come to Hongkong for the purpose, the Charter of Hongkong and the Royal Warrant were read out at Government House before a large assembly of residents, and subsequently published (June 29, 1843) by proclamation in the Gazette. The same proclamation fixed the name of Her Majesty's new possession as 'the Colony of Hongkong,' (not Hong Kong, as previously used), and the name of the city as 'Victoria.' The Governor, having previously (June 17, 1843) sworn in Mr. Johnston (Deputy Superintendent of Trade), Major Caine (Chief Magistrate) and Mr. C. B. Hillier (Assistant Magistrate), as the first Justices of the Peace, now appointed 43 more persons, among whom there were 15 officials, as additional Justices of the Peace. As these unofficial Justices represent the leading merchants of this earliest period of the Colony, we append their names. They were, A. Jardine, A. Matheson, W. Morgan, W. Stewart,

G. Braine, J. Dent, F. C. Drummond, D. L. Burn, W. Le Geyt, P. Dudgeon, T. W. L. Mackean, H. Dundas, C. Kerr, J. F. Edger, A. Fletcher, J. A. Gibb, W. P. Livingston, W. Gray, H. R. Parker, J. Holliday, J. Wise, J. A. Mercer, P. Stewart, J. White, A. Wilkinson and J. M. Smith. The office of Deputy Superintendent of Trade having been abolished, Mr. Johnston was now appointed Assistant and Registrar to the Superintendent of Trade, with about the same staff as before. The Colonial Government was now organized as follows:—Sir H. Pottinger (Governor), Captain G. T. Brooke (Military Secretary and A.D.C.), Captain T. Ormsby (Extra A.D.C.), Major-General G. C. D'Aguilar (Lieutenant Governor), Lieutenant-Colonel G. A. Malcolm (Colonial Secretary), R. Woosnam (Deputy Colonial Secretary), Ch. E. Stewart (Treasurer and Financial Secretary), J. R. Morrison (Chinese Secretary and Interpreter, afterwards succeeded by Rev. Ch. Gützlaff), Rev. V. Stanton (Colonial Chaplain), R. Burgass (Legal Adviser), A. Anderson (Colonial Surgeon), L. d'Almada e Castro (Chief Clerk), D. Stephen (Book-keeper), Major W. Caine (Chief Magistrate), Ch. B. Hillier (Assistant Magistrate), D. R. Caldwell (Interpreter), Lieutenant W. Pedder (Harbour Master), A. Lena (Assistant Harbour Master), A. T. Gordon (Land Officer and Civil Engineer), Ch. St. George Cleverly (Assistant Surveyor), W. Tarrant (Assistant to Land Officer), M. Bruce (Inspector of Buildings), and F. Spring (Postmaster). An Executive Council was formed, consisting of the Hon. A. R. Johnston and the Hon. W. Caine, and a Legislative Council, from which for the present unofficial members were shut out, was constituted. It consisted of the Hon. A. R. Johnston, the Hon. J. R. Morrison (who died soon after, greatly lamented), and the Hon. W. Caine, with R. Burgass (the Governor's legal adviser) as Clerk of Council. A public seal was supplied to the Colony from England (September 5, 1843) and Her Majesty's approval was obtained (December 6, 1843) for the above-mentioned appropriation of the name Victoria for the rising city of Hongkong.

During the year 1843, the religious and missionary agencies in the Colony bestirred themselves considerably in the general interest. Funds had been raised in 1842 for the erection of a Colonial Church, at first intended to be a sort of Union Church for both Churchmen and Nonconformists. A Colonial Chaplain having been appointed in England at the request of the local Government, which disapproved the proposed union, services were conducted (since June, 1843) by Naval Chaplains in a temporary structure now called the 'Matshed Church,' and a building (the present St. John's Cathedral) was ordered to be commenced at Government expense and meanwhile dedicated to St. John (October 17, 1843), though building operations were delayed for several years as the Home Government postponed its sanction. It was, however, locally decided that the Colonial Chaplain should have sole charge of the Church. The Chaplain, Rev. V. J. Stanton, preached his first sermon in the Colonial Matshed Church on December 24th, 1843. The R. C. Prefect Apostolic, Fra Antonio Feliciani, consecrated the building erected by him at the corner of Wellington and Pottinger Streets as the R. C. Church of the Conception, on June 18th, 1843, when a Seminary for native clergy was opened in connection with it. The Mohammedans built (in 1843) a Mosque on the hill thenceforth called Mosque Gardens (Moloshan). The Chinese, who had already four temples from 75 to 100 years old, viz. one at Aplichow (dating from 1770 A.D.), one at Stanley, one in Spring Gardens (Taiwongkung), and one at Tunglowan (Causeway Bay), commenced building their City Temple (Sheng-wong-miu) on the site of the present Queen's College. The American Baptist Mission, under Dr. Deane and Dr. Ball, started in 1843 a Chinese (Tiechiu) Church in the Upper Bazaar (Sheungwan Market). In addition to the establishment of the Morrison Education Society's School on Morrison Hill (opened November 1, 1843), Dr. Legge of the London Missionary Society transferred to Hongkong the Society's Malacca College, opening (November, 1843) a Preparatory School and a Seminary for the training of Chinese ministers, which was (in autumn 1844) located on the London

Mission premises in Aberdeen and Staunton Streets as the Anglo-Chinese College (Ying-wa Shü-ün). The Colonial Chaplain, Rev. V. J. Stanton, immediately on his arrival (December 22, 1843), made preparations for the opening of a Training School for native ministers in connection with the Church of England, on a site previously granted for the purpose by the Government (May 26, 1843), under the name of St. Paul's College. In autumn 1843, the Protestant Missionaries of Hongkong (Legge, Medhurst, Milne, Bridgman and J. Stronach) commenced the work which eventually resulted in a new Chinese translation of the Bible, known as the Delegates Version, the best in style and diction (though not in literal accuracy) that has ever been produced to the present day.

Several Hospitals also were established during this year. The Medical Missionary Society of Canton and Macao (originally established in 1838 through the efforts of Dr. Peter Parker, and largely aided by the London Missionary Society) opened a Hospital (June 1, 1843), under Dr. Hobson of the London Mission, on the hill now occupied by the Naval Hospital (above Wantsai). The Seamen's Hospital (on the site of the present Civil Hospital), started (as above-mentioned) at the instigation of a promise of a donation by Mr. J. Rustomjee (which was never paid), was built by means of a public subscription of \$6,000 and with additional funds generously advanced by Jardine, Matheson & Co., and opened by the Committee, in August, 1843 (with 50 beds), under the charge of Dr. Peter Young (of the Hongkong Dispensary, then located in the 'Bird Cage,' South of its present location), who gave his services gratuitously.

These Hospitals, together with the Naval and Military Hospitals (on the site of the present Barracks near Hawan) were soon overcrowded with patients. For in summer 1843 occurred an extraordinary outbreak of Hongkong fever which, during the six months from May to October, carried off by death 24 per cent. of the troops, and 10 per cent. of the European civilians. It was noticed that this virulent fever ravaged chiefly the extreme eastern and western ends of the settlement, whilst

the central parts of the city and especially the Gaol escaped almost untouched. At Westpoint Barracks (above Pokfulam Road), where the Indian troops had lost nearly half their number in 1842, sickness was so universal in 1843, that the European troops stationed there were hastily removed (July 20, 1843) on board ships in the harbour. In the year 1843, the total strength of the European and native troops was only 1,526, but, as 7,893 cases were treated in the hospitals during the same year, it appears that on an average each man passed through hospital more than five times during that dreadful year. The deaths among the troops on the Island amounted to 440, out of 1,526 men, or 1 in $3\frac{1}{2}$, the cause of death being fever in 155 cases, dysentery in 137 cases, diarrhœa in 80 cases. The number of men invalided or unfit for duty was such that frequently no more than one half of the men of a company were able to attend parade and sometimes there were hardly five or six men, out of 100, fit for duty. The sanitation question was now at last taken up by the Government, and a Committee of Public Health and Cleanliness was appointed (August 16, 1843) with authority to enforce rigid sanitary rules among all classes of residents, but no effective measures were undertaken. Those rules were subsequently formulated by Ordinance No. 5 of March 20, 1844.

The land policy of the Government caused considerable dissatisfaction among the merchants. There was no objection on the part of the mercantile community to a revenue being derived from land; on the contrary they were of opinion that, Hongkong being guaranteed to be a free port, long leases and annual rents should be the sole source of revenue, to the exclusion of all other forms of taxation, such as duties on goods sold by auction, auctioneers' licence fees, registration fees, market farms, etc. Mr. A. Matheson expressed the unanimous views of Hongkong merchants when he stated that it was a most unadvisable course for the Government to attempt raising any other revenue than the land rents, at any rate until the Colony should have advanced considerably in wealth and population.

But the great grievance of the merchants was that the conditions of Captain Elliot's sales of land had not been fulfilled by the Government, and that merchants who, trusting in the good faith of the Government, had bought land and expended large sums on buildings in the expectation to have a permanent property at an annual quit rent, did not get the land granted to them in perpetuity but were peremptorily called upon to take leases of 75 years only or to surrender their land. There were minor complaints, that some of the sales of January, 1844, were fictitious, that there was a great deal of deception practised in the purchase of land in 1843 and 1844 by parties who bought land without really intending to hold it, and that such practices had been encouraged by negligence on the part of the Government in enforcing the conditions of sale and in collecting the land rents. The Colonial Treasurer (R. M. Martin) corroborated some of these statements by the allegation he made that, out of the whole amount of land-sales from June 1841 to June 1844, amounting to £3,224 per annum, only £641 had actually been paid. Land jobbing, in fact, was at that early time already one of the great evils of Hongkong. But it was not confined to merchants only, for the same Colonial Treasurer alleged that, with the exception of the Attorney General (P. J. Stirling) and himself, almost every individual connected with the Government was identified with the purchase and sale of building land in the Colony. In fact it is evident that the land sales of 1843 and 1844 gave rise to the first local outburst of the gambling mania. 'Men of straw,' said Mr. A. Matheson, 'gambled in land and raised the price of it upon those people who were *bonâ fide* purchasers.'

Proceeding on the legally correct but historically false and unjust assumption that the lawful land tenure of Hongkong dated from the exchange of treaty ratifications, the Secretary of State had laid down the following principles as a basis for the future land policy of the Government, (1) that the Governor should abstain from alienating any land for any time greater than might be necessary to induce tenants to erect substantial

buildings, (2) that no grants or sales of land that had taken place previous to the exchange of the Treaty ratifications should be deemed valid, (3) that all equitable claims and titles of land-holders should be inquired into with a view to confirmation, (4) that the payment of rents should commence from the day when the Treaty ratifications were exchanged, and (5) that henceforth no land should be sold except by public auction, at a reserved minimum price, equal to the value of the annual rent. On this basis, the Governor appointed (August 21, 1843) a Committee, consisting of A. T. Gordon, Land Officer and Colonial Engineer (Head of the new Public Works Department), Captain de Havilland (Assistant Surveyor), Ch. E. Hewart (Financial Secretary), assisted by R. Burgass (Legal Adviser). The instructions of this Committee were, (1) to inquire into the equitable claims and titles of all holders of land, (2) to define the classes to which particular lots should henceforth belong, (3) to fix their annual rent, and (4) to arrange for the sale of further lots. The Committee accordingly inquired into and settled all claims on land previously sold, and granted leases of 75 years in all cases of proved ownership. It was on the basis of the above-mentioned principles, that the land-sale of January 22, 1844, was held, when about 25 acres of land, divided into 101 lots, each about 105 feet square, were sold for £2,562 annual rental, prices ranging from £11 to £88 annual rental, at an average rate of £20 per lot or £100 per acre. The solution of the land question was pushed a step further by the establishment of a Registry Office (Ordinance No. 3 of 1844), which provided ready means for tracing all titles to landed property. It was laid down by law that thenceforth all deeds, wills, conveyances and mortgages relating to land, should be registered within a certain time after execution. But what kept discontent rankling in the minds of many was the fact that the Crown had refused and in spite of all remonstrances persisted in refusing to confirm, as a matter of right, Captain Elliot's land sales, disavowing in fact any grants of land made prior to the signing of the Treaty, and prohibiting the granting of perpetuities.

The newly-established Legislative Council commenced its sittings on January 11, 1844, and displayed an extraordinary amount of energy. Within four months the Council compiled, considered and passed twelve Colonial and five Consular Ordinances, that is to say about one Ordinance each week. The Council began its labours by grappling, boldly rather than wisely, with one of the congenital diseases of the Chinese social organism, which has survived to the present day, viz. Chinese bond-servitude, a contractual relationship which, from a moral point of view, is indeed but a form of slavery but which differs widely from that kind of slavery to which the Acts of Parliament had reference. Ordinance No. 1 of 1844, intended to define and promulgate the law relating to slavery in Hongkong, was promptly launched by the Council (February 28, 1844), but wisely disallowed by the Secretary of State on the ground that the English laws as to slavery extend by their own proper force and authority to Hongkong and require no further definition or promulgation. Among six other Ordinances passed on the same busy day (February 28, 1844), there was one (No. 2 of 1844) intended to regulate the printing of books and papers and the keeping of printing presses, which the community considered needless and premature but which remained on the statute book until 1886. Another (No. 3 of 1844), organising the Land Registry, above mentioned, also became law. A third (No. 4 of 1844), intended to obviate an evil which, to the present day, troubles the Colony in connection with the practice of shipmasters to leave behind destitute seamen (locally called beachcombers), was unfortunately disallowed. Another batch of five Ordinances was passed on March 20, 1844. One of them (No. 5 of 1844) dealt with the preservation of order and cleanliness and was subsequently repealed by No. 14 of 1845. Another (No. 6 of 1844) provided that, pending the arrival of Chief Justice Hulme, all civil suits should be settled by arbitration. Another Ordinance (No. 7 of 1844) limited legal interest to 12 per cent., whilst again another prohibited the unlicensed distillation of spirits (No. 8 of 1844). Three more Ordinances were passed on

April 10 and two on May 1, 1844, dealing with the illegitimate trade with ports North of 32° N. L. (No. 9 of April 10, 1844), with the regulation of summary proceedings before Justices of the Peace (No. 10 of April 10, 1844), with the licensing of public houses and the retail of spirits (No. 11 of May 1, 1844) and with the establishment and regulation of a Police Force (No. 12 of May 1, 1844).

Unfortunately, however, the zeal of the Government in organizing the various departments of the Civil Service, in pushing on the erection of costly public buildings, and in legislating for a Colony which was yet in its swaddling clothes, appeared now to the colonists to outrun, not only the actual growth of the community, but even its prospective future for years to come. There were indeed twelve large English firms established in Hongkong, representing numerous constituencies in the United Kingdom. There were further half a dozen Indian firms, chiefly Parsees, but ever since the Treaty of Nanking and the introduction of steam navigation, the share of the Parsees in the China trade had commenced to dwindle down rapidly, being gradually pushed out by Jewish firms from Bombay, and those Parsees who remained preferred to conduct their business at Canton. There were further some ten or so private English merchants of smaller means. Then one might point to the many brick godowns, commercial offices and private residences scattered along the shore. There were shipwrights (Kent and Babes) and even a patent slip at East Point, where Captain Lamont launched (February 7, 1843) the first Hongkong-built vessel (the *Celestial*, 80 tons). There were, besides the *Friend of China* (established March 17, 1842), actually two other newspaper offices, the *Eastern Globe* and the *Canton Register*. The former of these papers published (January 1, 1843) a long list of local buildings and a series of lithographs of public edifices was published in London about the same time. In spite of this architectural activity, Sir H. Pottinger reported (January 22, 1844) that the erection of houses could by no means keep pace with the demand for them. Even so late as November 19, 1844, Lord Stanley pointed

out that the terms fixed for the disposal of land had evidently been no discouragement to building speculations. There were some large floating warehouses in the harbour, notably the *Hormanjee Bomanjee* belonging to Jardine, Matheson & Co., and the *John Barry* belonging to Dent & Co. Finally, there was a brisk business done in opium by half a dozen British firms. Unfortunately, however, as to other business, there was since the commencement of 1844 next to none in Hongkong, although the Chinese population continued to increase and reached, in April 1844, a total of 19,000 Chinese, including now even a sprinkling of some 1,000 women and children. The cessation of the war, the opening of the port of Shanghai (November 17, 1843) and of four other Chinese ports, coupled with the gradual increase of steamers in place of sailing vessels, had disorganized the old lines of business both on the Chinese and on the foreign side, had scattered and drawn away to those open ports capital and enterprise at the expense of Hongkong. In addition to these causes detrimental to Hongkong, the Chinese Authorities did everything in their power to discourage trade with Hongkong, whilst the Hongkong Government appeared to the merchants to work into the hands of the Mandarins. All the sanguine expectations, entertained since 1841, that business would flourish at Hongkong just as it used to flourish at Whampoa, gradually vanished from month to month ever since the exchange of the Treaty ratifications. Hongkong now seemed in 1844 to be at best a second Lintin, the flourishing centre of a limited and illegal trade in opium, but palpably shunned by the legitimate Chinese trade. Numbers of Chinese merchants in Canton would have been willing enough to send down to Hongkong junks laden with tea, rhubarb, camphor, silk and cassia, and to send back those junks to Canton freighted with India cotton or yarn or English piece goods, but the Cantonese Authorities set their faces against it like a flint. It had been the fond dream of British merchants that, whilst indeed foreign vessels could only trade with the five open ports, natives of China would be allowed to bring goods from any port of China, and convey British goods

from Hongkong, in Chinese junks, to any part of the coast of China, so that Hongkong would become the centre of a vast junk trade, and of a coasting trade possessing infinite capabilities of expansion. We can well imagine what was their disappointment, when they learned that the Chinese copy of the Supplementary Treaty, signed at the Bogue (October 8, 1843), contained, over Sir Henry's signature, the following words, not to be found in the English text:—‘At ports within the other provinces and within the four provinces of Canton, Foochow, Kiangsu and Chehkiang, such as Chapon and the like places, all of which are not open marts, Chinese merchants shall not be permitted there arbitrarily to apply for permits to go to and from Hongkong, and if any persist in doing so, the Coastguard Officer at Kowloon shall, in concert with the British Officer (at Hongkong), forthwith make investigation and report to their superiors.’ When Sir H. Pottinger, a few months previous, announced (July 22, 1843) the successful conclusion of a Supplementary Commercial Treaty, embodying rules and regulations for the conduct of trade at the open ports and a detailed tariff of duties, he had unfortunately accompanied the announcement by some well meant exhortations addressed to British merchants in general, though intended for a few low class individuals, implicated in systematic smuggling transactions. These exhortations, by their vituperative generalities rather than by any definite insinuations, had given great offence and caused the beginning of a breach, between Sir Henry and the mercantile community, which widened as the miscarriage of the Supplementary Treaty concluded at the Bogue became apparent. Sir Henry made a great secret of some of the provisions contained in the Supplementary Treaty of October 8, 1843. It was known that Article XII contained the startling words, ‘it is to be hoped that the system of smuggling which has heretofore been carried on between English and Chinese merchants, in many cases with the open connivance and collusion of the Chinese Custom-house Officers, will entirely cease.’ But for a long time it was not known that, on this ground, Articles XIV and XVI

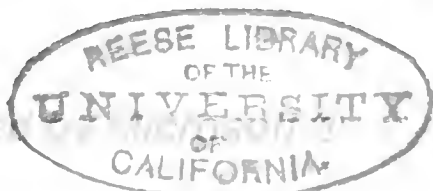
not only confined the Chinese junk trade of the Colony rigidly to the five Treaty-ports (virtually to Canton alone), but required the appointment of a British Officer in Hongkong who was to report to the Chinese Customs Officers the nature of the cargo and other particulars of every Chinese vessel resorting to Hongkong and to condemn and report, as an unauthorized or smuggling vessel, every junk trading between Hongkong and any unauthorized port of China. As regards further provisions, injurious to the interest of the Colony, the *Journal des Débats* stated later on (Monday, September 30, 1844) what at the time was the subject of acrimonious discussion in the Colony, that Sir H. Pottinger, in concluding the Supplementary Treaty, had been the victim of unworthy trickery (*supercherie*); that the Chinese diplomatists, profiting by the ignorance of the English Plenipotentiary, both of commercial affairs and of the Chinese language, and by the bitter feeling which existed between him and the English merchants who would have been able to advise him, bribed by a sum of money the interpreter who was employed to replace the late Mr. Morrison; that thus the Chinese diplomatists slipped into the Chinese text, unbeknown to Sir H. Pottinger, alterations and suppressions bearing on all the provisions made but particularly on the 13th and the 17th Articles, the immediate effect being that these Articles now strike with nullity the establishment of Hongkong, exclude the Colony from any participation by transit or coasting trade in the commerce of the different nations with the five ports, and, in fine, restrain, almost as before the war, the commerce (of Hongkong) to the port of Canton alone. Some of the passages of the Chinese text, which were suppressed in the version submitted to and published by Sir H. Pottinger, were, according to the *Journal des Débats*, translated in England by the most learned professors of the Chinese language as follows. Article XIII. 'Every Chinese merchant who shall purchase merchandise at Hongkong can only ship it in Chinese bottoms provided with passports delivered at Hongkong. These passports and these permits will be viséd at every time and on every voyage

by the officers of the Chinese Custom-house in order to avoid contravention.' Article XVII. 'Both (vessels from Hongkong of under 75 or 150 tons) one and the other, shall pay one mace per ton each time they shall enter port (at Canton). All that shall exceed 150 tons will be considered as large vessels coming from abroad and, following the new tariff, shall pay five mace per ton. As to Foochow, Amoy, Ningpo and Shanghai, as no coasting vessels enter those ports, it is useless to make any regulations with regard to them.' These two articles, says the *Journal des Débats*, 'coincide and link together with a degree of art which we could not but admire, if their consequences were not equally injurious to the coasting trade of all nations by excluding them, or nearly so, from the four ports so recently opened. In point of fact, according to the text of these articles, it becomes exceedingly ruinous to land at Hongkong merchandise destined for the Chinese continent....Thanks to the drawing up of the Supplementary Treaty, freedom of commerce with the northern ports is become illusory, the privilege nominal.'

With reference, no doubt, to the foregoing statement of the *Journal des Débats*, which is, however, supported, as to the correctness of the translation here given, by statements which previously appeared in the *Chinese Repository* (March 1844), in the *Friend of China* (April 13, 1844) and subsequently (July 31, 1844) in the *Commercial Guide*, Sir Henry, later on (December 11, 1844), made the following remarks at a public entertainment given in his honour at the Merchant Tailors' Hall in London. 'A very erroneous impression went abroad through, I believe, some papers on the continent, that there had been some mistake committed in the (Supplementary) Treaty. That is quite incorrect. It arose from the necessity of my making public an abstract of the Treaty, while the Chinese published the whole, and a translation was made with many important omissions. Having been asked seriously whether there was any ground for the allegation that mistakes had been committed, I am happy to say that there was no cause whatever for alarm.'

In the absence, however, of any positive denial of the points really complained of, this negative and evasive statement of Sir H. Pottinger failed to satisfy the mercantile community of Hongkong. They did not for a moment believe the absurd allegation that Sir H. Pottinger's interpreter had been bribed, but they were convinced that, when Sir H. Pottinger signed the Chinese text of the Supplementary Treaty, he was ignorant of some of the objectionable provisions it contained, and that by his known aversion to a literal English version to be submitted to him for publication, and by his being content (for unexplained reasons of his own) with an English abstract, the Chinese Mandarins were enabled to slip into that version which they submitted to him for signature, provisions which, while looking in a free English translation like harmless prolixity of diction, had the effect of limiting the Hongkong coast trade to dealings with Canton under arbitrary restrictions (differential duties) and excluding it (by a flourish of the pen) from the other open ports.

Sir H. Pottinger, it was said, fumed and fretted when he discovered how he had been duped by Kiyng and the other Commissioners, whom he and all Hongkong had honoured as exceptionally meek and truthful men. The Cantonese Authorities had all along put an embargo on all trade with Hongkong, but now claimed Sir H. Pottinger's express authority for doing so. At all the Treaty ports the Chinese officials frowned at any reckless Chinaman who had the hardihood to apply for a permit to ship goods to Hongkong, telling him that he was a base traitor to the national cause and ought to be dealt with accordingly. On June 7, 1841, Captain Elliot had 'clearly declared that there will be an immediate embargo upon the port of Canton and all the large ports of the Empire if there be the least obstruction to the freedom of Hongkong.' Had Sir H. Pottinger now carried out this threat, the Chinese would have yielded at once. But he shrank from a renewal of the war and from the confession that he had been duped by Kiyng as much as Elliot was duped by Kishen. So he confined himself to diplomatic remonstrances, a game in which Europeans have



always been worsted by Chinese Machiavellis. Under these circumstances, not only were Chinese merchants afraid of entering upon any commercial dealings with British or Chinese firms in Hongkong, but even among the mass of the Chinese population of the districts near Hongkong the notion got abroad that the Hongkong Governors were powerless in the hands of the Mandarins, and that the Chinese Authorities might punish artisans and labourers, resorting to Hongkong or settling down in the new Colony, by subjecting their relatives on the mainland to extortion and maltreatment. As trade could only be brought to Hongkong by guaranteeing perfect freedom from custom and excise exactions and inspiring native and foreign merchants with confidence in the Colonial Government. Sir Henry's Supplementary Treaty, by destroying both the freedom of the port and confidence in the independence of the Hongkong Government, unwittingly annihilated for the time all chances of Hongkong becoming the centre of the coasting trade. Successful as a diplomatist, dictating the terms of peace forced upon the Chinese at the point of the bayonet, Sir Henry appeared now to have been an utter failure when he attempted to negotiate a Commercial Treaty on equal terms with astute Chinese diplomatists. The principal points for which Sir H. Pottinger may be blamed consist in his leaving the important opium question entirely *in statu quo ante* and in omitting to secure for Chinese subjects residing in Hongkong freedom to trade (in Chinese bottoms at least) with the whole of China. It is said that when this truth at last forced itself upon the recognition of Her Majesty's Government, the proposal to raise Sir Henry to the peerage, in reward of the glorious negotiation of the Nanking Treaty, was dropped in view of this signal failure of the Supplementary Commercial Treaty.

The Chinese had yet other objections to Hongkong. The sea all around the Island was infested by pirates whose headquarters and stores of supplies were (falsely) believed to be under the direction of a Chinese resident of Hongkong enjoying official patronage. Sir H. Pottinger endeavoured (since May, 1843)-

to induce the Chinese Authorities to co-operate with him in putting down piracy in Hongkong and Canton waters, but his efforts were neutralized by corruption on the Chinese side and resulted only in further measures militating against the freedom of the port. For no other reason did the Canton Authorities condescend to co-operate with Sir Henry in this matter, but because it enabled them to persuade Sir Henry to place additional restrictions on Chinese junks visiting Hongkong. Moreover, as pirates ruled the sea all around Hongkong, so highway robbers and burglars seemed to have things their own way all over the Island. Government House even was entered by burglars (April 26, 1843), three mercantile houses (Dent's, Jardine's, Gillespie's) were attacked in one and the same night (April 28, 1843), the Morrison Institution was plundered by robbers who carried off the Chief Superintendent's Great Seal (May 19, 1843), and James White's bungalow was attacked and held by an armed gang until some sepoy opened fire upon them (February 23, 1844). No European ventured abroad without a revolver, and a loaded pistol was kept at night under every pillow. The principal merchants kept armed constables in their employ for the protection of their property, having no confidence whatever in the Colonial constables. Jardine, Matheson & Co. kept twelve armed men to protect their premises at East Point at an expense of £60 a month. Every private house inhabited by Europeans had its watchman going the round of the premises all night and striking a hollow bamboo from time to time in proof of his watchfulness. The scum of the criminal classes of the neighbouring districts looked upon Hongkong as their Eldorado and upon English law as a mere farce. Major Caine's floggings seemed to have no terror for them, and imprisonment in the Gaol, the healthiest locality of Hongkong, appeared to the half-starved gaol-birds of Canton a coveted boon. The Government now (May 1, 1844) made arrangements, a fortnight before Sir H. Pottinger left Hongkong, to organize a Police Force, thenceforth known among the Chinese as 'green coats' (Lukee), but as the discharged English and

Indian soldiers of whom the corps was made up were helpless, in their ignorance of the native language, without the assistance of Chinese constables, and as the latter were of the lowest order, this establishment of a Colonial police made things rather worse. An order was also issued (May 10, 1843) that no boat on the harbour should leave its moorings after 9 p.m. and that, on shore, Chinese should carry lanterns after dark and not stir out of their houses after 10 p.m. Incendiarism, robberies, murders, piratical exploits on land and sea were in no way diminished by the foregoing measures. The nursery of crime was a heavily armed contraband trade in salt, sulphur and opium, established and vigorously developed by the lowest classes of Chinese residents in the Colony, doing as much injury to the best interests of Hongkong commerce as to the revenues of the Chinese Government.

No wonder that Hongkong was in bad odour among the Cantonese officials and people, that Chinese trading junks now commenced to give the harbour of Hongkong a wide berth and that the Chinese mercantile community, which had just begun to develop, disappeared even more rapidly than it had come. But what a depressing effect all this had on the mercantile prospects of the Colony may easily be imagined. English merchants now began to fear that the Colony was an egregious failure. Chusan was freely spoken of as being after all vastly preferable to Hongkong on sanitary and commercial grounds. Among the merchants, regrets were heard on all sides over the amount of money sunk in investments in land and buildings.

A summary of the complaints which the mercantile community gave expression to on sundry occasions, may be of interest. The allegations made against Sir H. Pottinger at the close of his administration were as follow: (1) that, relying upon the validity of Elliot's and Johnston's land-sales and expecting perpetuity of tenure, British merchants spent from \$25,000 to \$200,000 each, in buildings and improvements, but that Sir Henry advised the Home Government, ignorant of these facts, to grant them only leases of 75 years; (2) that he thus broke

faith with the mercantile community after he had, from 1841 to 1843, used every endeavour, both by facilities temporarily offered to early occupants of land, and by the threat of the penalty of forfeiting their purchases to all who did not commence building, to induce British merchants of Macao and Canton to remove to Hongkong; (3) that, in negotiating the Nanking Treaty, he studiously neglected to provide for any extension of the ground allotted to the foreign community in Canton, or indeed for adequate facilities for building on the space they formerly occupied in Canton, and this with a view (at one time openly avowed) of forcing the British merchants at Canton to settle in Hongkong; (4) that, with a view to make the Colony pay its own expenses, he imposed on the colonists all sorts of financial and commercial restrictions and taxation, whilst giving the British community no municipal powers nor any representation in Council; (5) that, in the case of the Supplementary Treaty, acting as Plenipotentiary, he signed away the freedom of the port and betrayed the commercial and maritime interests of the Colony by giving the Canton Mandarins every facility to strangle the young commerce of Hongkong; (6) that, acting as Governor, he may have sought to further the interests of the Crown but failed to identify himself with the interests of British trade in Hongkong, being too proud to consult the views of the leading merchants, deaf to the voice of the press and callous to the wants of the people; (7) that, influenced by prejudices against the opium traffic and ignorant of the complexity of the commercial problem involved in it, he was in a fog as to the real requirements of the commerce of Hongkong and mistakenly assumed the rôle of a coast-guard officer of Chinese revenue, counteracting in every respect those free trade principles on which the commercial prosperity of the Colony in reality depended; (8) that, whilst doing everything to foster the illusion that Hongkong would immediately become a vast emporium of commerce and lavishly spending money on official salaries and buildings, he neglected the commonest sanitary measures and, instead of increasing the force of 28 police

constables so as to provide at least a night patrol for Queen's Road, appointed a ridiculous corps of 44 Magistrates; (9) that, by irregularities connected with the Survey Department, which he placed under the charge of a relative of his own, and by looseness in the management of land-sales, as well as by granting Crown-lots to officials, he furthered the growth of a regular gamble in land and house property; (10) that he unduly postponed the organization of civil jurisdiction, left the Magistracy for years in the hands of a military officer having no legal knowledge or instinct whatever, whilst the Criminal Sessions, presided over on one occasion (March 8, 1844) by himself, were a solemn farce, and his final measure of handing over all civil suits to arbitration by Justices of the Peace was a reckless measure unsuited and injurious to the Colony; (11) that socially he isolated himself to such an extent that he never was in touch with any section of the community, whilst he, and the civilians nearest to him in office, thinking that the community were but opium dealers and smugglers intent only upon robbing the Government, acted throughout on the principle of not granting anything that could possibly be withheld.

It remains to sketch briefly the social life of this period. After the departure of the fleet and of the troops of the expedition, in the winter of 1842, the social life of the Colony underwent, as above stated, a sudden revolution. Previous to that time the head centre of social entertainments was formed by the head-quarters, where diplomatists, military and naval officers and local Government officers, domineered, and the leading merchants were but condescendingly admitted. With the commencement of the year 1843, the mercantile community had the preponderance, the Governor and his favourite officials insulated themselves at Government House, whilst the principal merchants kept open table for military and naval officers and visitors, gaining for themselves by their boundless hospitality the title of merchant princes. The European mercantile community (prevailingly British, but interspersed with a few German, American, Dutch, French and Italian

merchants), now became the pivot of the social life of the Colony, and the more the Governor became estranged to them, the closer were drawn the bonds of social intercourse between the merchants and the officers of Her Majesty's Army and Navy. Major-General Lord Saltoun (since November 3, 1842) made himself popular as President of the local Madrigal Society. Major-General D'Aguilar and his staff rapidly became and continued to be (for a short time) the favourites of the whole community. Even Commodore Parker (since June 22, 1843), of the U.S. Frigate *Brandywine*, and his officers (in 1843 and 1844) vied with Rear-Admiral Sir Th. Cochrane (since June 19, 1842) and the officers of H.M.S. *Agincourt* in reciprocating the social *entente cordiale* which reigned everywhere in the Colony, outside of Government House and Government Offices. A theatrical company from Australia enlivened the winter evenings of 1842. A slightly better company (Signor Delle Casse) visited the Colony in winter 1843 and continued to occupy the Royal Theatre till 1844. But the annual races and regatta were, during this administration, still held in Macao, for which purposes a general pilgrimage to Macao occupied the latter half of the month of February in 1842 and 1843. The sympathies of the community were powerfully aroused at the news of the Cabul disasters, and a public subscription was immediately raised (October 13, 1842) for the relief of sufferers in Afghanistan. The whole community was in mourning when one of the heroes of Cabul, Lieutenant Eldred Pottinger, the brother and expected successor of the Governor, died at Hongkong, particularly as his death happened so soon after the decease of the Hon. J. R. Morrison (August 29, 1843) whose death was viewed as 'a national calamity' and was followed three weeks later by the death of Lieutenant-Colonel Knowles (November 7, 1843). The birth of the first British subject ushered into the world in Hongkong (January 20, 1843) was the occasion of much social humour; whilst, a year later, the rumour that the Governor, in view of the insufficiency of house accommodation procurable in the Colony, meditated billeting all military officers upon the European inhabitants

(January 13, 1844), aroused an extraordinary amount of sarcasm. Between the public press and the Governors of Macao and Hongkong there arose (since January, 1844) a good deal of acrimonious discussion, which led to historical inquiries as to the exact title under which the Portuguese held their Colony. The cause of the misunderstanding was the fact that the original draft of an Ordinance published by Sir Henry, on January 26, 1844, to extend the law of England to all British subjects in China, particularized Macao as 'situate within the dominions of the Emperor of China,' and that this was viewed by the Governor and loyal Senate of Macao as a gross violation of international law and comity. Between the Canton and Macao communities on the one hand and the European community of Hongkong on the other hand, there was constant and intimate social intercourse. Though every commercial house readily accommodated visitors, there were several flourishing hotels, first 'Lane's Hotel' (1841 to 1843) and then (since May 1, 1844) the 'Waterloo' (Lopes) and the 'Commercial Inn' (Maclehose).

With the commencement of the year 1844, the foreign community of Hongkong began to be divided between friends and enemies of the Colony. Sir H. Pottinger, whose health was undermined by the strain of his diplomatic worries and by the influence of the climate, and who had never courted friendly relations with the leading British merchants, now began to show more plainly than ever that he held no higher opinion of the typical British Colonial trader than that which the Duke of Wellington held in the days of Lord Napier. And the British merchants, feeling themselves classed by the Governor with smugglers and pirates, and resenting the mismanagement of the Supplementary Treaty, were not slow in attributing to Sir H. Pottinger a considerable share in the supposed ruin of Hongkong commerce. The officials and the community were thoroughly out of touch with each other; the newspapers freely libelled the Surveyor General, the Chief Magistrate, the Postmaster and other officials, whilst the official reports sent to Downing

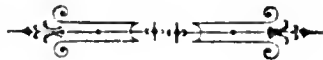
Street were believed to paint the iniquities of the merchants in glowing colours. In short the Colony of Hongkong earned in these early days the soubriquet, which it sustained for several decades later, of being both 'the land of libel and the haunt of fever.'

Such was the state of affairs when, to the astonishment of the colonists, Sir John Davis, the former successor of Lord Napier in the Superintendency of Trade, arrived with his suite in Hongkong (May 13, 1844) to relieve Sir H. Pottinger. The latter, it appeared, had been promised the next vacancy of the Governorship of the Presidency of Madras, which settlement, though nearer to the Equator, was then justly considered to be not by any means so hot a place for a British official as Hongkong had by this time become. Three years previous the editor of the *Canton Register* had assumed the role of the prophet and uttered the following dire vaticination. 'Hongkong,' we read in the *Canton Register* of February 23, 1841, 'will be the resort and rendezvous of all the Chinese smugglers; opium smoking shops and gambling houses will soon spread; to those haunts will flock all the discontented and bad spirits of the Empire; the Island will be surrounded by floating Shameens (haunts of vice) and become a gehenna of the waters.' Such was the voice of Hongkong's Cassandra in 1841, and by the time that Sir H. Pottinger's administration closed, this prophecy seemed well nigh fulfilment. It may be doubted if Sir Henry returned to England in a much happier frame of mind than Captain Elliot whom he had superseded but hardly excelled.

When Sir H. Pottinger, after another visit to the Bogue for the vain purpose of patching up the Supplementary Treaty, left the Colony (June 12, 1844), the leading local newspaper, expressing the harsh views entertained at the time by the residents, spoke of him as a man 'who, with all his brilliant talents, appears either to have been utterly devoid of a sense of the moral obligations imposed upon him, his heart being perfectly seared to the impression of suffering humanity, or

deliberately living in seclusion among a few adoring parasites whose limited intellects were devoted to pander to the great man's vanity.' Exaggerative as this statement appears, the general verdict of the mercantile community on Sir H. Pottinger's regime certainly was, that the deserved fame of the Plenipotentiary had been seriously tarnished by the acts of the Governor.

Upon his return to England he was sworn in as a Member of the Privy Council and the House of Commons voted him a pension of £1,500 per annum. He did not immediately take up the Madras appointment but went first to the Cape Colony (1846 to 1847) as Governor, and then held the governorship and command-in-chief of Madras Presidency till 1854. Born in 1789, he died in 1856, but 67 years old, at Malta.



CHAPTER XIV.

THE ADMINISTRATION OF SIR JOHN F. DAVIS.

May 8, 1844, to March 18, 1848.

IT has been pointed out above what a serious error it was that was committed when the British Cabinet, sending out Lord Napier as the King's representative at Canton, associated him in office with men who had been trained in the East India Company's Canton school of truculent submission to Chinese mandarindom and who were looked upon by Chinese officials as contemptible traders. A similar mistake was made when Her Majesty's Government, looking out for a successor of Sir H. Pottinger, in that game of diplomacy with Chinese statesmen in which he had been so smartly duped, and in the government of a Colony established on the express principles of free trade, selected for this difficult post a gentleman who, as a former member of the East India Company's Select Committee at Macao and Canton, was altogether identified with the ideas of mingled servility, autocracy and monopoly as exemplified in the history of that Company. Mr. (subsequently, since July, 1845, Sir) John Francis Davis, Baronet, had indeed great experience of Chinese affairs. In his youth (1816 to 1817) he had served on the staff of Lord Amherst's mission to China. He had spent the best part of his life in the service of the Company in South China, bowing to Chinese officials and frowning upon European free traders, till he retired (January 21, 1835) in all the glory of a Chief Superintendent of Trade. He had meanwhile composed and published a work on 'China,' in two volumes, which is still recognized as one of the best descriptions of the Celestial Empire, and he posed now as a great sinologue and scholar. No doubt he knew the Chinese character and naturally he thought also he

knew the typical British free trader, despoiled and despondent as the latter was (at the close of Sir H. Pottinger's administration), under the conviction that the free port of Hongkong had proved a commercial failure. If Sir Henry had been duped by the Chinese Mandarins in connection with his Supplementary Commercial Treaty, it was no doubt because he knew nothing of commerce and even less of Chinese. But here was Sir John, a China merchant and Chinese sinologue rolled in one. Who could be a better successor for Sir Henry? And as to the puzzle of Hongkong's commercial decay, why Sir John Davis understood it perfectly: the China Trade had reached its zenith under the regime of the East India Company, and where the Company could do no more, free trade was naturally bound to bring about a gradual diminution of the volume of trade. He understood it all: protection and monopoly was the remedy, and free traders must simply draw in their horns and learn to eat humble pie. His mission was to teach them to do that. And he did it—with what result, we shall see. But one thing more I have to add to these introductory remarks. Sir John Davis was not merely a scion in Chinese diplomacy and an exponent of British protectionism, but above all he was a scholar and a philanthropist: in this British Colony, placed at the very gates of China's antiquated semi-barbarism, he would demonstrate the kindlier humanities of British law and government and illustrate by the example of his administration the superiority of European learning and civilization.

Before Sir H. Pottinger left China, Sir John Davis, having entered (May 8, 1844) upon the duties of Superintendent of Trade under the Foreign Office, as well as upon those of Governor and Commander-in-Chief of Hongkong under the Colonial Office, had an opportunity to show off his diplomatic prowess by assisting his predecessor, at a meeting with Kiyang (June 13, 1844), to try and persuade the latter to surrender, or make amends for, some of the advantages he had gained by his trickery in connection with the Supplementary Treaty of October 8, 1843. Two of the newly-arrived Colonial officials, the Hon. F. Bruce

(Colonial Secretary) and M. Martin (Colonial Treasurer) assisted at the memorable interview. But Kiying was a match for them all, blandly explained away everything that seemed shady and conceded nothing. The fact was, the Pottinger Treaties had, as Sir John Bowring once put it (April 19, 1852), 'inflicted a deep wound upon the pride, but by no means altered the policy, of the Chinese Government.' The Treaty remained as it was, and our two diplomatists were reluctantly compelled to try and gloss things over by publishing a garbled account by a proclamation (July 10, 1844) and an imperfect translation (July 16, 1844), leaving it to the public to find out the mischievous provisions of the Treaty for themselves in course of time. An illustrative case soon occurred. On August 10, 1844, a Chinese junk, heavily armed and manned by a crew of 70 ruffians, but having no clearance papers as required by Article XIV of the Supplementary Treaty, ventured to drop anchor in Hongkong harbour. The junk had really come to frighten away or report upon any Chinese trading junks that might be in harbour. But the harbour police mistakenly suspecting her to be a piratical vessel, arrested her, and as there were doubts whether she was a trader without papers or a pirate, Sir John Davis ordered her to be delivered to the Kowloon Mandarin as having come into harbour without the clearance papers required by Treaty. This was the first and only case when the foolish concessions of the Supplementary Treaty, constituting the harbour police of Hongkong as underlings of the Chinese revenue preventive service, were acted upon by a benighted Hongkong governor. The denouement was too ridiculous: the junk turned out to be neither a trading nor a piratical craft but a Chinese revenue farmer's guardboat. However, the news got abroad that every Chinese trading junk, visiting Hongkong without those precious clearance papers, which no Chinese customs office would grant, was to be handed over by the British harbour police to the tender mercies of the Kowloon Mandarin. This contributed materially to injure the native commerce of the Colony and to keep away the junk trade for some time to come.

As Superintendent of Trade and Head of the Consular Service in China, Sir John Davis had to visit all the Treaty ports once a year, in order to inspect the Consulates and give the necessary directions. During his periodical absence from the Colony in connection with these duties, Major-General D'Aguiar used to administer the government of the Colony as Lieutenant-Governor. In the matter of the Supplementary Treaty, the mischievous provisions of which were condemned by Her Majesty's Government as much as by the community, Sir John had another interview with Kiying at the Bogue (April, 1846) but failed again to get any concession in favour of the Chinese trade of Hongkong. Nor did he succeed to wring from that astute diplomatist anything but vague promises as to granting British merchants in Canton the rights secured by the Nanking Treaty with reference to protection from mob violence, freedom of building residences on a separate concession, liberty to enter the city of Canton, or to make excursions inland. Again and again British subjects were assaulted at Canton and all he could get from Kiying was a series of specious pretexts for blaming British merchants for being so insolent as to ask for their rights or to expect exemption from molestation by mob violence. Sir John Davis used the hints of Kiying freely and, without rhyme or reason, accused the merchants of being the prime movers in all disturbances and made himself as much hated by the British community at Canton as he made himself, by his gullibility, ridiculous to Kiying, who, however, played the rôle of Sir John's very good friend and even came to visit him in Hongkong (November 22 to 25, 1845), when the compliment could be turned to good account. One thing, however, Sir John did succeed in obtaining from the Canton Authorities and that was the publication of a dispatch by the Provincial Treasurer of Canton, addressed (December 26, 1844) to the Hongkong Government, in which the former magnanimously renounced all claims to the land-tax of Hongkong and virtually admitted the sovereignty of Her Majesty over the whole Island. It was worth something, to be sure, to have this not merely stated

in a Treaty, which most Chinese now regarded as waste paper, but actually acknowledged by a subordinate Chinese official. It was indeed a great deviation from the practice hitherto adopted by Chinese officers. For instance, on November 23, 1844, it was accidentally discovered that officers of the San-on District Magistrate openly collected at Stanley, as they had all along been accustomed to do, the annual fishing tax of 400 cash per boat for the privilege (granted to 150 junks) of fishing in Hongkong waters. This was merely one of many cases shewing that the San-on Magistrate still considered Hongkong to be part and parcel of the Chinese dominions and all further doubts on the subject were removed by a case (November 14, 1846) in which Chinese officers boldly arrested some Chinese-British subjects within the Colony and carried them off by force.

Meanwhile the complaints of the Canton merchants as to the utter insecurity of life and property in Canton and as to the striking want of sympathy and energy displayed on their behalf by Sir John Davis, made themselves heard in England and as usual stirred Lord Palmerston's spirit. Two sailors of a British ship at Canton, strolling into the city, had been frightfully illtreated by a Canton mob in October, 1846. Sir John, as usual, instead of claiming redress at the hands of the Cantonese Authorities, ordered the Consul to fine the captain for turning the two seamen loose upon the populace and thereby causing a disturbance. In a dispatch to Lord Palmerston he casually alluded to the case as one of no importance, asking for no powers at all to proceed in the matter, but in reply he received the following stunning instructions. 'I have to instruct you,' wrote Lord Palmerston (January 12, 1847), 'to demand the punishment of the parties guilty of this outrage, and you will moreover inform the Chinese Authorities, in plain and distinct terms, that the British Government will not tolerate that a Chinese mob shall with impunity maltreat British subjects whenever they get them into their power, and that, if the Chinese Authorities will not by the exercise of their own authority punish

and prevent such outrages, the British Government will be obliged to take the matter into their own hands.'

On receipt of this dispatch Sir John Davis lost his head completely. He thought he had an opportunity now to steal a march upon the Chinese Authorities, to take them by surprise, to occupy Canton city by a sudden descent upon it with an armed force, and then to dictate his own terms as a triumphant conqueror. He consulted Major-General G. D'Aguiar, who reluctantly yielded to the Quixotic plan. An engineer officer went secretly to reconnoitre the Bogue Forts and reported them to be practically untenanted. So a force of 1,000 men was quietly mobilized, part of Lord Palmerston's dispatch was published on fools' day, and next morning (April 2, 1847) the expedition started with three men-of-war (H.M.S. *Vulture*, *Pluto* and *Espiègle*) and a chartered steamer (*Corsair*), the latter having on board Sir John, the Major-General with his staff and the Senior Naval Officer, Captain Macdougall. In the course of 36 hours this redoubtable force, waging a private war of Sir John's upon a defenceless and unwarmed foe, captured all the principal forts in the Canton River without the loss of a man and, in spite of the fire of several batteries, spiked 879 guns. On April 3, 1847, the expedition dropped anchor at Canton abreast of the factories, and disembarked the troops, to the utter amazement of Kiying and the British community. The British Chamber of Commerce sent a deputation to Sir John to inquire what it all meant, but they were told by Consul Macgregor that Sir John had expressed no wish to see them. Kiying was blandly informed (April 4, 1847) of Sir John's demands and next day informed by an ultimatum that, unless these were granted at the interview for which he fixed the 6th April, the city of Canton would be bombarded and taken by assault. After some hesitation, Kiying at last consented to meet Sir John Davis (April 6), and, as usual, satisfied him with empty promises. He offered to let the British community buy or rent 50 acres on Honam island if the individual owners should be willing to sell. He further offered to open Canton city to

foreigners on or about April 6, 1849, if it were practicable by that time, and to allow excursions into the country, also to let Europeans build a church near the factories and bury their dead at Whampoa. Meanwhile he secretly made his arrangements for an attack. But Sir John at once accepted the terms, though they virtually were below the level of what the Nanking Treaty had granted in 1842, and on April 8, 1847, the British expedition returned to Hongkong triumphantly, leaving Kiying to report to the Emperor that he detained Sir John in parleys whilst collecting and bringing up his army, but that Sir John precipitately fled to Hongkong as soon as he found himself threatened by the Chinese troops. The British communities at Canton and Hongkong were indignant at this wanton and bootless 'buccaneering expedition' which merely served to cause a sudden stagnation of the Canton trade, to render the lives and property of foreigners in Canton even less secure than before, and to make European views of state policy and international law ridiculous in the eyes of the Chinese. It seemed clear to them that Sir John Davis was even a worse failure as a diplomatist than Sir Henry Pottinger had been. Lord Palmerston, however, approved of Sir John's proceedings and so the matter rested for the time, the more so as Kiying treated Sir John's warlike frolic with silent contempt.

A few months afterwards, however, a new disturbance arose in Canton, and when Sir John Davis, none the wiser for his past experiences, meditated another military expedition against Canton, and induced Major-General D'Aguilar to write to Ceylon for re-inforcements, Sir G. Grey, delighted to have an opportunity of subverting Lord Palmerston's policy, peremptorily prohibited any further offensive operations to be undertaken against the Chinese without the previous sanction of Her Majesty's Government. At the same time Earl Grey censured the April expedition in plain terms. 'Although the late operations,' he wrote (September 22, 1847), 'were attended with immediate success, the risk of a second attempt of the same kind would far overbalance any advantage to be derived from such a step.'

If the conduct of the Chinese Authorities should unfortunately render another appeal to arms inevitable, it will be necessary that it should be made after due preparation and with the employment of such an amount of force as may afford just grounds for expecting that the objects which may be purposed by such a measure will be effectually accomplished without unnecessary loss.' It has been alleged that Sir John was so taken aback by this censure, that he forthwith resigned, but at the time when this dispatch was penned, Sir John Davis had already sent in his resignation which was unhesitatingly accepted (November 18, 1847). Sir John's term of the Superintendency of Trade closed with another sad outbreak of popular temper at Canton. Six young foreigners, visiting a village some three miles above Canton (December 5, 1847) were set upon by a mob, tortured and murdered in cold blood. When Kiyong delayed punishment of the guilty, Sir J. Davis pluckily prepared for another armed demonstration (January 5, 1848). But as soon as Kiyong found that Sir John had a squadron ready for action (February 17, 1848), he yielded and had some of the guilty parties executed near the village in question (Wongchukee) in the presence of a company of the 95th Regiment, sent up for the purpose, from Hongkong, in H.M.S. *Pluto*.

Sir John Davis had an opportunity to distinguish himself as a diplomatist in another field. He was directed to arrange a commercial treaty with Annam. Had he been furnished with proper information, and especially with capable interpreters, there would have been a chance for him to do a great work for the expansion of British trade, opening new markets, new trade routes, tapping Yunnan and Kwangsi, and keeping the French out of Annam and Tungking. But being without any diplomatic link of connection whatever and having neither agent nor friend at the Annamese Court, where French influence was already at work to keep off British intervention, nor even a capable interpreter, he naturally failed as signally with the Annamese officials as he had failed with Chinese diplomatists. Leaving Hongkong on October 6, 1847, he in vain attempted to

open up negotiations with the officials on the coast near Huéh. Every Annamese officer appealed to refused to take any message. Leaving a letter addressed to the sovereign of Annam deposited on the beach, he at last received a message by subordinate officials, declining all negotiation and refusing admittance to Huéh. Sir John gave up any further attempt to thwart French influence in Cochin-China and returned to Hongkong (October 30, 1847) disappointed.

Sir John's relations with the neighbouring Colony of Macao were peaceful but by no means of the happiest sort. As the fortunes of the Colony of Hongkong were visibly declining, the Macao Government thought there was a chance of retrieving the mistakes of the past and bringing back to Macao the discontented free traders of Hongkong as well as the American, Dutch, French and Parsee merchants established at Canton. Accordingly a decree was obtained at Lisbon (November 20, 1845) which, though far from being a complete free trade measure, reduced the harbour dues and custom house exactions to the lowest possible minimum and virtually made trade at Macao less cumbersome and more propitious than it was at Hongkong. The measure failed to re-establish the former fortunes of Macao: it came too late for that. But it contributed its quota towards a further diminution of the commerce of Hongkong and a considerable increase of the discontent felt by Hongkong merchants. An assault that was committed on Sir John Davis (April 11, 1845), whilst on a visit to Macao, was without any political significance, but indicative of that turbulent character of the Macao Chinese which was so fatally to manifest itself against the next Governor of Macao (Senhor Amaral) who, within a year after his arrival (April 18, 1846), ordering a road to be cut through the Campo and interfering thereby with Chinese graves, had subsequently to pay with his life for this disregard of Chinese religious superstition. In March, 1847, the prospects of Macao were as discouraging as those of Hongkong and a cession of Macao to France was talked of, but the movement, if it ever had any reality, came to nothing.

Turning now to Sir J. Davis' gubernatorial measures, we find that the expansion of the Civil Service and reforms in the constitution of the Councils occupied much of his time. He brought with him, on his arrival (May 7, 1844) a Colonial Secretary (Hon. F. Bruce), a Colonial Treasurer (M. Montgomery Martin), a Court Registrar (R. D. Cay), a Private Secretary (W. T. Mercer), an Auditor General (A. E. Shelley), a Civil Engineer (J. Pope, to whom we owe the designs of Government House, Colonial Offices, and Cathedral) and a warrant appointing Major Caine (the Chief Magistrate) as Sheriff and Provost Marshal of the Supreme Court. The Chief Justice (J. W. Hulme) came a month later (June 9, 1844) and the first Hongkong Barrister (H. Ch. Sirr) arrived on July 1, 1844, but as the Colonial Office postponed the appointment of an Attorney General (P. I. Stirling) till August 5 and made some other important omissions, the Supreme Court could not be opened until October 1, 1844. Two years later (November 18, 1847) the present Court House was obtained by purchasing from Dent & Co. the so-called Exchange Building. The working of the Supreme Court, which held its first criminal sessions on October 2, 1844, was gradually perfected by a series of legislative enactments, dealing with the constitution of the Court (No. 6 of 1845 and 2 of 1846), trial by jury (No. 7 of 1845), criminal procedure (No. 8 of 1845 and 6 of 1846), summary jurisdiction (No. 9 of 1845), insolvency (No. 3 and 5 of 1846) and coroner's juries (No. 5 of 1847). A Vice-Admiralty Court was established (March 4, 1846) and held its first session on January 14, 1847. The division of the town into the present three districts (Sheungwan, Chungwan, Hawan), the lines of demarcation being Aberdeen Street in the West and Elliot's Vale (the present Glenealy ravine) in the East, dates from July 24, 1844, when the previously existing popular terms were officially adopted. By the opening of a new market (July 25, 1844) at Taipingshan, the congested state of the Chungwan and Sheungwan markets was considerably relieved. Owing to the dearth and high rents of houses suitable for Civil Servants, the Government provided

(August 16, 1844) special Civil Service Buildings (now known as Albany) which were, however, later on (May 15, 1847) transferred to the Military Authorities. Two new offices were established by Sir J. Davis, viz. the office of Registrar General and Collector of the land-tax (S. Fearon) who commenced his duties on January, 1845, and the office of Marine Magistrate (March 15, 1845) the duties of which were, however, during Mr. W. Pedder's absence on leave, temporarily discharged by Mr. S. Fearon, whilst Mr. A. Lena acted as Harbour Master. A paid Coroner (Ch. G. Holdforth) was substituted (October 11, 1845) for the popular voluntary Coroner (E. Farncomb) who had joined the opposition against certain Government measures. After various changes in the constitution of the Councils, and in spite of the continuous demands of the British community for adequate representation in the Legislative Council, at least through the nomination by the Crown of an equal number of official and unofficial Members, this burning question was temporarily decided by Sir John Davis refusing all popular representation. Warrants were issued (December 1, 1845) for the Lieutenant-Governor, Colonial Secretary and Police Magistrate to be Members of Executive Council, and for the Lieutenant-Governor, the Chief Justice and Attorney General to constitute, with the Governor, the Legislative Council of the Colony. For some inscrutable reason the Surveyor General's title was reduced to that of Colonial Surveyor (August 8, 1846) on the occasion of the abolition of the office of Assistant Surveyor General, and by the amalgamation of the duties of Auditor and Colonial Secretary (September 15, 1846) the audit of local official accounts was reduced to a mere formality. These two measures were but equalled in want of foresight by the decision of the Military Authorities (March 8, 1847) to erect defensible barracks—'soldiers' grave-yards' they ought to have been called—at Stanley.

The legislative labours of Sir John Davis commenced with the knotty problem of regulating the Chinese population. The humble attempt to control the Chinese in Hongkong quietly

by means of their own elders on the basis of the Pocheung and Pokap system (Ordinance 13 to May 31, 1844) was one of the legacies handed over to Sir John Davis by his predecessor. Sir John Davis, however, disliked such a non-autocratic measure, having his own ideas on the subject. Although he got that Ordinance passed by the Council, he practically disregarded it and set to work to devise a measure of his own which, by means of registration, should immediately purge the Colony of the bad blood imported into it by the continuous influx of criminals from the neighbouring districts, as if registration would keep them away or reveal their habits. The cure proved to be worse than the evil.

On August 21, 1844, the Legislative Council, intending to check the indiscriminate influx into Hongkong of the scum of the population of the neighbouring mainland and at the same time anxious to avoid class legislation, passed a Bill to establish a registry of all the inhabitants of Hongkong without distinction of nationality. Neither the European nor the Chinese mercantile communities were consulted in the matter, nor was anything done, after passing the Bill, until Sir J. Davis returned (October 18, 1844) from a visit to the Consular ports, when the Ordinance was made public and it was notified that it was to come into force on 1st November. Then the European community woke up to the startling discovery that a poll-tax was to be levied not only on Chinese vagabonds but on all the inhabitants without exception, that all British residents, as well as Chinese, were to appear once every year before the Registrar General, answer questions as to birth, parentage, age, income and so forth, being liable to be deported if the answers were not satisfactory, and that the only distinction between a British merchant and a Chinese coolie was the enactment that the former should pay five dollars and the latter one dollar a year for his registration ticket. The reception by the British residents of such an Ordinance may well be imagined. They rose up like one man in wrathful indignation, feeling their personal self-respect, their national honour, the liberty of the subject trampled under foot

even more ruthlessly than in the days of the Co-Hong bondage at Canton. Accordingly, the first Public Meeting of Hongkong was held (October 28, 1844) at the residence of Mr. A. Carter. This meeting, after unanimously condemning the Bill as iniquitous, unconstitutional and un-English in principle, appointed a Committee (J. D. Gibb, D. Matheson, S. Rawson, Pat. Dudgeon and A. Carter) to memorialize the Government accordingly. On the same day the Government published an obscurely-worded Chinese translation of the Ordinance which only added to the excitement and misunderstanding that prevailed among the Chinese, giving them the impression that the poll-tax to be levied from 1st November was monthly and not annual. 'The Celestials,' said the *Friend of China* a few days later, 'are a passive race and will bear squeezing to any ordinary extent, but when this blundering translation would squeeze one half of their monthly wages out of them, then they thought it was time to return to their own country, nor would we blame them had they left in a body.' On the 30th October there was a universal suspension of all forms of Chinese labour. The shops and markets were shut, cargo boats, coolies, domestic servants, all went on strike simultaneously and all business was at a standstill. The Chinese made preparations to desert Hongkong *en masse* on the next day, if the Government should enforce this law, but there was no rioting of any sort. At 4 p.m. the deputation of the European community waited on the Governor to present a Memorial dated October 30 and signed by 107 British subjects. This Memorial stated that the principles of the Ordinance were as unjust as they were arbitrary and unconstitutional, because taxing unrepresented British subjects in the most iniquitous of forms; that the provisions of the Ordinance violated the Treaty with China; that they interfered with labour and consequently with the prosperity of the Colony and that it would be found impracticable to work this Ordinance. Unaware at the time of the strong language of the Memorial, which was handed by the deputation to the Clerk of Councils, the Governor told them that the Ordinance would not be enforced for two

or more months to come and that it would then be carried out but partially. Subsequently, however, the Memorial was returned to the Committee by the Clerk of Councils, as disapproved on the ground that the language of the Memorial was of a character directly opposed to respect for the constituted authorities of the Colony and it was requested that the document be properly worded. But before this message could be delivered, the Committee, observing the alarming state of affairs in town, had drafted a second Memorial, dated October 31, 1844, drawing attention to the suspension of all business and the stoppage of provisions, and begging that some official notification be immediately promulgated to allay the excitement prevailing among all classes. After forwarding this second Memorial, the Committee wrote to the Clerk of Councils, saying that the language of the first Memorial, though strong, represented their sentiments and was imperatively called for by the urgency of the occasion, but at the same time they disavowed the remotest intention of addressing the Governor in Council in any other than the most respectful terms. But this letter did not reach the Governor till 1st November. Meanwhile, in reply to the second Memorial, the Clerk of Councils informed the Committee (October 31) that, whereas all seditious rioting on the part of the Chinese had been easily suppressed, the Governor and Council were now prepared to receive properly-worded suggestions. Thereupon the Committee at once suggested (October 31) the ultimate abrogation of the Ordinance, but, as meanwhile an exodus of some 3,000 Chinese had taken place and business was for several days at a complete standstill, the Committee summoned another Public Meeting on Saturday, 2nd November. Before that meeting, the Committee received a letter from the Clerk of Councils (dated November 2, 1844) censuring the unbecoming reiteration in their last letter of those disrespectful sentiments and stating that, while the Committee continue to maintain such views, all further communication between the Government and the Committee must cease. At the same time an official notification (November 2, 1844) was issued in which the

Governor, on the ground that the comprador of a leading firm was reported to have called a meeting of Chinese who used the same disrespectful language, accused the British community of 'having, by unworthy practices, tampered with an ignorant and unfortunate Chinese population by instigating them to passive resistance.' An enthusiastic Public Meeting, however, unanimously endorsed forthwith the procedure and the views of the Committee, as all residents looked upon the ticketing and labelling of British subjects as an inequitable if not iniquitous procedure. The speakers congratulated each other upon their escape from a system of petty tyranny which, however, they admitted was not really contemplated by Government in passing the objectionable Ordinance. A standing Committee was appointed to co-operate with the Government in remodelling the Ordinance, and the formation of a Chamber of Commerce was suggested. But a threat was also expressed that British merchants might return to Macao where, under a foreign flag, they would not be subjected to laws repugnant to their feelings and utterly opposed to the enjoyment of that personal freedom which was their inalienable birthright. One of the speakers quoted Blackstone's commentaries to prove that without representation there can be no legal taxation of British subjects. This made a great impression. Representative and municipal government was thenceforth frequently but vainly demanded. The Public Meeting having thus abstained from condemning the registration of Chinese and confined itself to a protest against the taxation connected with it and against the application of the proposed Ordinance to British subjects, 'as putting Europeans upon a par with the *canaille* of China,' there was a way open for reconciliation with the Government. Accordingly, on November 4, 1844, the standing Committee (T. A. Gibb, Don. Matheson and A. Carter) wrote to the Clerk of Councils expressing regret as to the strong language used by them and disavowing any motive of disrespect. Thereupon the Governor in Council, accepting this declaration, made his peace with the community. But the British residents of Canton (most of whom were representatives

of firms established in Hongkong) sent to the Governor (November 6, 1844) a stately remonstrance, signed by W. Leslie, W. Bell and 38 other British subjects, recording 'their respectful but firm remonstrance against a measure unexampled in modern British legislation, fraught with great and certain mischief, calculated in no ordinary degree to interfere with and restrict the rights and liberties of Her Majesty's subjects, and utterly subversive of that confidence, cordiality and co-operation which ought to subsist between Governors and the Governed, and are so essential to the tranquillity and prosperity of every Colony, and which, if forced into operation, will reduce apparently the Island of Hongkong to the level of a Penal Settlement.' It was also proposed in Hongkong to memorialize Her Majesty's Government to say that the Colonists had lost faith in the local Government. However, after a few days, moderate counsels prevailed, and the whole excitement gradually subsided. On November 13, 1844, the Legislative Council passed an amended Registration Ordinance (16 of 1844), applying registration only to the lowest classes, abandoning the idea of any poll-tax of Chinese residents, and exempting from registration all civil, military and naval employees, all members of the learned professions, merchants, shopkeepers, householders, tenants of Crown property and persons having an income of \$500 a year. In fact, this Ordinance granted all that the British community had contended for, and if the Governor had consulted the leading merchants or allowed them representation in Council, the whole conflict between the community and the Government, and the defeat and consequent humiliation and degradation of the Government, in the eyes of the astounded Chinese population, would have been avoided. On January 1, 1845, this Ordinance came into force and worked so smoothly that, on December 31, 1846, it was possible to modify it (No. 7 of 1846) so as to provide also for a periodical census of the whole population.

An outgrowth of the mistaken autocratic attitude which Sir John Davis assumed towards the community was the severity with which he enforced (since July 25, 1844) the ejection

of house owners to make room for new improvements, and particularly his Martial Law Ordinance (20 of 1844) which he passed through Legislative Council on November 20, 1844, in order to give the Executive the power of declaring the Island to be under martial law without the concurrence of that Council. Never in the whole history of Hongkong was there, nor is there ever likely to be, any need for such a drastic measure. The characteristic attitude towards any enlightened and strong government, which Chinese residing on British soil display in every part of the world, gives a complete denial to the supposition which called forth this enactment. Yet the accomplished sinologue misread the character of the Chinese so completely that he passed this Bill which, when it became known to the Chinese that Her Majesty's Government curtly disallowed it, only served to lower him in the eyes of the Chinese people as a defeated would-be autocrat.

But there is worse to tell. Mandarin misrule of the neighbouring provinces of China had at this time reached such a pitch that throughout South China the population was honey-combed with secret political societies, the principal of which was called the Triad Society. The aim of these secret associations was to act on the first suitable occasion upon the recognized right of rebellion, a right plainly taught in the authorized national school-books. To drive out the Manchus and to re-establish a Chinese dynasty, was the secret desire of almost every energetic Chinaman unconnected with mandarindom. When the first mutterings of the coming storm of the Taiping Rebellion, which in the providence of God was destined to re-establish the waning fortunes of Hongkong, were observed by the Cantonese Authorities, they shrewdly availed themselves of the known fact, that the Chinese in Hongkong were as much influenced by that secret political propaganda as those in the interior of China, to strike another blow at the success of Hongkong as a Colony for Chinese. So they persuaded Sir J. Davis into passing an Ordinance (No. 1 of 1845) the effect of which was that the Hongkong Police should search out and

arrest political refugees as being members of the Triad and other secret societies, who, after a term of imprisonment, should be branded each on the cheek and then be deported to Chinese territory where of course the Mandarins would forthwith arrest, torture and execute them. That a British Governor should ever have enacted such a monstrously barbaric and un-English law is hardly credible. It is a strange fact that with all his experience of Chinese, philanthropic Sir John Davis allowed himself to be so duped by Chinese diplomatists as to become the unconscious tool of Mandarin oppression in its worst form. It was not merely an unwise disregard of the sound principle formulated by Gladstone, that 'England never makes laws to benefit the internal condition of any other State'; it was not merely a drastic denial of the world-wide assumption that British soil is a safe refuge from political tyranny and oppression; but it was also a positive assertion, in the face of all China, that Hongkong Governors would pledge themselves to co-operate with the Manchu conquerors of China in arresting, imprisoning, branding on the cheek (as the life-long mark of the outlaw) and delivering into the hands of Mandarins for execution any hapless Chinese patriot that should be fool enough to put his foot on British soil. By order of the Home Government this barbaric Ordinance (No. 1 of 1845) was modified nine months later (October 20, 1845) by substituting, in an amendment (No. 12 of 1845), branding under the arm for that mark on the cheek which would have made reform even in the case of a criminal absolutely impossible.

Not quite so bad, but based on an equal ignorance of the utter inapplicability of European enactments to the peculiar features of the social and political organism of China, was the interference with local Chinese bond-servitude which Sir H. Pottinger had attempted in his Slavery Ordinance (No. 1 of 1844), the disallowance of which Sir John Davis had now (January 24, 1845) to proclaim. He announced by a proclamation that the said Ordinance was null and void, and gave notice 'that the Acts of Parliament for the abolition of

slave trade and slavery extend by their own proper force and authority to Hongkong, and that these Acts will be enforced by all Her Majesty's officers civil and military within the Colony.' The secretly underlying insinuation that Hongkong bond-servitude belongs to the category of slavery as defined by the Slave-trade Acts was a pure fiction, put forward only to gloss over the defeat of the Government in attempting to meddle with Chinese national customs. The general question as to what English laws were in force in Hongkong was dealt with by Ordinance (August 19, 1845, and May 6, 1846) when it was laid down somewhat vaguely that all laws of England that existed when Hongkong first obtained a local legislature (April 5, 1843) should be deemed in force in the Colony 'when applicable.'

Unfortunate as the Governor was as a legislator, riding rough-shod over the whole community, both European and Chinese, he was even more unfortunate in his dealings with the local representatives of British judicature. From the time of the arrival of the Chief Justice (J. W. Hulme) and the establishment of a Supreme Court, there was a standing feud between the Governor and the Chief Justice. It arose first of all out of the mistaken view of their position, adopted by the local Police Magistrates (Major Caine and Mr. Hillier) who supposed themselves to be rather executive officers under the direct orders and control of the Governor, than independent expositors of the law. The Chief Justice did not conceal from the Governor his disapproval of this anomalous connection existing between the Magistrates and the Head of the Executive. The result was for the first few years merely a straining of the relations between the Chief Justice on the one hand and the Governor and the Magistrates on the other hand. Soon the community began to take sides with the former against the latter. Great indignation was expressed by the whole British community when the Police Magistrates, at the order of the Governor who appeared to be simply desirous of obliging the Macao Governor by complying with an informal request of the latter, signed a warrant (August 25, 1846) for the arrest and extradition,

without any *prima facie* evidence, of three Portuguese gentlemen, who, after being sent to Macao as prisoners by a British gunboat (H.M.S. *Young Hebe*) were, when tried at Macao, found not guilty in the suit (a civil one) which they had sought to postpone by coming to Hongkong. A similar case occurred soon after (October 23, 1846), when some Portuguese slaves, vainly supposing that British Slavery Acts were in force in Hongkong (for others than Chinese), fled to the Colony. Their masters, however, brought against them, in Macao, a charge of theft. Although there was no extradition treaty to rely on, the Macao Governor forthwith requested Sir John Davis to extradite those slaves, and as the Magistrates again complied, without the formality of a trial, with the orders of the Governor, the latter forthwith informed Senhor Amaral, that the slaves were in custody and would be delivered on application. Soon after this, the conflict between the Governor and the Chief Justice became more pointed. A prominent British merchant at Canton, Mr. Ch. Sp. Compton, happened one day (July 4, 1846) to overturn a huckster's stall, obstructing one of the Factory lanes, and two days afterwards he pushed a coolie out of his way, telling Consul Macgregor, who was close by, that he had done so. On July 8, 1846, one of those periodical riots occurred for which Canton mobs were notorious. Three months later, the Consul informed Mr. Compton that Sir John Davis, as Superintendent of Trade, had (without trial) fined him £45 for upsetting a huckster's stall, intimating that this circumstance had caused the riot of 8th July. Further, on November 12, 1846, a local paper published a dispatch by Sir J. Davis to Kiyang, in which Mr. Compton was referred to as 'the exciter of the riots.' As the whole European community of Canton supported Mr. Compton in his contention that the Canton riots had no connection with his doings, Mr. Compton appealed to the Supreme Court against Sir John Davis' sentence. Chief Justice Hulme tried the case, and, on giving judgment in favour of appellant, pronounced the sentence of the Consul (*i.e.* the decision of Sir John Davis) as 'unjust, excessive and illegal'

and as 'evincing a total disregard for all forms of law and for law itself.' Moreover, the Chief Justice added that 'in this first Consular appeal case the whole proceedings were so irregular as to render all that occurred a perfect nullity.' The whole British community applauded this decision, but the Governor interpreted it as a personal affront. At the same time the differences between the Chief Justice and the Magistrates became accentuated. On October 27, 1846, a typical case was tried in the Supreme Court and attracted general attention. Two Chinese junks had collided in the harbour, and as the junk which was manifestly at fault attempted to sail away, the crew of the injured junk fired their muskets to attract attention. A police boat, supposing the runaway junk to be a pirate, fired into her and in the mêlée 5 men were drowned and 13 captured. The Police Magistrate, dealing with the case in his usual off-hand manner, flogged the 13 men and then handed them over to the Kowloon Mandarin to be further dealt with. But the Coroner's jury, after three days' investigation, returned a verdict of manslaughter against the Police and (by implication) declared the innocence of the 13 men who had been flogged and deported by the Magistrate. The Supreme Court now set aside the verdict on the ground of the irregularity of the whole proceedings, the prisoners having been sworn to the truth of their depositions, thus making them to incriminate themselves. The community, convinced for some time past that a reform in the Police Court personnel was needed, drew the conclusion that Magistrates should have a legal training. The following day (October 28, 1846) another case, heard in the Supreme Court, strongly confirmed them in this conclusion. The Magistrate had sentenced nine men to three months' imprisonment on a charge of intent to commit a felony, but when, on appeal to the Supreme Court, the intent of felony was clearly disproved, the Magistrate explained to the Chief Justice that he, in reality, had sentenced the prisoners under the Vagrants' Act of George IV. This practice of the Magistrates had often been complained of by the public, and

the Chief Justice now severely reprimanded the Magistrate for sentencing the men under an Act which had locally been superseded by Ordinance 14 of 1845 and discharged the prisoners forthwith. When, some time later, the Chief Justice complained to the Governor that the Magistrates appeared to pass sentence in cases which ought to have been remitted to the Supreme Court, the two Magistrates commenced systematically to commit for trial at the Supreme Court the most trivial offences. This became so painfully evident during the criminal session of February, 14th to 19th, 1847, that the jurors addressed a formal complaint to the Court of having their time wasted on cases of petty larceny which ought to have been summarily dealt with by the Magistrates. The Chief Justice agreed with them and addressed the Government accordingly. During the same sessions it was stated in evidence that the Police, who had refused to protect a citizen against an assault by a soldier, had been ordered by the Government not to interfere with soldiers, and that a general order was read in barracks informing the soldiers of the instructions given to the Police. The Chief Justice, commenting adversely on this point, remarked that the general order referred to was waste paper, as only an Act of Parliament could exempt soldiers from being amenable to the civil authorities. The Adjutant General thereupon wrote to the papers denying that any such general order had been issued, but the truth soon leaked out, viz. that, what the evidence before the Court had referred to as a general order, was a speech addressed to the regiment by the Major-General. After this the relations between the Governor and the Chief Justice became marked by personalities. On April 16, 1847, the Governor had an altercation with the Chief Justice, as the former claimed the right to fix the sittings of the Vice-Admiralty Court for any day he pleased, and as the latter claimed that he should be addressed as His Lordship, which title the Governor refused to allow. It was stated that the Governor had threatened the Chief Justice with suspension. A lull now ensued, but on November 22, 1847, the Chief Justice was tried by the Executive

Council on certain charges of private misconduct which, it appeared, Sir John Davis had detailed in a confidential communication to Lord Palmerston. The latter, disregarding the private character of the document, had sent it to the Colonial Office, which forthwith ordered an Executive Council inquiry into the charges as formulated in the Governor's original letter. Major-General D'Aguilar, as Lieutenant-Governor, protested indignantly against the whole inquiry. Two members of the Council (Major Caine and Mr. Johnston) gave evidence in support of the charges, but all the other witnesses exonerated the Chief Justice. Nevertheless the Governor in Council pronounced his suspension from office. The moment this became known in town, the whole British community (apart from the officials) called and left their cards at the Chief Justice's residence. Once more, as in the registration days, a unanimous outcry of indignation was raised against the Government. Three days later, the local solicitors (N. D'E. Parker, R. Coley, W. Gaskell, P. C. McSwyney, and E. Farncombe) presented to the Chief Justice (November 25, 1847) an address denouncing the Governor's action as an 'attack of enmity,' and a gold snuff-box bearing the inscription *indignante invidia florebit justus*. Later on (November 30, 1847) the community presented a sympathizing address signed by 116 residents, and on December 2, 1847, all the special jurors addressed the Chief Justice, expressing their respect for his character and their sympathy and regret with reference to his suspension and temporary retirement. By this time the Governor had already sent in his resignation and the dispatch accepting it (dated November 18, 1847) was then on its way. The news of the Governor's resignation having been accepted served to blunt the edge of popular excitement and the Colonial Office, which considered the charges not proved, immediately removed the suspension and reinstated the Chief Justice.

In his endeavours to improve the revenues of the Colony, which naturally constitute one of the most anxious cares of a Colonial Governor, Sir John Davis ran counter to the deepest

feelings and most inveterate principles of the mercantile community. Whilst the mercantile community contended that Hongkong was simply a depot for the neighbouring coasts, a mere post for general influence and for the protection of the general trade in the China Seas, benefitting Imperial rather than local interests, and that therefore Great Britain ought naturally to bear the greater share in the expenses of the Colonial establishment, Sir John Davis acted on the assumption that Hongkong was a Colony in the ordinary sense and should not only bear the whole burden of its own civil government but contribute also, as soon as possible, towards the military expenses of the Empire. Whilst the merchants therefore still looked to free trade principles to further the growth of Hongkong, Sir John Davis thought only of license-fees, farms and monopolies. Compromise or reconciliation was out of the question. Free trade was officially derided, and protection gained the ascendancy. On the day when Sir John announced his fatal intention of extending registration to all the inhabitants of the Colony in the interest of good order (July 24, 1844), he declared also his determination to establish a quarry farm, a salt farm and an opium farm for the purpose of raising a revenue, and on the day when he passed his obnoxious Martial Law Ordinance (November 20, 1844), he launched his first Revenue Ordinance (No. 21 of 1844) by licensing the retail of salt and levying a duty of $2\frac{1}{2}$ per cent. on all goods sold by auction. In connection with these purposes he regulated also local weights and measures (No. 22 of 1844). The British community growled at the auction duty (though on January 15, 1845, it was decided to remit it in certain cases), derided the salt and opium farms, and made fun of the tax imposed on marriage licenses, coupling them with the new burial and tombstone fees (January 15, 1845). The quarry farm yielded (September 1, 1845) only £702. When the Governor (February 23 and May 23, 1845), proceeded to introduce police rates (Ordinance 2 of 1845) and to ascertain the rateable value of all house property, the merchants declared the ruin of Hongkong to be complete and

began to talk seditiously of united resistance. So great was the popular excitement that the Governor became afraid and announced his willingness to reduce the assessment made by the two official valuers (Tarrant and Pope) by 40 per cent. (July 14, 1845). In spite of this concession the leading paper of the Colony declared this tax to be a most tyrannical and intolerable encroachment upon the rights of the inhabitants, because passed by a Council in which the community was not represented. However the Ordinance received Her Majesty's consent (December 25, 1845), and the people soon learned to submit to it gracefully. Not satisfied with the financial results of these measures, Sir John added, by Ordinances 3 and 4 of 1845, duties on the retail of tobacco and fermented liquors (July 7, 1845). So great was his craving for monopolies that he persisted in farming out the monopoly of fishing in Hongkong waters, though it brought in only 17 shillings for the year 1845. His great grief and trouble was 'the total absence of a custom house establishment' in the free port of Hongkong. He was decidedly of opinion that, as most of the available spots for building purposes had already been disposed of (thanks to the gambling mania which his predecessor and himself had unconsciously fostered), no great expansion of the land revenue could be looked for in the future. Consequently he turned his attention to licenses and excise farms and among these he commended to Her Majesty's Government the opium farm as being 'the most productive source of revenue and one that should increase with the progress of the place.'

When the Legislative Council passed the first Hongkong Opium Ordinance (November 26, 1844), the Colonial Treasurer, R. M. Martin, strongly protested against this Government measure on the ground that private vice should not be made a source of public revenue. Finding his protest disregarded, he forthwith applied for leave of absence. When this application was refused, he resigned his office and returned to England (July 12, 1845), where he thenceforth laboured, with a pen dipped in gall, to prove that Hongkong, whose majestic peak he compared

with a decayed Stilton cheese and whose charming surroundings he likened to the back of a negro streaked with leprosy, was an utter failure, and that the Colony ought to be removed to Chusan.

The exclusive privilege of selling opium in quantities less than a chest for consumption in the Colony, was put up to auction (February 20, 1844), and notwithstanding the machinations of a ring of Chinese opium dealers, purchased by an Englishman (G. Duddell) at a monthly rental of \$720. But the purchaser soon found himself outwitted by the Chinese who, taking advantage of the loose wording of the Ordinance, openly retailed opium in the Colony 'for exportation' and gained the protection of the Court in doing so. The faulty Ordinance was thereupon amended (July 12, 1845) and the opium farm put up to auction again (August 1, 1845) when it was bought by a Chinese syndicate for \$1,710 a month. Next year, a re-sale having been offered (May 24, 1846), further powers were demanded by the farmers; the monopoly was once more offered for sale (June 30, 1846), but no bids were made to obtain further concessions. At last the farm was sold (July 2, 1846) at the reduced rate of \$1,560 a month. However, it soon became apparent that the powers extorted by the farmers, who employed constables and even an armed cruizer for the protection of their revenue, seriously interfered with the legitimate junk trade and the freedom of the port. Even the Chinese themselves petitioned the Governor (January 27, 1847) for the abolition of the opium monopoly. The Governor hesitated and substituted licences for this troublesome opium farm (August 1, 1847) after it had yielded £4,118 in 1846, and £3,183 in 1847. It is remarkable that this first experiment in opium farming at once brought to the surface the evils which ever afterwards characterized the system in Hongkong, viz. unscrupulous circumvention of the law, organized withholding of a just rental and vexatious interference with the native trade and with the freedom of the port.

The revenues of the Colony improved considerably under the Governor's assiduous care. By enforcing the recovery of

arrears of rent on land and buildings, the income of the Colony was raised, at a bound, from £9,534 in 1844, to £22,242 in 1845. The opium farm caused the revenue of 1846 to mount up to £27,842 and by charging higher fees on boat registry (Ordinance 7 of 1846) the revenue of 1847 came to £31,078. On the other hand the attention paid to public works caused the expenditure to rise, from £49,901 in 1845, to £66,726 in 1846. But it was reduced again in 1847 to £50,959.

What assisted the Governor in his efforts to improve the finances of the Colony, in spite of the fearful odds that were against him, was the fact that, though the foreign trade was stagnating, the native junk trade held its own, and that the population of the Colony, though decimated by removals to the Treaty ports of China, remained for several years wonderfully steady. During the three years from 1845 to 1847, the population numbered respectively 23,748, 22,453, and 23,872 souls. In the year 1848, the population was indeed reduced to 21,514 persons. But the Governor attributed this decrease, not to the alleged decay of local commerce, but to a more careful registration 'which, while giving a truer account of the actual number, relieved the Colony from those who hung loose on and only applied for registration tickets to make a bad use of them.'

In his efforts to repress crime, Sir J. Davis found himself handicapped, like every successive Governor of Hongkong, by the continuous influx of criminals from the neighbouring mainland of China, by the untrustworthiness and inactivity of native constables, by the dissolute character of European sailors or soldiers enlisted in the local Police Force, who were ignorant of the native language and consequently dependent on truculent native interpreters, by the costliness of importing trained British constables, and finally by the inherent inapplicability to Asiatics of British laws and British modes of punishment. Sir J. Davis was, however, fortunate in obtaining (September 6, 1844), from London, the services of an Inspector of the Metropolitan Police, Ch. May, who did the best possible with the imperfect material

supplied to him and reorganized the Police Force of Hongkong on the model of the Irish Constabulary with due adaptations to local circumstances. With the aim of suppressing the system of private night-watchmen, kept by every European house-owner on the model of the old practice in vogue in the Canton and Macao days, Major-General D'Aguiar (acting as Lieutenant-Governor in the temporary absence of Sir J. Davis) passed (September 11, 1844) the unpopular 'Bamboo Ordinance' (17 of 1844) prohibiting the use of the bamboo-drums by which those watchmen used to make night hideous in order to prove (not merely to their employers as the Ordinance alleged) that they were on the alert. But whilst securing by this premature measure the peace and quiet of the town during the night, he rather encouraged, in the absence of an efficient Police Force, nightly depredations by native burglars.

Highway robberies and burglaries continued to be of almost daily occurrence. Government House was once more robbed (July 16, 1844) and some of the Governor's valuables carried off. No house in the Colony was safe without armed watchmen and no one ventured out after dark except revolver in hand. The Police Magistrate issued (August 25, 1846) a notice warning residents 'not to go beyond the limits of the town singly nor even in parties unless armed.' In 1847 European householders were ordered to supplement the imperfect street-lighting system by suspending lamps before the doors of their houses. The Police Force possessed as yet neither the training nor the moral tone that would have inspired the community with confidence and prevented collusion between native constables and criminals. As to the latter it seemed as if English law, though ever so severely administered, was unable to provide penalties sufficiently deterrent. Flogging was indeed resorted to very freely and even for comparatively shadowy offences such as vagrancy. The House of Commons occupied itself, rather needlessly, with this point (in autumn, 1846) at the motion of Dr. Bowring, the Member for Bolton, who drew the attention of the Ministry to the allegation that 54 natives had been flogged in Hongkong

in one day for not having tickets of registration. The consequence was that the criminals of Hongkong had an easier time for a few months, as public flogging was suspended from January 23 to May 8, 1847.

The most predominant form of crime at this period was piracy. The whole coast-line of the Canton and Fohkien provinces was virtually under the control of a piratical confederacy under the leadership of Cheung Shap-ng-tsai and Chui A-pou, to whom trading and fishing junks had to pay regular black-mail. The waters of the Colony swarmed with pirates, and Hongkong-registered junks were, on escaping the pirates and entering the Canton River, subjected to all sorts of lawless plunderings on the part of the crews of the gunboats under the orders of the Canton revenue farmers. Hence the peaceful trading junk of this period had to sail heavily armed, so much so that there was frequently nothing but the cargo to distinguish a trading junk from a pirate. The worst feature of the case was the fact that lawless European seamen occasionally enlisted in the service of the native pirates and that the leaders of piratical fleets made Hongkong their headquarters, where native marine-storekeepers not only supplied them with arms and ammunition and disposed of their booty, but furnished them also, through well-paid spies in mercantile offices and Government departments, with information as to the shipments of valuable cargo and particularly as to the movements of the Police and of British gunboats. A Colonial gunboat, manned by the Police, was procured (June 5, 1846) to cruise in the waters of the Colony and did some little service until the vessel was wrecked (September 1, 1848). Deportation of convicted criminals inspired the Chinese with no terror, as it offered innumerable chances of eventual escape. The last convict ship of this period, the '*General Wood*,' which sailed for Penang on January 2, 1848, was piratically taken possession of by the convicts most of whom made good their escape.

The European commerce of the Colony appeared to decline or to stagnate during this administration. The trade in Indian

opium, driven away from Hongkong by the measures of Sir H. Pottinger, was for some time conducted at Whampoa and, on being forced away thence, by a crusade instituted through the Canton Consuls at the instance of the Canton monopolists of the sulphur trade, took refuge at Kapsingmoon near Macao. The Kapsingmoon anchorage being unsafe during the N.E. monsoon, the Hongkong merchants were hoping to procure the return of the trade to their port, when the establishment of an opium farm by Sir J. Davis frustrated their design. Arrangements had been made by some merchants to introduce silk-weaving establishments into the Colony, but the scheme was abandoned in despair when it became apparent that the Governor, with his passion for fiscal exactions, would certainly tax the looms. Competition and trade rivalries, between the merchants established in the Treaty ports of China and those who remained at Hongkong, became intensified by bitter feelings of jealousy. It was publicly stated (August 1, 1846) that Canton merchants had been for some time instructing their correspondents in England to stipulate that vessels by which they shipped goods for the different Treaty ports of China should first come to Whampoa and there discharge goods for Canton before proceeding to Hongkong. In retaliation for this measure, and in their despair at seeing free trade principles overwhelmed by a flood of Government monopolies, Hongkong merchants now broke faith with the established free trade creed of their predecessors and began themselves to look out for protectionist measures to re-establish the decaying commerce of the Colony. Free trade was now looked upon as a bright dream of the past, and it was seriously proposed to agitate, as Captain Elliot had done in June 1841, for an Act of Parliament declaring that for ten years all teas shipped at Hongkong would be protected in Great Britain by a differential duty of one penny per pound on congous and twopence on the finer sorts. This scheme was urged upon the Secretary of State by Hongkong merchants residing in London, and several letters appeared in the *Times* (December 9 and 24, 1846) advocating the imposition of a

differential duty of twopence farthing on all teas shipped at Hongkong. The sinister expectation of the promoters of this measure avowedly was that 'the death-blow would be struck to the trade of Canton' (and Foochow). Of course this fratricidal plan of reviving the commerce of Hongkong by killing that of Canton (or any other Treaty port) had no chance of even a hearing in a Parliament the previously divided counsels of which had just converged towards the adoption, from a conscientious recognition of economic truths, of positive free trade principles by the abrogation of the corn laws (June 25, 1846). Lord Stanley emphatically refused (September 4, 1846) to entertain the proposal of a differential duty. As a last refuge, the community addressed (February 27, 1848) a Memorial to Earl Grey praying for a reduction or abolition of the land rent. They were informed in reply (July 17, 1848) that Earl Grey was willing to extend the terms of the leases or even to grant them in perpetuity.

The fact of a serious decline having overtaken the European commerce of Hongkong gradually forced itself upon public recognition and was interpreted by extremists to involve the Colony in absolute ruin. On August 13, 1845, all the leading British firms (31 in number) memorialized Lord Stanley on the subject. Sir J. Davis viewed their statements as gross exaggerations and replied by a series of arguments propounded by the Acting Colonial Secretary (W. Caine). Thereupon a deputation (A. Matheson, G. T. Braine, Gilbert Smith, and Crawford Kerr) presented (August 29, 1845) a second Memorial, in the course of which they stated that 'Hongkong has no trade at all and is the mere place of residence of Government and its officers with a few British merchants and a very scanty and poor population.' The Governor remained unconvinced, and later on (January 6, 1846) published an exhaustive trade report from the pen of Dr. Gützlaff, intended to refute the allegations of the local merchants, who, however, disputed the correctness of Dr. Gützlaff's statistics. This official report contains a rather remarkable admission of the failure of Sir

H. Pottinger's commercial policy, in stating that 'in spite of the discouragement afforded by the Supplementary Treaty, the Chinese trade appears to be rather on the increase.' The dispute was continued in the home papers and on April 6, 1846, the *Times* gave expression to the melancholy views of the European community in the following words. 'Hongkong has quite lost caste as a place for mercantile operations. Many of the merchants have already abandoned the Island. Since the beginning of the present year two firms have given up their establishments, two more of old standing have expressed their determination to quit the Colony, and two others are hesitating about following their example or at most of leaving a clerk in possession to forward goods or letters.' The climax was reached when an American contributor to the *Economist* (August 8, 1846) incisively declared that 'Hongkong is nothing now but a depot for a few opium smugglers, soldiers, officers and men-of-war's men.' These sensational statements, however, represented merely the feelings of disappointment aroused by a natural but unusually prolonged period of depression consequent upon previous unnatural inflation. While friends and foes of the Colony debated the extent and causes of its ruin, Hongkong itself stood smiling like Patience on a monument bearing the bold legend '*Resurgam.*'

As regards the native trade of Hongkong, there were distinct signs visible in 1846 of a speedy revival. Junks from Pakhoi, Hoihow and Tinpak, in the south-west, commenced in 1846 a prosperous trade with Hongkong. The fact that the Chinese Mandarins dared not, or on account of the piratical fleets could not, stop this trade, combined with the rising faith in the power of Great Britain, produced by the repeated humiliations which Sir J. Davis had inflicted on Kiating, now gave currency to the belief that Chinese merchants residing in Hongkong need not confine their operations (by means of native junks) to the Treaty ports of China. Thenceforth Chinese subjects established in the Colony rejoiced in, and commercially took all the advantages of, the double status of residing under

British rule and protection without forfeiting their privileges as natives of China. Canton native merchants now took to visiting the auction rooms of Hongkong and began, for fear of pirates, to charter small European sailing vessels (mostly German or Danish) for the carrying on of their own coasting trade with the Treaty ports on the east coast. Fleets of Chinese trading junks also occasionally engaged small English steamers to convoy them as a protection against pirates. Thus the reviving native trade reacted as a fillip upon the stagnating European commerce of the Colony.

Communication with Canton was at this period a source of much trouble to British merchants. Endeavours which had been made, by Mr. Donald Matheson in 1845 and by Mr. A. Campbell in 1847, to persuade the directors of the Peninsular and Oriental Steam Navigation Company to connect their monthly mail steamers to Hongkong by a branch line with Canton, failed to have any effect till the close of the year 1848, when it was too late. Meanwhile some sixty merchants had made an arrangement with the owners of the S.S. *Corsair* to carry their mails to Canton for a monthly subsidy of £150. In 1847 the Postmaster insisted on the steamer's carrying 'and delivering' Post Office letters for Canton at twopence each. When the captain of the *Corsair* refused to deliver the letters to the addressees on the ground that there was no Post Office in Canton, Sir J. Davis ordered legal proceedings to be instituted, which resulted (February 23, 1847) in the infliction of a fine of £100. Although the verdict (based on an Imperial Act) was accompanied by a recommendation that the fine be remitted, the Governor declined to exercise his prerogative in the case. The British community, feeling themselves once more sorely aggrieved, addressed their complaints to the Postmaster General in London, and resolved to help themselves by establishing a Hongkong and Canton Steamboat Company as a joint-stock enterprise.

Sir J. Davis boldly attempted to reform the currency of the Colony without consulting the mercantile community. Sir H. Pottinger had, as mentioned above, fixed the value of the East

India Company's rupees in relation to dollars and cash (March 29, 1842) and declared the dollar to be the standard medium in commercial transactions unless it were otherwise specified (April 27, 1842). Sir J. Davis now issued a proclamation (May 1, 1845) which cancelled the foregoing proclamations and ordained that the following coins should thenceforth constitute a legal tender of payment in Hongkong, viz. (1) the gold, silver and copper coins of the United Kingdom, (2) gold mohur at 29s. 2d., (3) Spanish, Mexican or South-American dollars at 4s. 2d., (4) rupees at 1s. 10d., (5) cash at the rate of 280 cash to one shilling. This attempt to establish a uniform gold standard in Hongkong was received by the community with blank astonishment. But it did not affect trade in any way, because there was no demand for gold, whilst silver, coined and uncoined, passed current in the Colony by weight. Consequently Indian and British silver coins were, irrespective of their Sterling value, taken weight for weight with old chopped dollars. But the proclamation did affect official salaries and payments to Government. An attempt was also made in 1846 to introduce a sufficient quantity of British coins to compete with Mexican and Spanish dollars. At the close of the year, the Deputy-Commissary General presented to the Governor a very favourable report on the British coin sent out by the Treasury. He stated that it had proved extremely useful for small payments, that even the Chinese brought dollars to be exchanged for Sterling, and that he had applied for more to be sent out to the amount of £10,000. Subsequent experience, however, contradicted the hopes entertained as to the success of a British currency in China and the dollar continued to reign supreme.

Among the more hopeful symptoms of local commerce at this period may be mentioned the establishment (in April, 1845) of a branch of the Oriental Bank Corporation, which put in circulation in 1847, though as yet unchartered, over \$56,000 worth of bank-notes, to the great relief of local trade. The appointment of three Consular officers is another noteworthy feature. Mr. F. T. Bush acted (since November 12, 1845) as

Consul for the United States, Mr. J. Burd (since March 11, 1847) as Consul for Denmark, and Mr. F. J. de Paiva (since March 12, 1847) as Consul for Portugal.

In the interest of sanitation, an Ordinance was passed (December 26, 1845) enforcing a modicum of order and cleanliness. The deadly Wongnaichung Valley (Happy Valley) was drained (April 23, 1845) and the cultivation of rice there forbidden. Otherwise sanitation and cleanliness were left to take care of themselves. The period of Sir J. Davis' administration stands out, however, very favourably so far as mortality returns are concerned. The Colonial Surgeon, Dr. W. Morrison, who succeeded Dr. Peter Young on November 15, 1847, gave the death rate of the whole population in 1847 as 1.14 per cent. and that of the Europeans alone (June 1, 1847, to May 31, 1848) at 5.65 per cent., not including deaths from accidents which brought up the mortality of Europeans to 6.25 per cent. Compared with 1843, when the return gave the European mortality as 22.00 per cent., this was of course a great improvement. Fever was the most fatal malady in 1844 and dysentery in 1845. Among the European troops the improvement was, thanks to the new Barracks and Hospitals, the erection of which General D'Aguilar ordered on his own responsibility, even more striking. In 1843 the death rate among European soldiers was 22.20 and in 1845 it was 13.25 per cent. In the year 1845 the rate fell to 8.50 and in 1847 to 4.00 per cent. Strange to say, the Indian troops suffered during this period more than the Europeans. In 1847 the deaths among the Madras sepoy's amounted to 9.25 per cent. It may be mentioned, in this connection, that on March 8, 1848, the first surgical operation performed in Hongkong with the use of chloroform (by Dr. Harland of the Seamen's Hospital) was reported as a great novelty.

Sir J. Davis was the first Governor of Hongkong that took a lively interest in the promotion of both religion and education. To promote the better observance of Sunday, he issued (June 28, 1844) a notification ordering strict observation of a Sunday

rest to be included in all contracts for public works. This regulation, enforcing entire cessation of labour on Sundays so far as the Public Works Department was concerned, received the full approval of the Colonial Office (October 8, 1844). Sir John was also supposed to be engaged in wringing from an unwilling Home Government their consent to the early erection of the Colonial Church. Yet building operations were unaccountably delayed from October, 1843, to October, 1846. Great was, therefore, the indignation felt in Hongkong when it became known, through a private letter of Mr. Gladstone (of June 27, 1846), that 'the cause of the delay in the erection of a suitable Church at Hongkong has been the want of any estimate transmitted from the Colony, for without this preliminary step the Treasury will not grant the public money.' It was not till March 11, 1847, that, as stated in a pompous Latin inscription on a brass plate inserted in the foundation stone, 'The corner stone of this Church, dedicated to St. John the Evangelist, and destined for the worship of Almighty God, was laid by Lord J. F. Davis, Baronet, a Legate of the British Queen in China and bedecked with proconsular dignity, on the fifth day of the Ides of March in the tenth year of Queen Victoria, A.D. 1847.' At a meeting of contributors to the Colonial Church fund (April 12, 1847) an additional subscription was raised bringing up the fund to £1,888 and Government now doubled this sum. Two Trustees (Wilkinson Dent and T. D. Neave) were elected by the subscribers, and four others by the Government. During the progress of the building, services were held at the present Court House opposite the Club. A Union Chapel, in connection with the London Mission, and intended for services in the English and Chinese languages, was built in the present Hollywood Road, in spring 1845, by means of a public subscription raised (September 9, 1844) by Dr. Legge. In 1847 and 1848 meetings for Presbyterian worship were held every Sunday in a bungalow immediately behind the present Club House. A mortuary chapel was erected, in 1845, in the new cemetery in the Happy Valley.

In addition to the three Anglo-Chinese Schools (the Morrison Institution on Morrison Hill, the Anglo-Chinese College of the London Mission and St. Paul's College) started under the preceding administration, a number of smaller Schools was established under the fostering care of Sir J. Davis. An 'English Children's School' was opened, in 1845, by the Colonial Chaplain (V. Stanton), and in emulation of it the Propaganda Society started at once a similar School for Roman Catholic children, which was, however, discontinued in 1847. For the benefit of the Chinese population, which had at this period nine Confucian Schools at work, the Governor devised, early in 1847, in imitation of the English religious education grants then hotly discussed in Parliament, a Government Grant-in-Aid Scheme to provide non-compulsory religious education in Chinese Schools under the direction of an Educational Committee (gazetted on December 6, 1847), consisting of the Police Magistrate, the Colonial Chaplain and the Registrar General. That Sir J. Davis was to some extent a religious visionary, may be inferred from a dispatch (March 13, 1847) in which he commended his scheme to the Colonial Office by saying that, 'If these Schools were eventually placed in charge of native Christian teachers, bred up by the Protestant Missionaries, it would afford the most rational prospect of converting the native population of the Island.' *Sancta simplicitas!*

The social and general progress of the Colony during this period centered principally in the year 1845. The erection in 1844 of the Seamen's Hospital (September 30, 1844) and the formation of an Amateur Dramatic Corps (December 18, 1844) were succeeded by the following events of the fruitful year 1845, viz. the first issue of the *China Mail* newspaper (February 20), the completion of a carriage road round the Happy Valley (March 1), establishment of an Ice House Company (April 17), building of a Picnic House at Little Hongkong (April 26), establishment of a Medico-Chirurgical Society (May 13), organisation of Freemasonry and starting of Zetland Lodge (June 18 and December 8), commencement of a monthly line

of mail steamers by the Peninsular & Oriental Steam Navigation Company (August 1) and completion of a temporary Government House (November 1). The Hongkong Club, also planned in 1845, was opened on May 26, 1846, in a stately building erected, opposite the new Court House, at a cost of £15,000 by G. Strachan with funds provided by shareholders who appointed a Board of Trustees as a Standing Committee of the Club. Resident members were to be admitted by ballot and required to pay an entrance fee (\$30) and a monthly subscription (\$4). A fund for the relief of sick and destitute foreigners was established by a public meeting (July 13, 1846) which passed the remarkable resolution that 'the term *foreigner* shall include natives of every country except China.' This public sanction of the local use of the word *foreigner* was dictated by common sense yielding to the force of a usage which dated from the time when Englishmen were residing, as foreigners, in Canton and Macao. At a meeting of the above-mentioned Medical Society (January 5, 1847), it was proposed to establish a Philosophical Society for China, and this proposal resulted in the organisation (January 15, 1847) of a China Branch of the Royal Asiatic Society in Hongkong, under the presidency of Sir J. Davis. A public subscription was started (May 24, 1847) for the relief of destitution in Ireland and Scotland and realised £1,000.

At the close of the year 1846 and throughout the early part of the following year, dissensions were rife among the officers and civil employees of the garrison. Court-martials were frequent and differences arose even between the officers constituting the Court and Major-General D'Aguilar. Local society, centering still in the grandees of the mercantile community, took a lively interest in the matter adverse to the General, who, as he resented the criticisms of civilians, was at this time as much detested by the community as the Governor himself. But the animosities thus aroused speedily died away. Before the close of the year the breach was healed. The ceremony of presenting new colours to the 95th Regiment (February 17, 1848), on which occasion the General's successor, Major-General Staveley, took over the

command of the garrison, was a sort of public festival of reconciliation in which the leading merchants took an active part by presenting to General D'Aguilar a laudatory address of farewell. Next week the community enthusiastically took the General to its bosom again, by a stately banquet given in his honour (February 24, 1848). The day before the great reconciliation scene, the leading merchants presented also a public address to the Senior Naval Officer, Captain MacQuhae, on his departure from the station. What gave a piquant zest to these demonstrations of popular affection for the departing commanding officers of the Army and Navy, was the underlying thought of the difference with which the Governor's impending departure was to be treated by the community.

When the time came for Sir J. Davis to embark (March 30, 1848) on his homeward voyage, the community, with stolid apathy, watched from a distance the salutes fired, the faint cheer of a few devoted friends, the yards manned by the mail steamer. But there was no public address, no banquet, no popular farewell. The leading paper of the Colony gave voice to the feelings of the public by stating that Sir John 'was not only unpopular from his official acts but unfit for a Colonial Government by his personal demeanour and disposition,' and, with sarcastic allusion to the Governor's fondness for the Latin tongue, closed its valedictory oration with this caustic farewell, '*Exi, mi fili, et vile quam minima sapientia mundus hic regitur*'!

Conscious, no doubt, of having manfully and patiently done his duty, according to his lights, by his God and his country, and viewing the mercantile community as blinded by prejudice and passion, Sir J. Davis could well afford to smile at all this badinage. But he had suffered the mortification, nearly a year before his return to England, of seeing the whole of his administrative policy inquired into, held up to the public gaze, and solemnly condemned by higher authorities than the Hongkong merchants.

A Parliamentary Committee was appointed (in March, 1847) to inquire into British commercial relations with China. Mr.

R. M. Martin, of course, came once more to the front. According to him, Sir J. Davis erred, first, in raising undue expectations of the future of Hongkong by assuring Her Majesty's Government that Hongkong would be the Carthage of the East, that its population would equal that of ancient Rome, and that commercially Hongkong would ultimately supersede Canton. He further erred, according to Mr. Martin, in that he, having raised such expectations, endeavoured by measures forced upon the Colony to fulfil his predictions. 'The constant endeavour to realize those expectations led to a continued system of taxation, an unfortunate desire for legislation, and an unnecessarily expensive system of government. This produced irritation on the part of the merchants who, smarting under their losses, felt more irritable at every transaction; and thus there has been produced an unfortunate state of feeling between the community and the Governor.' Mr. Martin thought that Sir J. Davis would have exercised a sound discretion if he had represented to Her Majesty's Government that it was not possible to raise a revenue without diminishing the commerce or injuring the merchants in their endeavours to make the place more available for trade.

But a more serious and weighty condemnation of the policy maintained by Sir J. Davis, is contained in the evidence given before that Select Committee of the House of Commons and particularly in the final report of the Committee. Whilst Mr. Martin's criticisms, particularly as embodied in his famous report of July 24, 1844, were too sweeping to carry conviction and have in part been contradicted by the events of history, the evidence given by Mr. A. Matheson, whilst freely exposing the evil results of Sir J. Davis' policy, bore the stamp of a mature and sober judgment, and contained, moreover, a prophecy which history has fulfilled. 'The whole of the British merchants,' said Mr. A. Matheson (May 4, 1847), 'would abandon Hongkong, were it not for the very large sums they had sunk in buildings in the early days of the Colony and which they were reluctant to abandon, though I believe doing so would have been the

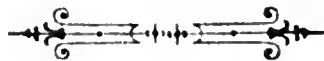
wisest course and will certainly be the course adopted unless under a change of policy the prosperity of the place revives. . . . Let perpetual leases be granted at a moderate ground rent (say £20 or so for a sea frontage lot and £2 for a suburban lot) and let the revenue thus levied be applied exclusively to the maintenance of an efficient Police Force, leaving the other expenses to be borne by the nation, and I feel convinced that in the course of a few years Hongkong will take a new turn and become one of our most flourishing as well as valuable possessions.'

The final report of this Parliamentary Committee, though not mentioning Sir J. Davis, and aiming at reform rather than criticism, condemned his administrative policy *in toto*. 'In addition to natural and necessary disadvantages, Hongkong appears to have laboured under others, created by a system of monopolies and farms and petty regulations peculiarly unsuited to its position and prejudicial to its progress. These seem to have arisen partly from an attempt to struggle with the difficulties of establishing order and security in the midst of the vagabond and piratical population which frequent its waters and infest its coasts; and partly from a desire to raise a revenue in the Island in some degree adequate to the maintenance of its civil Government. To this latter object, however, we think it unwise to sacrifice the real interests of the settlement, which can only prosper under the greatest amount of freedom of intercourse and traffic which is consistent with the engagements of treaties and internal order; nor do we think it right that the burden of maintaining that which is rather a post for general influence and the protection of the general trade in the China Seas than a colony in the ordinary sense, should be thrown in any great degree on the merchants or other persons who may be resident upon it. To the revision of the whole system we would call the early attention of the Government, as well as to that of the establishment of the Settlement which we cannot but think has been placed on a footing of needless expense.' The Committee finally pressed.

upon the Government the acceptance of the following positive recommendations, viz. (1) that regular post-office communication by steamboats be established from Hongkong to Canton and northern ports; (2) that the dependence of the Governor on both the Foreign Office and the Colonial Office be simplified; (3) that a short Code of Law be substituted for the present system of general references to the laws of England; (4) that draft ordinances and regulations be published for three or six months before they are enacted; (5) that a share in the administration of the ordinary and local affairs of the Island be given, by some system of municipal government, to the British residents; and (6) that facilities be given in Hongkong for the acquisition of the Chinese language and encouragement to Schools for the Chinese.

No one ever discerned with greater clearness Hongkong's true path to higher destinies, than this Parliamentary Committee.

After his retirement from the Governorship of Hongkong, Sir John Davis was honoured by being appointed a Deputy-Lieutenant of Gloucestershire (in 1852), a Knight Commander of the Order of the Bath (June 14, 1854), and a Doctor of Civil Law of Oxford (June 21, 1876). He died on November 13, 1890, in his ninety-sixth year, full of days and ripe for glory.



CHAPTER XV.

THE ADMINISTRATION OF SIR SAMUEL GEORGE BONHAM.

March 20, 1848, to April 12, 1854.

FOR some months before the departure of Sir J. Davis, the European community of Hongkong looked forward to the arrival of a new Governor in the hope that he would abandon the trade restraining system of monopolies, and revive the waning fortunes of the Colony by carrying into effect the recommendations of the Parliamentary Committee of 1847. At the same time the Home Authorities, casting about for a successor to Sir J. Davis, found it difficult to determine what sort of man would be suitable for such a trying office, the more so as public opinion in England had it that an angel for a Governor would fail to give satisfaction in Hongkong. The choice of Her Majesty's Government fell eventually on Sir Samuel George Bonham, C.B. He had been brought up in the service of the East India Company which, owing to the variety of duties—financial, judicial and executive—generally thrown upon its higher officers, was considered an excellent training school for a difficult governorship. Sir George Bonham had served under the Colonial Office for nearly ten years (1833 to 1842) as Governor of Prince of Wales Island (now included in Queensland), Singapore and Malacca and had given great satisfaction. Lord Palmerston subsequently stated that Sir George's 'practical common sense' was the chief cause of his appointment to the governorship of Hongkong.

On landing at Hongkong (March 20, 1848), Sir G. Bonham was received by the leaders of the community with a hearty cheer. Next day he took with due solemnity the customary oaths on assuming his double office of Chief-Superintendent of Trade and

H. M. Plenipotentiary in China, and as Governor and Commander-in-chief of the Colony of Hongkong and its Dependencies and Vice-Admiral of the same. His commissions and letters patent were published at the same time (March 21, 1848). Mr. (subsequently Sir) Thomas F. Wade, who had been for some time Student-Interpreter under Dr. Gützlaff, in the Secretariate of the Superintendency of Trade, and had acted latterly also as Assistant-Interpreter in the Supreme Court, was appointed Private Secretary to the Governor (April 8, 1848), and acted thenceforth as the Governor's adviser in all Chinese matters.

Like his predecessors, Sir G. Bonham had to leave Hongkong occasionally, on tours of inspection, to visit the Consular Stations in China, and on several occasions his diplomatic duties as H. M. Plenipotentiary took him likewise away for brief intervals to Macao, Canton or Shanghai. In March, 1852, he left on twelve months' leave to recruit health by a visit to England (on which occasion the community presented him with a laudatory farewell address) but was back again at his post in February, 1853. On all these occasions Sir George had either Major-General Staveley, C.B. (till February 25, 1851) or Major-General Jervois, K.G. (from February, 1851, to April, 1854) to act as Lieutenant-Governors in his place, and both of them gave general satisfaction by maintaining Sir George's policy during his absence. Major-General Jervois particularly endeared himself to the hearts of all residents by his invariable urbanity and cordial hospitality which effectively promoted good feeling in Hongkong's limited society, as much as by the even tenor of the way in which he conducted the affairs of the Colony. When he left Hongkong, the community presented him (April 7, 1854) with an address testifying to the great respect and esteem in which he was held. During Sir G. Bonham's absence in 1852, Dr. Bowring, then H.M. Consul in Canton, came down (April 14, 1852) as Sir George's *locum tenens* in the Superintendency of Trade and resided at Government House (until February 16, 1853), confining himself, however, strictly to his diplomatic and

consular duties, while Major-General Jervois administered the government of the Colony as Lieutenant-Governor.

Throughout the six years of his tenure of office, Sir G. Bonham maintained friendly relations with the successive Governors of Macao, J. M. F. d'Amiral (until August 22, 1849), P. A. da Cunha (since May 27, 1850), S. Cardazo (since January 21, 1851), and T. F. Guimaraes (since November 18, 1851). Nor were these amicable relations interrupted even by that plucky but hasty action of the Senior British Naval Officer, Captain H. Keppel, who (June 7, 1849) landed at Macao, with Captain Troubridge and 115 men of H.M.S. *Maeander*, and rescued from the Portuguese gaol-guard a British prisoner by an act of force which unfortunately involved the death of one Portuguese soldier and the wounding of two others. The prisoner was Mr. J. Summers, preceptor of St. Paul's College, who had been lodged, with unreasonable harshness, in the common jail at Macao for not taking off his hat at the passing of the *Corpus Christi* procession. When Captain Keppel applied for the prisoner's immediate rendition, Governor Amiral curtly refused it because the gallant Captain declined to ask for it as a personal favour. Captain Keppel fancied that his forcible interference would be held justifiable on the ground of the above-mentioned Hongkong Ordinance, which included Macao in the dominions of the Emperor of China. As Governor Bonham, however, took a different view of the case, and induced the British Admiralty to grant substantial compensation for the injuries inflicted, the relations between the Governors of the two Colonies continued unimpaired. Great troubles came over that unfortunate settlement at Macao in connection with the anti-Chinese policy and consequent murder of Governor Amiral (August 22, 1849) by hired Chinese assassins, and by the equally sudden death through cholera (not poison) of his successor, Commodore da Cunha (July 6, 1850). The latter had just arrived from Europe with two frigates, demanding of the Chinese Government, as compensation for the assassination of Governor Amiral, a recognition of the perfect independence of Macao. As the

Chinese Authorities stubbornly resisted these claims, and not only incited the Chinese residents of Macao to acts of treason, but commenced measures of hostility, many European and Chinese merchants, and even Portuguese families, removed from Macao and settled on the safer shores of Hongkong.

Sir G. Bonham found the Chinese Government as oblivious of Treaty obligations and as uncompromisingly hostile to the essential aims of British commercial policy as ever. The retrograde policy of the Emperor Taokwang and his successor (since February 25, 1849) Hien-fung had been demonstrated by the degradation of every Mandarin that had had anything to do with the Pottinger Treaties. No one was now in favour at Peking who did not distinguish himself by marked anti-foreign proclivities. The Imperial Commissioner Seu Kwang-tsin, the successor of Kiyng at Canton, persistently sought to undermine the position granted by the Nanking Treaty by bringing foreign trade under the old restrictions of the time of the East India Company. For this purpose he set to work quietly to force one after the other of the main staples of foreign trade into the hands of responsible Chinese monopolists. A United States Commissioner, J. W. Davis, plied Seu (November 6, 1848) with the suavest blandishments of cute diplomacy but met only with discourtesy and blunt refusals to listen to any reasoning whatever. When Governor Bonham succeeded in wringing from Seu a reluctant consent to an interview (February 17, 1849) on board H.M.S. *Hastings* near the Bogue, Seu behaved with studied sulkiness, evaded all serious discussion of the burning question of the promised opening of Canton city, and declined even the customary refreshments. He knew that Sir George was not in a position to enforce the fulfilment of the promise which Sir J. Davis had forcibly extorted from Kiyng to grant foreign merchants, from after April 6, 1849, the right of entering Canton city. When Sir G. Bonham in repeated dispatches insisted upon the immediate opening of Canton city, Seu fell back upon Kiyng's tactics of postponing action on the ground that at the present time it would provoke popular disturbances. Fortified by an

Imperial Edict he finally declared (March 31, 1849) the opening of Canton city impossible because 'the Chinese Government cannot thwart the inclinations of its people.' Sir George's practical common sense forbade, under present circumstances, his taking the bull by the horns. In view of the state of public feeling in England, and in the interest of the general commerce with China, he deemed it prudent to abstain from using the only argument that would have made an impression on the Chinese mind, that of an armed demonstration. Nor did he shrink from making a public confession of his helplessness by notifying the British merchants at Canton (April 2, 1849) that 'the Chinese Government has declined to carry into effect the stipulation entered into by Kiyung on April 6, 1847.' Sir George took, however, prompt measures to afford to the British community at Canton all possible protection in the event of the outbreak of those disturbances which the literati of Canton wantonly threatened but wisely refrained from in the presence of a British gunboat. That Sir G. Bonham, in resorting to the waiting game he played in this case, acted upon his own convictions and not merely under pressure of his instructions, is evident from the fact that about this same time (April 20, 1849) Lord Palmerston, in replying to a Memorial of the Manchester Chamber of Commerce (of October 12, 1848) concerning the unsatisfactory position of trade with China, quoted Sir G. Bonham as having stated that 'it is necessary to allow time to work an improvement in China.'

Nevertheless Sir George did not rest idly on his diplomatic oars. In March, 1850, he protested so vigorously against an attempt made by the Hoppo of Canton to prevent Hongkong river-steamers carrying Chinese cargo between Hongkong and Canton, that the Canton Authorities yielded the point. But as he despaired of obtaining any radical concessions in the matter of Treaty rights from any of the provincial magnates, Sir George endeavoured to gain for his representations the Imperial ear and proceeded for that purpose in H.M.S. *Reynard* (June, 1850) to the Peiho with the intention to proceed to Tientsin

and Peking. Circumstances, however, prevented his reaching Tientsin and compelled him to rest satisfied with the forwarding of a dispatch to the Emperor's advisers by the hands of Mr. Medhurst. Although no tangible result was obtained, H.M. Government marked their sense of Sir G. Bonham's discreet diplomacy by promoting him (November 22, 1850) from the third to the second rank of the Order of the Bath (K.C.B.) and bestowed on him at the same time a baronetcy.

Though highly thought of, Sir G. Bonham was not always victorious with his representations to the Foreign Office. Being, like most common-sense Europeans in China, of opinion that the close attention indispensable for a successful study of the Chinese language warps the mind and imbues it with a defective perception of the common things of real life, he systematically promoted men, having no knowledge of Chinese, over the heads of interpreters to the more responsible posts of Vice-Consul or Consul. But when he did this in the case of Mr. (subsequently Sir) Harry Parkes in Canton (autumn, 1853), there ensued what was thenceforth called 'the Battle of the Interpreters.' In this battle Sir George was worsted. Sir Harry Parkes' case was indeed an exceptional one. He had just gained special kudos as an uncommonly shrewd man by his prudent dealing with the fracas which occurred at Canton (March, 1853) between the European residents and the French Minister M. de Bourbillon over the erection of a French flagstaff in the garden of the factories. On appealing therefore against Sir G. Bonham's decision to Lord Clarendon, Sir Harry Parkes gained a complete victory by an immediate reversal of Sir George's system of withholding promotion from Consular interpreters.

In the sphere of British diplomacy in China, there was at this time specially good reason for the waiting policy which Sir G. Bonham initiated and which even Dr. Bowring, during his brief term as Acting Plenipotentiary in 1852, continued. The fact was, a serious rebellion, preceded by sporadic disturbances in several districts of the Canton province, broke out in 1850 in the adjoining province of Kwangsi, under the

leadership of a religious fanatic, Hung Siu-tsuen, who had come under Christian influences in Canton. This rebellion, which was for the first time mentioned in the newspapers of Hongkong on August 24, 1850, had originally the powerful support of the secret Triad societies. A split, however, took place, and while the adherents of Hung Siu-tsuen commenced, in 1852, their devastating march through the central provinces of China and established, in 1853, the short-lived Taiping Dynasty at Nanking, the Triad societies' bands of insurgents pillaged independently town after town in the maritime provinces of southern China. As these marauders gained power, and gradually drew nearer to Canton city, the Colony of Hongkong began to reap the harvest which invariably falls to its lot whenever the adjoining districts of the Canton province are in a disturbed state. A flood tide of emigration set in towards Hongkong (and Macao) and thence to the Straits Settlements, to California and the West Indies. For San Francisco alone as many as 30,000 Chinese embarked in Hongkong in the year 1852, paying in Hongkong, in passage money alone, a sum of \$1,500,000. Various branches of Chinese industry were established in Hongkong. The population increased rapidly, and Chinese capital, seeking a safe refuge from the clutches of the marauders, commenced to flow into the Colony for investment.

Although the British Government determined at first to observe strict neutrality, the question soon arose which of the two contending Dynasties, the Taiping rebels (favoured by the Missionary party) or the Manchu rulers (supported by the mercantile community) would be more likely to bring about that moral regeneration of the nation without which China could never fully enter into the comity of nations. This important question became more pressing when Taiping armies approached or took possession of Treaty ports (1852 and 1853) threatening a cessation of trade. Sir G. Bonham therefore took the bold step of proceeding (April, 1853) to the headquarters of the Taiping rebels enthroned at Nanking. His object was to explain to the rebel leaders, as he had done to

the Imperialists, the principles of British neutrality, to demand of them a strict observance of the Nanking Treaty of 1842, and to inquire what elements of stability there might be in the rebel government then established at Nanking. The result was complete disillusion on both sides. The rebels understood thenceforth what they had to expect from the British Government. Sir G. Bonham, on the other hand, was now able to satisfy the Foreign Office that the Taiping Dynasty was a mere bubble, that their policy was as anti-foreign as that of the Manchus, and that even less was to be expected from the former than from the latter for an eventual repression of that cancer of corruption which is gnawing at the vitals of China's political organism. Sir George's action, in visiting the rebel leaders, was afterwards severely and adversely criticized, but the mercantile community of Hongkong were unanimous in their applause of his proceedings. In the farewell address presented to Sir George on 7th April, 1854, the leading merchants of Hongkong specially praised him for having 'acted with promptitude in restoring confidence and relieving the public mind at Shanghai, at a moment of great alarm and excitement, by his bold, well-judged and successful movement up the Yang-tsze to Nanking in April, 1853.'

Now this same patient but practical and determined common sense, which marked Sir G. Bonham's policy as H.M. Plenipotentiary in China, characterized also his administration of Hongkong's local affairs. It appears from the last dispatch which he penned in Hongkong, that he from the first considered himself bound by the opinions expressed by the Committee of the House of Commons in the session of 1847, but that he was by no means satisfied with the conclusions which the Committee arrived at. However, the constitutional questions of popular representation in Legislative Council and municipal organisation were among the first subjects which occupied Governor Bonham's serious attention.

In January, 1849, the leading merchants signed a Petition to the House of Commons soliciting attention to the fact that

the Colonial Office had, with the exception of the land tenure which it seemed inclined to offer in perpetuity, not attended as yet to the recommendations of the Report of the Parliamentary Committee of 1847, and stating that the expenditure of the Colony should not in any great degree be thrown on local commerce; that a system of municipal government of ordinary and local affairs ought to be established; and that some short code of law ought to be drawn up. The petitioners particularly complained that the inhabitants had no share in the legislature, neither by elective representatives nor by nominees selected by the Governor, and that the forms and fees of the Supreme Court were unduly heavy. There is no record shewing that this Petition was ever presented to Parliament. Sir George, however, forwarded (January 30, 1849) a copy of the Petition for the information of the Colonial Office. Nine months later, he selected fifteen of the unofficial Justices of the Peace and summoned them to a conference (November 3, 1849). He informed them that Earl Grey had sanctioned his proposal for the admission of two members of the civil community into the Legislative Council, that the nomination rested with him, but that he thought it better for the Justices themselves to elect two of their number. A meeting of the Justices of the Peace was accordingly held at the Club on 6th December, 1849, and Messrs. David Jardine and J. F. Edger were nominated as the first non-official Members of the Legislative Council. The fact that their election had to be approved by the Colonial Office and that they could not be sworn in until the Queen's warrants arrived (June 14, 1850), did not detract from the general rejoicing over this first step gained in the direction of representative government.

At that same conference (November 3, 1849) Sir G. Bonham had also stated, that, whilst agreeing with the principle of giving taxpayers some sort of municipal government, he doubted the practicability of the scheme in the case of Hongkong. He quoted the words of Sir James Mackintosh (regarding the Bombay municipality) that 'men of standing, engaged in their

own absorbing pursuits would possess neither time nor inclination to devote to the interests of the public.' However, he requested the fifteen Justices of his selection to consult on the organisation of a 'Municipal Committee of Police Commissioners.' The Justices thereupon passed, at their meeting of 6th December, 1849, the following resolutions,—first, that no advantage can be derived from having a Municipal Council, unless the entire management of the Police, of the streets and roads within the precincts of the town, and of all other matters usually given to corporations are confided to it, and secondly that, whereas the mode of raising so large a revenue from land rents is only retained as being the most convenient and is in lieu of assessment and taxes, consequently the amount raised from that source, together with the £3,000 or 4,000 raised from licences and rents, should, with the police assessments, be applicable, as far as may be required, for municipal purposes. If the Justices had been satisfied to begin, in a small way, as a mere Committee of Police Commissioners, looking to future improvement of the revenue to provide the means for extending the scope of their functions, Hongkong would not have remained for fifty years longer without municipal government. As it was, they demanded a full-blown Municipal Council under impossible financial conditions. Governor Bonham, earnestly desiring to meet the wishes of the community as far as possible, made later on some fresh propositions (January 10, 1851). He offered to place the whole management of the Police under a Municipal Committee on condition that the entire expense of the Police Force be provided by an adequate police tax. He further proposed to hand over to this Committee the management of streets, roads and sewers, on condition that the requisite funds be provided either by an assessed tax on real property (as proposed formerly by a Draft Ordinance of Sir J. Davis), or by a tax upon horses and carriages. Sir George was evidently determined on reserving the land rents to meet the establishment charges and, at great risk to his popularity, strove not only to raise the general revenue by increased taxation but to make the Colony as soon as possible

independent of those Parliamentary Grants on which the community meant to lean for ever. To reconcile these conflicting purposes was impossible. A breach in the Governor's good relations with the community seemed inevitable. The virulent odium which Sir J. Davis had incurred threatened to overwhelm Sir G. Bonham also. What saved his policy and popularity from shipwreck, was his persistent habit of taking the leaders of the community into his confidence, of consulting public opinion about his difficulties, and most of all his evident sincerity in seeking not only to establish the coveted Municipal Council, but to carry into effect the whole programme sketched out by the Parliamentary Committee of 1847. That programme constituted the political creed of the community and the Governor had made it his own. The Justices could not be angry with a man who did this and who moreover treated them as a sincere friend. In their replies (January 31 and March, 1, 1851) they declined good-humouredly both of the Governor's offers. Whilst again expressing their willingness to undertake the duties of a Municipal Committee, they objected, first, that any further taxation would be injurious as the cost of living was already exorbitant, and secondly that the police tax would not be sufficient to provide the necessary funds because, whilst the Colony remained a rendezvous for pirates and outlaws, making even the harbour unsafe for native traders, the Police Force was too small and composed of too untrustworthy and ill-paid material. Addison would have said of the points in dispute that much might be said on both sides. The discussion closed with the Governor's declaration (March 15, 1851) that, as the Justices objected to any further taxation, and as application to the Home Government for further grants of money would, in view of recent discussions in the House of Commons, be of no avail, it was impossible for him to meet the views of the Justices. Greek had fought Greek on the arena of common sense views of finance and both parties were pleased to terminate the conflict.

The finances of the Colony were indeed in a desperate state. When the Governor published (January 8, 1849) a

statement of income and expenditure for the year 1848, shewing £23,509 local revenue (apart from the Parliamentary Grant) and £62,308 expenditure, a local paper summed up the position of affairs by saying, 'the Colony is now in a state of insolvency, the public works are suspended and the officials only paid a portion of their salaries.' The difficulty was enhanced by the fact that a public loan was out of the question, that the Parliamentary Grant for 1849 had been reduced to £25,000, and that but little could be saved by retrenchment of the civil establishment without committing an act of injustice or impairing efficiency. Sir George was, indeed, even then of the opinion which he expressed later on, that, 'were this Colony taxed in the same way as are the Settlements in the Straits under the government of the East India Company, it would in a year or two be made to pay its own expenses.' But he also knew that any attempt at additional taxation would be violently resisted by the community as injurious to trade. All eyes were therefore directed to the Imperial Exchequer. Sir George himself appears to have considered the temporary continuance of a small annual grant from the Exchequer a reasonable measure. 'Seeing,' he wrote (April 2, 1850), 'that the trade of the Colony benefits the British Exchequer and the Indian Government conjointly to the extent of upwards of seven millions Sterling, an expenditure on the part of the mother country of from £12,000 to £15,000 annually, to uphold the establishment of a Colony which is the seat of the Superintendent of British trade with China, ought not to be considered excessive.' This was, however, a question to be decided by Parliament, and public opinion in England declared that the Colony was now out of its swaddling clothes and ought to learn to stand on its own legs.

Sir G. Bonham did his best to bring about this desirable result by revising taxation as far as practicable and enforcing retrenchment in every possible direction. For the *ad valorem* duty on goods sold by auction, he substituted increased auctioneers' licence fees. He introduced a tax on the exportation.

of granite which was at the time largely used as ballast for tea ships. He shrank from reviving the opium monopoly, but stimulated the revenue from the opium retail licences which had been substituted (since August 1, 1847) for the farming system. He left the police tax assessment untouched at the low rate of 5 per cent. but reduced the expensive European contingent of the Police Force to the lowest possible minimum. Finally he restricted public works (with the exception of the erection of a new Government House) to the bare maintenance of existing roads and buildings. By these and other minor forms of retrenchment, he produced at the close of the year 1849 an immediate reduction of £23,672 on the expenditure of the preceding year. He thenceforth maintained this low rate of expenditure (£38,986 in 1849) which averaged £34,398 per annum during the next three years and rose in 1853 to no more than £36,418. He was unable, indeed, to bring about any great improvement of the local revenue, which, though it rose temporarily, by the rigorous exaction of arrears of land rent in 1849, to £35,536, fell again to £23,526 in 1850, and produced during the next three years (1851 to 1853) an annual average of £23,254. However, at the close of his administration he was justified in saying (April 7, 1854) that he had brought the Parliamentary Grant from £25,000 in 1849 down to £8,500 (correctly £9,200) in 1853, and that he had reduced the expenditure of the Colony, within six years, from £62,658 to £36,418.

During a period of such financial difficulties, the vexed question of land tenure could not possibly be solved in the way in which the mercantile community desired it to be settled. The merchants were not satisfied with perpetuity of leases. They desired an entire revision of the terms on which they had originally bought their land. Instead of fixing an annual rental and putting up to auction only the rate of bonus to be paid once for all, Elliot had (in the absence of a reliable standard of land values) initiated the system of putting up to auction the rate of the crown rent to be paid from year to year. In the early times of keen competition, of booms and speculations, land

jobbing forced up the crown rents to a maximum commensurate with inflated values. But this maximum, which at the time of sale seemed reasonable enough, appeared in after years of commercial stagnation to be a monstrously oppressive rate. Moreover, just when these rents pressed most heavily on the land owners, the Government, whose revenues suffered likewise under commercial depression, was least inclined, nor indeed in a position, to reduce the income from land rents. At a public meeting, principally representing the land owners, a Memorial to the Government was agreed to (January 19, 1849), complaining that the land rents were a burden too heavy to be borne. The memorialists suggested, that the expenses of the civil establishment should be made to fall on trade generally (the Imperial trade) and not on local owners of land and that the crown rents should be materially reduced or abolished. Sir George was in no hurry to take up a problem which could not be solved under the circumstances of the time and left it as a legacy to his successors. After appointing (October, 1849) a Commission of Inquiry to report on the land tenure of the Colony for the information of Her Majesty's Government, he informed his select committee of Justices of the Peace, at the conference of November 3, 1849, that 'any general reduction in the ground rents would be immediately followed up by the Home Government with the imposition of some general scheme of excise or assessment which would be found much more oppressive and vexatious, besides requiring a cumbersome and costly fixed machinery.' Fifteen months later (February 14, 1851) the Colonial Secretary, in reviewing the merits of Sir G. Bonham's administration (by order of the Governor), stated that the petty sources of revenue alleged to have been oppressive, had been abolished and for the consideration of the chief source, said to be oppressive, a Committee of five was appointed and their report forwarded to Her Majesty's Government. No more was heard of this troublous question during this administration.

The legislative activity of Governor Bonham's regime centered in reforms of the administration of justice. When

it was found, in October 1848, that there were only 23 persons in the Colony capable of serving on juries, the Governor reduced the property qualification of common jurors from \$1,000 to \$500. According to his habit of consulting the community about difficult problems, Sir G. Bonham published, in January, 1849, with a view to elicit an expression of public opinion, a Draft Ordinance to regulate the flogging of criminals. Little accustomed, as the residents then were, to being consulted by their Governors, they imagined that Sir George had no definite views on a subject on which the whole community, convinced of the absolute necessity of applying exceptional severity to the treatment of Chinese criminals, felt very strongly. Nevertheless, the Governor deemed it prudent to shelve the question, while weightier matters pressed for settlement. To remove the friction between the Police Magistrates and the Chief Justice, which had troubled the preceding administration, Sir George created (December 17, 1850) a bench of Magistrates, perfectly independent of the Government and having powers considerably greater than those ordinarily accorded to similar bodies, by the establishment of a Court of Petty Sessions. Unofficial Justices of the Peace were to sit once a week with the Police Magistrates to hear cases which otherwise would have been remitted to the Supreme Court for trial by jury. The aim of this new measure (Ordinance 5 of 1850) was to provide a more speedy settlement of small debts, misdemeanours and minor crimes. But it expected, on the part of the Justices, a greater readiness to sacrifice their time and more legal acumen, than subsequent experience proved that they possessed. Hence this measure did not give permanent satisfaction. Further, as the Governor, in his capacity as Plenipotentiary, extended at the same time the judicial powers of Consuls in Treaty ports at the expense of Supreme Court jurisdiction, many of his critics (and seemingly the Chief Justice himself) saw in this creation of a Court of Petty Sessions an objectionable encroachment upon the criminal jurisdiction of the Supreme Court. An opposition paper went so far as to impute to Sir G. Bonham the intention of eventually abolishing

the costly Supreme Court altogether by the appointment of civil officers combining judicial and administrative functions under a system of plurality of offices which would save expenditure. However, the Governor made no such attempt. On the contrary, he extended the summary jurisdiction of the Supreme Court to civil cases not involving more than \$500, and pleased the community considerably in giving effect to another suggestion of the Parliamentary Committee of 1847 by publishing, for the protection of suitors, a table of fees chargeable by attorneys. The question of the form of oath to be administered to Chinese witnesses occupied public attention in December, 1851, the Chief Justice having stated that he was greatly afraid that fully half the cases adjudicated summarily had been determined on false testimony. Originally the practice had been adopted of making Chinese witnesses cut a cock's head in Court. Subsequently the breaking of an earthen-ware basin was substituted and latterly it had been customary to burn a yellow paper with oath and imprecation inscribed on it or signed by the witness. The modern practice of a simple (though generally unintelligible) oral affirmation in place of oath was now (in 1852) adopted. Among the minor Ordinances passed during this administration was an Ordinance to restrain the careless manufacture of gunpowder by Chinese (August 31, 1848), and a Marriage Ordinance (March 16, 1852) the operation of which was, however, confined to the registration of Christian marriages, leaving the polygamic marriage system of the Chinese unregulated. Sir G. Bonham's common sense administration is naturally distinguished by the paucity of its legal enactments. The strained relations which formerly existed between the Governor and Chief Justice Hulme (who was restored to office on June 16, 1848) were ended. But the Chief Justice's relations with Governor Bonham, though never unfriendly, were not marked by cordiality. Among the community, however, Chief Justice J. W. Hulme was extremely popular. On his departure (April 7, 1854) the leading residents presented him with an address testifying to the high character he had always maintained on the bench, to

his satisfactory administration of the law under perplexing difficulties, and to his undeviating impartiality and uprightness.

During the first two years of Sir G. Bonham's administration, crime was still rife in the Colony, but from the year 1850 there was, with the exception of piracy, a sensible decrease of serious offences. Occasional outbursts of a grave nature were, indeed, not wanting, but the number of felonies, 674 in 1850, fell during the next two years to an average of 505 cases per annum, and was reduced in 1853 to 471 cases. An attempt was made by Chinese, on July 8, 1848, to poison 25 men of the Royal Artillery. This was followed by a fight in the harbour between the police, assisted by boats of H.M.S. *Cambrian*, and some junks (October 15, 1848). Three Chinese junkmen and a policeman were shot. The Coroner's jury, however, acquitted the junk people and public opinion blamed the police. Next came an attempt (December 24, 1848) to fire the Central Market. Soon after (February 28, 1849) occurred the murder at Wongmakok (near Stanley) of Captain da Costa, R.E., and Lieutenant Dwyer of the Ceylon Rifles, by the pirate chief Chui Apou, who was subsequently (March 10, 1851) convicted of manslaughter but committed suicide in jail. In September, 1849, a foolish rumour gained currency among the native population to the effect that the Chinese Government had offered a reward for the assassination of Governor Bonham. The suggestion was, however, seriously made, and subsequently acted upon, that in his carriage drives the Governor should always be attended by an escort of armed troopers. During September, 1850, some street fights occurred owing to the carpenters' guild intimidating independent journeymen who refused to submit to the guild regulations. With the exception of a murderous attack made upon the Rev. Van Geniss (August, 1852), on the road between Little Hongkong and Wongnaichung, the latter years of this administration were remarkably free from highway robberies and burglaries.

But piracy lifted up its head high during this period, in spite of the periodical destruction of piratical fleets by British

gunboats. By a series of hotly contested engagements (September 28 to October 3, 1849), Commander J. C. Dalrymple Hay, with H.M. Ships *Columbine*, *Fury*, and *Medea*, destroyed the entire fleet of Chui Apon, consisting of 23 junks, carrying 12 to 18 guns each and manned by 1,800 desperadoes. Two piratical dock-yards were also destroyed on the same occasion. A few weeks later (October 19 to 22, 1849), Commander Hay, having under his orders H.M. Ships *Phlegeton*, *Fury*, *Columbine*, and a large party of officers and men from H.M.S. *Hastings*, destroyed the greater part of the fleet of the other pirate chief, Shap-ng-tsai. Out of 64 junks, manned by 3,150 men with 1,224 guns, as many as 58 junks were destroyed. Commander Hay officially reported that these successes were obtained on the information given 'by that invaluable officer Daniel R. Caldwell.' So intense was the rejoicing in commercial circles of Hongkong over these wholesale massacres of pirates, that a public subscription was raised and each of the captains present at the destruction of Shap-ng-tsai's fleet, was presented with a service of plate of the value of £200. A third piratical fleet of 13 junks, collected by Chui Apon, was destroyed (March 4, 1850) in Mirs Bay, close to Hongkong, by H.M.S. *Medea* which had on board Mr. Caldwell and a Mandarin from Kowloon. Finally, on May 10, 1853, another piratical fleet was destroyed by H.M.S. *Rattler*. Nevertheless, sporadic cases of piracy continued to increase in the neighbourhood of Hongkong. On February 20, 1851, a pitched battle was fought in Aberdeen Bay between some piratical junks and 8 Chinese gunboats. A week later (February 28, 1851) a conspiracy to loot the river-steamer *Hongkong* on her way to Canton, was discovered by Mr. Caldwell. In the year 1852 some 19 cases of piracy were reported as having occurred in the waters of Hongkong. During the summer of 1853 piracies occurred at an average rate of 14 per month. As many as 70 cases were reported during the year 1853, the most shocking case being the murder (August 5, 1853) of the captain, officers and passengers of the S.S. *Arratoon Apear*, by the Chinese crew.

The Government was almost helpless in the matter of piracy. Sir G. Bonham did what he could to organize a detective department and appointed for this purpose the best colloquial linguist Hongkong ever possessed, Mr. D. R. Caldwell, as Assistant-Superintendent of Police (September 1, 1848). His services were highly effective, particularly in connection with piracy cases. The patent failure of the Police, with regard to the prevention of crime, was unavoidable, as this extraordinary activity of Chinese criminals on land and sea was the natural corollary of the Taiping and Triad rebellion, and as the Police Force was deficient in numerical strength so long as financial considerations prevented its re-organisation on a proper footing. Governor Bonham, who thought the Force was quite sufficient for the policing of the town, stated at the close of his administration that, while the Colony had been improving in every respect, and contentment prevailed throughout the entire population, the only subject of regret was the extent to which piracy prevailed in the neighbouring waters. 'To suppress it,' he added, 'is impossible without the co-operation of the Chinese Government. This co-operation I have repeatedly requested without avail, and in the present disorganized state of the sea-board part of the Empire it is now useless to expect it.'

It has already been stated that to the Taiping rebellion is due the great advance (81 per cent.) which the population made during this period. Even the proportion of males and females commenced now to improve, as the disturbances in the neighbouring districts drove whole families to seek refuge in Hongkong. In 1848 the population numbered 21,514 residents. In 1849 it rose to 29,507 and by the year 1853 it numbered 39,017 residents. In 1848 one fifth and in 1853 one third of the population were females.

The development of the Colony's commercial prosperity kept pace with the increase of the population. The fresh streams that stirred the stagnant pool of local commerce into renewed life came, however, not merely from the rebellion-fed source of Chinese emigration, but to a great extent also from the

discovery of the Californian gold-fields, from the development of the North-Pacific whale and seal fisheries, from the progress made by the Australian Colonies and from the opening up of Japan to British trade and civilization. It may be said, in fact, that it was during this period that the Pacific Ocean commenced to rise into that commercial importance, which, as it has increased ever since, including also the smaller islands of Oceania, is bound to make the Pacific ere long one of the most important centres of the world's commercial politics.

The fresh life infused into the arteries of local commerce naturally manifested itself in the first instance by an increase in the shipping trade. The number of square-rigged vessels regularly frequenting the port increased during this period from 700 to 1,103, while their tonnage was nearly doubled. Ship-building went on briskly at J. Lamont's patent slip at East Point and from 16 to 30 European vessels were annually registered in the Colony. The native junk trade, though restrained by piracy, also increased considerably. The system of employing small British steamers to convoy and protect by force of arms fleets of native junks, continued so long as the coast of China was infested with swarms of piratical fleets. Of course this practice had its attendant evils. The Chinese Authorities protested against it and British naval commanders were its sworn enemies. One of the latter arrested the little steamer *Spec* and prosecuted her captain and crew in the Consular Court at Shanghai on a charge of piracy, for having fired into junks which were mistaken for pirates. The prosecution, however, fell to the ground when tried in the Supreme Court of Hongkong (September, 1848). Governor Bonham was averse to the convoying system, but Her Majesty's Government permitted its continuance as it had its justification in the fact that the spasmodic efforts, made by the few British men-of-war on the station to suppress piracy, were practically of no avail so long as the Chinese rebellion continued. Lord Palmerston also informed the Governor (in 1848) that Chinese vessels in tow of British merchant vessels have a right to British protection.

The opening of the gold-fields in the Sacramento valley in 1848 and the organisation of the new State of California in 1850 caused a new line of commerce to connect Hongkong with San Francisco. It commenced (July, 1849) with large orders for slop clothes and wooden houses (shipped in frame) which were made in Hongkong. Next, Chinese artizans were sent to California to set up those houses. These were followed by an annually increasing stream of Chinese emigrants embarking at Hongkong for San Francisco and a steadily developing trade in all sorts of articles. In the year 1851 forty-four vessels left Hongkong for California and this line of connection has been maintained ever since.

In December, 1848, a few American whalers put into Hongkong to refit and were so pleased with the resources of the Colony that for many years after they repeated their visits in increasing numbers. Thirteen such vessels arrived at the close of the year 1849. Between December 1850 and March 1851, fifteen vessels arrived laden with oil, of which a considerable portion was shipped in British bottoms to England under the navigation laws. As each of these vessels spent about £500 in the Colony, their visits were hailed with satisfaction, apart from the incipient oil trade connected with them. During the next season as many as 37 whalers arrived (December 2, 1851 to February 21, 1852) with 616,203 gallons of oil, of which however only a small portion was shipped from Hongkong to London.

Coolie emigration to Peru and Cuba, though chiefly conducted at Macao, because the crimping and kidnapping system connected with it would not have been tolerated in Hongkong, benefitted the Colony at first to some extent (in 1852). But the frequent mutinies which occurred among the coolies shipped on that system soon caused British skippers to eschew the Peruvian coolie trade. Properly regulated coolie emigration to Guiana commenced in 1853 under the direction of Mr. J. Gardiner Austin, the Immigration Agent-General of the Government of British Guiana. Emigration to Australia commenced in a small

way, in 1853, with three vessels carrying 268 Chinese settlers. The restrictive policy which in after years, when pushed to an extreme, banished coolie emigration from the Colony, was initiated by Governor Bonham in a proclamation (January 4, 1854) which, however, did not go beyond regulating the provisioning and dietary scale of coolie ships.

At the close of Sir G. Bonham's administration, the conviction forced itself upon Hongkong merchants that the Nanking Treaty, though it improved British relations with China, had commercially but little effect, and that the expansion of trade that took place since the year 1843 would anyhow have resulted from purely natural causes. The returns of the Board of Trade shewed that the import of British manufactures into China was, at the close of the year 1850, less by nearly three-quarters of a million sterling, compared with what it was in 1844. Exports of tea and silk increased indeed enormously, but this increase was chiefly owing to opium and specie and not to the vast trade in manufactured goods which had been expected to result from the Nanking Treaty. It was seen at last that what restrains the influx of British fabrics into the interior of China is not the paucity of open ports but the fact that the industry of China can beat British power-looms with regard to both the cost of production and the durability of the fabric.

The opium trade of the Colony, which Sir Robert Peel's Government had at one time (in 1846) intended to suppress by the imposition of a prohibitive tax, entered in spring 1853 into its present state of legitimate commerce, through the decision of the Chinese Government to legalise the importation of opium. The published *raison d'être* of this decision was 'the inefficiency of the laws against opium by reason of their excessive severity.' In reality, however, Chinese statesmen, as they had been induced by financial considerations to prohibit the importation of opium in 1839, now legalised its importation in 1853 on purely financial grounds. In 1839 they excluded Indian opium because it drained China of its silver. In 1853 they imposed a heavy import duty on Indian opium to provide funds for the

suppression of the Taiping rebellion. But whatever treatment they accorded to Indian opium, they all along permitted the cultivation of native opium in the inland provinces.

Questions of currency were much debated in Hongkong during this period, since October, 1850, when the comparatively rare Spanish dollars commanded a high premium in the market at Canton, where at the time the bulk of Hongkong exchange operations was conducted. Rather sudden fluctuations occurred in 1851, placing Mexican dollars, rupees and English money at an enormous discount. Various schemes were propounded to smooth matters, but all proved futile. In 1852, the coinage of a British dollar was first mooted in connection with the resolution of a public meeting held at Singapore (January, 1852) which suggested the coinage of an East India Company's dollar with divisions of half, quarter and eighth dollars for circulation in the Straits. Unfortunately the proposal was shelved for years. By notification of April 27, 1853, Sir G. Bonham published a Royal proclamation of October 16, 1852, to the effect that, whereas hitherto the silver coins of the United Kingdom had passed current in Hongkong (and some other British Colonies) as an unlimited tender for payments, they should henceforth (as in England) not be a legal tender in payment of sums exceeding forty shillings due by or to the Government. This proclamation, artificially bolstering up a theoretical gold standard, which had no commercial reality in the Colony, came into force on October 1, 1853, and delayed the rehabilitation of Hongkong's original silver (dollar) standard. Meanwhile contention arose in Hongkong through contradictory official decisions. In January, 1854, the Chief Justice ruled 'that, when an agreement runs for dollars of any denomination, such dollars must be paid with—in English money—whatever premium they command in the Hongkong market,' and again, 'that Court fees must be paid in dollars, but that it is not proper to refuse English money in payment of costs.' On the other hand, the Colonial Treasurer (W. T. Mercer) made an order (February 9, 1854) that 'all Government land rents must for the future be paid in dollars

according to the terms of the lease.' As the Colonial Treasurer refused the Queen's sovereigns, which about this time had been declared by the Lords of the Treasury to be a legal discharge for the sums they represented 'throughout Her Majesty's dominions' and to require no further Colonial enactment for their legalisation, complaints were made on all sides. The contention was accentuated by the fact that the Colonial Treasurer took dollars at a fixed rate of four shillings and twopence though the market value might be five shillings.

Steam communication between Hongkong and Canton was placed on a satisfactory basis by the establishment (October 19, 1848) of the 'Hongkong and Canton Steam Packet Company.' The first Hongkong Directors of this Company were Messrs. D. Matheson, A. Campbell, T. D. Neave and F. T. Bush. They commenced operations in spring 1849 with two small steamers (of 250 tons each) built in London. The Peninsular and Oriental Steam Navigation Company commenced in 1849 running a steamer (the *Lady Mary Wood*) regularly between Hongkong and Shanghai, but failed in an attempt, made in December 1850, to induce local merchants to pay a monthly subsidy in lieu of postage. The same Company established, in January 1853, a regular monthly mail between Hongkong and Calcutta, giving thereby the Colony the advantage of regular fortnightly communication with England. Telegrams had to be sent through intermediary agents at Gibraltar or Trieste, the latter route becoming now the favourite. The increased facilities thus provided, were not much relished by Hongkong merchants, because they accentuated the keenness of competition. The leisure with which business was formerly conducted in the time of monthly mails, was now supplanted by an annually increasing high-pressure rate of communication with all parts of the world. In other respects also local trade had by this time undergone an alteration. The profits of the China trade, formerly enjoyed by a few, were now divided among the many. The days of the merchant princes were now a dream of the past. Fortunes were still made but it took some decades of years now to make

them. However, the commercial prospects of the Colony were certainly extending and assuming a character of greater permanency. When (in summer 1850) the great firms in India were prostrated one after the other, the China firms dealing with India bore the shock firmly with but one exception.

But it took years before Hongkong's commercial reputation was rehabilitated in England. The *Economist*, which had maligned the good fame of the Colony (in 1846), continued even in 1851 (March 8) to belittle the progress which had been made meanwhile. How very little was thought or known of Hongkong at this time even by those in authority in England, is evidenced by the fact that the Royal Commissioners of the International Exhibition of 1851 gave no place to Hongkong as a Colony. They merely invited the merchants of Hongkong to join in an exhibition representing China. Naturally resenting this slight, the Committee, appointed at a public meeting that was held on June 24, 1850, resolved to leave it to the Canton Committee, which had already appointed numerous Sub-Committees, to take action. But the latter also threw up the project and it was left to a few enthusiastic individuals in Canton and Shanghai (chiefly Consuls) to collect and forward to London specimens of Chinese produce and manufactures. China merchants in London were the principal contributors. The only exhibits representing Hongkong in that fair temple of the world's commercial competition at Hyde Park consisted of a tiny pagoda, a jade cup and two silver race cups exhibited by Mr. W. Walkinshaw, and a North-China walking stick added by Mr. F. S. Carpenter of St. John's Wood. The Royal Commissioners further demonstrated the prevailing popular ignorance of Hongkong's position by labelling and cataloguing the Canton Consul's exhibits of specimens of Chinese coal as 'collected by H.M. Consul at Hongkong.'

The sanitary record of this period presents a remarkable illustration of the vagaries of Hongkong fever and of human inability to restrain or even account for them. It had previously been customary to attribute the origin of Hongkong fever to

exhalations from disturbed virgin soil arising after exposure to sun and rain. In 1848, the Colonial Surgeon traced it to the prevalence of electricity in the atmosphere. But during the next few years fever put in a sudden and equally malignant appearance in places where the soil had not been disturbed and at times when electricity in the atmosphere was particularly scarce. At a former period Hongkong fever attacked Indian troops when it spared European troops. During the administration of Sir G. Bonham fever raged epidemically in the garrison, both European and Indian, while it left the civilian population untouched. Thus it was particularly in July and August, 1848, when, after several months of excessive heat, fever decimated the garrison to an alarming degree. The same epidemic recurred among the garrison in July and August, 1850, when no excessive heat but an unusually prolonged winter season had preceded it. In the short interval of six weeks, the 59th Regiment was more than decimated, 43 men having died (though many more were stricken with fever) between 14th July and 23rd August, 1850, whilst the health of the civilians in Hongkong continued generally good. It is noteworthy also that, after that unusually prolonged winter of 1849 to 1850, an epidemic, having all the appearances of the plague (black death) which devastated London in 1665, broke out in Canton in May, 1850, but, though it raged there for several months, it did not spread to Hongkong. In autumn (1850), when the fever had ceased ravaging the garrison of Hongkong, it broke out among the Chinese population. It was then ascribed to long continued drought. From 1850 to 1853 the average annual death rate among the civilian European population was 8 per cent. and among the Chinese 3 per cent., while among the troops it varied considerably. In 1850 the death rate among European troops was 23 per cent. and among the Indian troops 10 per cent. The case was reversed in 1852, when the death rate of European troops was 3.6 per cent. and that of the Indian troops 10.02 per cent. In 1851 and 1853 the death rate was the same among both classes of troops. But whilst in all the preceding years fever appeared principally in

the summer months, it made its appearance among the garrison in 1854 as early as April, when 73 men were stricken with fever and dysentery in one month. Six cases of Beriberi, a disease previously unknown in Hongkong, occurred at this time among the Indian troops.

Great as the vagaries of disease were during this period, the divergencies of public opinion on the subject were still greater. While English newspapers denounced Hongkong as a pest-hole, while the music-halls in London resounded with the popular refrain 'You may go to Hongkong for me,' Governor Bonham grew eloquent (in his annual reports) on the salubrity of the climate of Hongkong which he considered to be 'as well adapted to the European constitution as other places similarly situated within the tropics.' Equally great was the variation of opinion among military and civilian surgeons as to the utility of Peak sanatoriums. These were first recommended in 1848 by the Colonial Surgeon (Dr. Morrison), who suggested the erection of a Government sanatorium at an altitude of 1,774 feet above the sea.

The Colonial church was at last completed and formally opened (March 11, 1849) on the anniversary of the day on which Sir J. Davis had laid the foundation stone. Unfortunately this ceremony revived for a moment the community's bitter feelings against their former Governor, because his coat of arms, including a bloody hand, was observed emblazoned over the *porte cochère*. The indignant community assumed, probably without good grounds, that this apparent impropriety, for which the Surveyor General (Ch. St. J. Cleverly) was responsible, was due to instructions left by Sir J. Davis. The building was neatly fitted up. As the cost of erection, even after leaving the tower without a steeple, exceeded the funds available (£4,600), power was given to the Trustees by a special Ordinance (3 of 1850) to raise a loan to cover the deficit (\$2,500). Advantage was taken of this Ordinance to transfer the management of the Church from the Colonial Chaplain to the Lord Bishop of Victoria. For letters patent had meanwhile been issued (May 11, 1849)

declaring the Colony to be the diocese of a Lord Bishop and constituting St. John's church as a cathedral church and bishop's see. It appeared that a fund of £18,000 had been raised in England for the endowment of a Hongkong bishopric, that an annual grant of £6,000 from the Colonial Bishops' Fund had been promised by the Bishop of London, and that an additional sum of £2,000 was available for the special purposes of St. Paul's College. The latter institution was to be (like Dr. Legge's Anglo-Chinese College) a school for the training of Chinese ministers, and the Bishop was appointed its warden under statutes approved (October 15, 1849) by the Archbishop of Canterbury. The College received later on also a small Parliamentary grant to train interpreters for the public service.

With the arrival (March 29, 1850) of the Bishop, G. Smith, who consecrated the new cathedral in September, 1850, a period of increased missionary and educational activity set in, for Bishop Smith possessed stimulating energy and looked upon the whole of China, as well as Hongkong, as his diocese. The Jewish Colony at Kaifungfoo (in North-China) received a share of the Bishop's attention, a curious testimony of which is exhibited in the City Hall Library in the shape of a portion of the Hebrew pentateuch recovered from Kaifungfoo. The Taiping rebellion and the missionary politics connected with it occupied much of the Bishop's time. For the benefit of seamen passing through Hongkong, the lorcha *Anne* was converted into a floating Bethel in charge of a seamen's chaplain (Mr. Holdermann). The Government Grant-in-Aid Schools were soon brought under the supervision of the Bishop as chairman of the Educational Committee, and worked as feeders of St. Paul's College. The latter was taught (until 1849) by Mr. J. Summers (afterwards Professor of Chinese Literature at King's College, London) and subsequently by the Bishop himself and his chaplains. Though the College produced not a single native minister, nor any official interpreter, many of the best educated native residents of the Colony received their training there. The same may be said of Dr. Legge's Anglo-Chinese College which also failed

to produce any native preacher or teacher but trained some eminent English-speaking Chinese. While Bishop Smith was great in religious politics, Dr. Legge made himself a European reputation as the translator of the Chinese classics. On the other hand, some of the scholars of the Morrison Institution, of the Anglo-Chinese College and of St. Paul's College, gained at different times an unenviable notoriety in Police Court cases. Hence the public drew the inference that, in the case of Chinese youths, an English education, even when conducted on a religious basis, fails to effect any moral reform, and rather tends to draw out the vicious elements inherent in the Chinese character. The mercantile community, which had hitherto munificently supported missionary institutions, commenced about this time to withdraw their sympathies from the missionary cause altogether. The Morrison Education Society's School on Morrison Hill had to be closed, in spring 1849, for want of public support. Mr. Stanton's English Children's School, under Mr. Drake, also collapsed in 1849 and the attempt made by Miss Mitchell to revive it resulted, in 1853, in complete failure. Dr. Gützlaff's Chinese Union of native colporteurs, which had for many years made a greater stir in Europe than in China, ended in October 1849, during the temporary absence of Dr. Gützlaff, in a miserable fiasco. The London Mission Hospital for Chinese, having for some years past lost its hold on public sympathy, was closed in October, 1850. The London Missionary Society opened, however, a chapel in Queen's Road (May, 1851) where out-patients were occasionally attended to. As the mercantile public became severe critics of the labours of the missionaries, the latter now came to look upon Hongkong as 'a stumbling-block to the progress of christianity and civilization in China.' The Roman Catholic Missions, seeking on the quiet the support of Government rather than of the public, continued the even tenor of their way. They started several small schools which gave to Portuguese youths an elementary English education and thus commenced the work which eventually filled commercial and Government offices with Portuguese clerks. The Chinese



population, who were still in the habit of sending their sons to be educated outside the Colony, in Canton or in their respective native villages, cared little for local education. Public spirit among the Chinese vented itself in guild meetings, processions and temple-committees. Among the latter, the Committee of the Man-moo temple (rebuilt and enlarged in May, 1851) now rose into eminence as a sort of unrecognized and unofficial local-government board (principally made up by Nampak-hong or export merchants). This Committee secretly controlled native affairs, acted as commercial arbitrators, arranged for the due reception of mandarins passing through the Colony, negotiated the sale of official titles, and formed an unofficial link between the Chinese residents of Hongkong and the Canton Authorities.

With the advent of Sir G. Bonham, who possessed the secret of making himself thoroughly popular without surrendering a vestige of his dignity as Her Majesty's Representative, and who was fortunate in having for his co-adjutors popular and hospitable men like the Major-Generals Staveley and Jervois, a great change came over the social life of the Colony. From the very commencement of this administration, Hongkong society began to take its tone from, and was thenceforth held together by, the spirit that prevailed at Government House. The transition, from the state of things in the days of Sir H. Pottinger and Sir J. Davis, when Government House was virtually under a self-imposed ban of social ostracism, to the time of Sir G. Bonham, when the social life of the Colony gathered round Government House as its pivot, was too sudden and too great to pass off smoothly. When Sir George (November, 1849) selected fifteen of the unofficial Justices of the Peace, summoned them to a conference, and thenceforth frequently consulted them collectively or individually, he virtually created, in succession to the merchant princes of former days, an untitled commercial aristocracy. Unfortunately, this select company had no natural basis of demarcation. Merchants, formerly of equal standing with some of the chosen fifteen, resented their

exclusion from the charmed circle. Hence (particularly in summer 1850) the epithets of flunkyism and toadyism were freely applied to the attitude of the Governor's commercial friends. Even among the latter, there arose occasionally acrimonious questions of precedence at the gubernatorial dinner-table. Moreover the gradations of social rank thus originated in the upper circles reproduced themselves in the middle and lower strata of local society, which accordingly became subdivided into mutually exclusive cliques and sets. The revival of the Amateur Dramatic Corps (December 2, 1848), the formation of the Victoria Regatta Club (October 25, 1849) and the establishment of a Cricket Club (June, 1851), served, together with the annual race meetings (transferred since 1850 from January to February), and the growing popularity of the Masonic fraternity (which gave its first ball on February 1, 1853), to contribute some powerful elements of social redintegration. The presence, in 1852 and 1853, of the U. S. Squadron, consisting of seven vessels, under Commodore Perry, was also helpful to level down invidious social distinctions. The sympathy which always interconnected the mercantile community and the local garrison, became specially conspicuous when, in 1848, sickness made such frightful ravages among the troops. The kindness then shown, particularly by the firm of Jardine, Matheson & Co., to the non-commissioned officers and men of the 95th Regiment, was acknowledged on the part of the latter by the presentation, to the head of that firm, of a memorial cup (February, 1849). The growingly cosmopolitan tone of public feeling in Hongkong was evidenced by the universal approval given to the salute which the British men-of-war in harbour fired on July 4, 1851, in memory of the Declaration of the Independence of the United States.

At the beginning of Sir G. Bonham's administration, a Colonial Hospital was organised (October 1, 1848) and the new Government offices (close to the Cathedral) completed (November 10, 1848). But with the exception of the erection of a new Government House (1850 to 1853), no other public

works of any pretension were undertaken. On August 8, 1848, a stirring paper from the pen of Dr. Gützlaff was read at a meeting of the Royal Asiatic Society, advocating 'the advantages to be derived from the establishment of a Botanical Garden in Hongkong.' A Committee was forthwith appointed to make inquiries as to the best site and cost of the undertaking. The Government was also approached on the subject which was warmly applauded on all sides. But financial considerations caused Sir G. Bonham to postpone the execution of the scheme. The private organisation (August, 1848) of the Victoria Library and Reading Rooms (which laid the foundation for a future public library) and the existence throughout this period of three local newspapers and two advertisers, testified to the continuance of a literary as well as commercial spirit in the Colony. The temporary stay of Dr. Bowring in Hongkong (1852 to 1853) fanned the languishing energies of the Royal Asiatic Society into a new flame. Masonic pursuits were popularized by the elaborate solemnity of laying the foundation stone (February 1, 1853) of the Masonic Hall, under the direction of the Provincial Grand Master (S. Rawson) of British Masons in China.

Few but serious calamities marred the general prosperity which characterized this period. A storm of unusual violence, the severest since 1841, swept over Hongkong on August 31 and September 1, 1848. The barometer fell as low as 28.84 but the wind did not attain to full typhoon force. Although timely warning had been given by the Harbour Master, the shipping suffered severely. Thirteen vessels in harbour were damaged or wrecked and a considerable loss of life and property ensued. House property on shore, and the troop-ships in the harbour (filled with men who had been removed on board to escape the fever), suffered but little damage. The storm was far more destructive in Macao and Canton than in Hongkong. On December 28, 1851, one of the greatest conflagrations occurred that Hongkong ever experienced. During a strong gale, a fire broke out near the Sheungwan market and, in spite

of heroic efforts made by the Royal Engineers under the personal direction of Major-General Jervois to stay the fire, 472 Chinese houses, north of Queen's Road, between the present Fire Brigade Station in the East and the P. & O. Company's godowns in the West, were entirely destroyed and thirty lives lost. Liberal aid was afforded by Governor Bonham in housing the burnt-out people and the crown rents of properties concerned were temporarily abated. The whole district was speedily rebuilt with considerable improvements. A new town sprang up in the place and the most eastern and the most western of the new streets were respectively named Jervois Street and Bonham Strand, the latter being laid out on land newly reclaimed from the sea.

The obituary of this period includes, among others, the names of Dr. and Mrs. James (April, 1848), Rear-Admiral Sir Francis A. Collier, C.B. (October 28, 1849), Captain Troubridge (above mentioned), Macao's famous painter Chinnerey (May 30, 1852), Mrs. J. T. M. Legge (October 17, 1852) and Dr. Gützlaff (August 9, 1854).

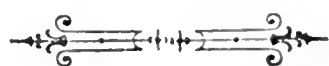
A survey of Sir George Bonham's administration clearly marks him out as the first model Governor of Hongkong. The renewed prosperity of the Colony, that set in with his regime, was indeed principally due to a fortunate combination of events quite beyond his control. But whilst it never is in the power of a Governor to create prosperity, he has it in his power to hinder, mar and destroy it. Sir George, when convinced that he might gain for himself the glory of making the Colony for the first time financially self-supporting by an increase of taxation which he knew to be practicable, refrained from forcing his views upon the community in deference to public feeling. He was the first Governor of Hongkong who, basing his action on the programme sketched out by the Parliamentary Committee of 1847, administered the government of this Crown Colony on popularly recognized principles, systematically sacrificing his individual views and his personal advancement to the welfare of the common weal. Both as a diplomatist and as a governor, Sir George was an unqualified success.

Detractors of his merits were not wanting. The Hongkong public man is nothing if not severely critical. A small opposition party in the Colony, whilst fully admitting the affability, hospitality, liberality and gentlemanly bearing of Governor Bonham, alleged—that he systematically favoured Consular Courts at the expense of the local Supreme Court; that he lost no opportunity of curtailing the powers of the latter and did nothing to make good the glaring deficiencies of Court interpretation; that his ignorance of the shipping resources of the Colony was on a par with his perfect indifference regarding them; that he arbitrarily created a set of pampered aristocrats and, whilst cajoling them by pretending to consult their views in minor affairs, ignored them concerning more weighty matters such as the regulation of emigration; that his conduct regarding the currency was impolitic and disgraceful, violating a Government proclamation (May 5, 1845) that had regulated the currency since the Island was ceded, because forsooth the Chief Justice expressed an opinion that the proclamation was illegal; that his constant endeavour was to do away with the Commissariat Treasury department, because it was not under his control; that he did nothing to assist the Post Office because it was independent of him, though the Postmaster did good service by establishing branch-offices at the Treaty ports; that he allowed the Police Force to sink into the most wretched and ineffective condition such as admitted of robberies occurring nightly and people being often knocked down in the centre of the town in the middle of the day; that the place had been blockaded by pirates and nothing had been done except by fits and starts when a smart man-of-war happened to be here; that in fine Sir George had been a useless governor, purely ornamental, highly decorated and extravagantly paid.

On the other hand, when Sir George Bonham went on furlough (March 25, 1852), the leading merchants of the Colony (David Jardine, Wilkinson Dent, C. J. F. Stuart, and George Lyall) presented him with an address signed by all the local British firms of any standing (35 in number). This address

expressed the satisfaction felt by the community with the Governor's general administration and stated that the changes made in the administration of justice had gained him the confidence of all and particularly of the Chinese community, improving the latter and increasing native trade. The address also acknowledged that Sir George's social qualities had produced general harmony and confidence. Again, in 1854, when Sir George Bonham finally left the Colony, another public address, as numerously signed as the previous one, was presented to him (April 7, 1854). This farewell memorial gave Sir George the renewed assurance of the general confidence reposed in his administration, and referred to important and beneficial changes, introduced by him, which had promoted the general interest. The same merchants who six years before had assured Sir J. Davis that the Colony was ruined, lauded Sir G. Bonham on the ground that the evidence of the increased prosperity of the Colony was now quite apparent. They pointed to the new town (Bonham Strand) which had sprung up with remarkable rapidity and contributed to the large increase of the native population. In conclusion this address stated that the friendly intercourse which had subsisted between Governor Bonham and the community would leave a lasting memorial of the high estimation in which he had been held.

Nevertheless this model Governor, the first really popular and successful one of the Colony's rulers, was soon forgotten by the fluctuating community. In modern Hongkong, Sir George Bonham is about the least known of its former governors. Her Majesty's Government also bestowed no further honours on the man who had done such credit to Lord Palmerston's selection. Sir George Bonham died in 1863, leaving his greatness to appeal to the future for the recognition it deserves.



CHAPTER XVI.

A BRIEF SURVEY.

A.D. 1634 to 1854.

THE period covered by the administration of Sir G. Bonham clearly marks, when compared with the preceding epochs, a turning point in the history of Hongkong. The reader who cares only for a detailed record of the most noteworthy facts and events connected with the history of Hongkong, will readily dispense with this chapter and hurry on to the next. But he who would understand that history in itself, discern its inner workings and decipher its deeper import, so as to study the history of Hongkong in the light of cause and effect, may well pause at this point for a brief survey of the facts presented in the preceding chapters.

The Island of Hongkong, it will have been observed, was even in its pre-British times an eccentric vantage point. It never was so much of an integral portion of Asia as to be of any practical moment to the Chinese political or social organism. Its very name was unknown to the topographers or statesmen of China and men had to come from the Far West to give it a name in the history of the East. Its situation at the farthest south-east point of the Chinese Empire, in line with the British Possessions in Africa, India and North-America, constituted it a natural Anglo-Chinese outstation in the Pacific. Hongkong never belonged naturally either to Asia or to Europe, but was plainly destined in God's providence to form the connecting link for both.

As the place so its people. Ever since the first dawning of its known history, Hongkong was the refuge of the oppressed from among the nations. The Hakkas ill-treated by the Puntis,

the Puntis Tie-chius and Tan-ka people weary of the yoke of mandarindom, as well as the Chinese Emperor fleeing before the ruthless Tartar invaders, the industrious Chinese settler as well as the roving pirate, and finally the British merchant self-exiled from Europe finding his personal and national self-respect trampled under foot by Manchu-Chinese tyrants—all turned, with hesitating reluctance but impelled by resistless fate, to the Island of Hongkong as the haven of refuge, the home of the free.

It was not in the nature of things that Hongkong should at once become a paradise of liberty. It was not to be expected that the seekers of liberty, self-expatriated from the antipodes of the West and the East yet with the love of their respective national homes fresh in their hearts, would either be left undisturbed from without or consolidate otherwise than by years of internal friction into one political and social organism within the Colony. A stormy career, war without and dissensions within, yet real though slow growth withal and eventual power radiating from a healthful centre of innate Anglo-Saxon vitality, was what the seer gifted with power to look into the future might have predicted as the fate in store for this phenomenal Anglo-Chinese Colony in the Far East.

Searching deeper still into the underlying causes of this Eurasian phenomenon, it will be seen that the evolution of the Colony of Hongkong was in reality the product of a quasi marriage-alliance between Europe and Asia, concluded at Canton (after 1634 A.D.) between the East India Company and the Chinese Government. But this international union carelessly entered upon was characterized, in the course of the next two centuries, by a deep-seated and growingly manifested incompatibility of temper, such as made Anglo-Chinese international life at Canton a burden too heavy to be borne by either nation. British free trade notions based on the assumption of international equality could not remain in wedlock with China's iron rule of monopoly based on the claim of political supremacy over the universe. The crisis came when that claim was confronted

(A.D. 1833) by an Act of Parliament establishing British authority in the East and by the substitution (A.D. 1834) of an independent community of lusty free traders for the servile and effete East India Company. The domestic alliance contracted after A.D. 1634 between Europe and Asia on terms so humiliating for the former, was bound to result in a temporary divorce. That divorce was solemnly and emphatically pronounced, though with patent unwillingness, by Commissioner Lin (A.D. 1839) acting on behalf of Asia, whereupon Captain Elliot, acting as the representative of Europe, secured Hongkong as a cradle for the offspring of that unhappy union (born A.D. 1841), that is to say for the Colony whose divine destiny it is to reconcile its parents hereafter in a happier reunion by a due subordination of Asia to Europe. The elder shall serve the younger and be taught to love and obey—such is the historic problem which Hongkong has to solve in the dim future.

This conception of Hongkong as the vantage point from which the Anglo-Saxon race has to work out its divine mission of promoting the civilization of Europe in the East, and establishing the rule of constitutional liberty on the continent of Asia and on the main of the Pacific, is not a mere fancy. However imperfectly the problem may have been stated here, the foregoing remarks undoubtedly contain an approximate formulation of a true historic lesson which he who runs may read. Now this lesson, however it may be modified and amended by a critical reader, provides the student of the history of Hongkong with a definite standard by which he can measure the progress of the Colony and judge the merits of its Governors at any successive period. If the reader is once clear as to what it is that the past history of Hongkong shews the purport of the establishment of Hongkong to have been in the providence of God, he will have no difficulty in determining, with regard to the public measures or public men of any period, whether they marred or promoted the Colony's progress towards fulfilling its divine mission.

It appears then from this point of view that the Colony of Hongkong, the offspring of a union between Europe and Asia, ushered into the world in the year 1841, was nursed by brave Captain Elliot in the cradle of liberty and free trade, solemnly christened at Nanking, in 1842, by the despotic autocrat, Sir H. Pottinger, weaned from 1844 to 1848 by pedantic Sir J. Davis amid an amount of tempest and strife which made the empoverished Colonial nursery resound with cries for representative government and with groans condemnatory of monopoly, until Parliament stepped in (in 1847) and laid down the programme on which the schooling of the young fledgeling was accordingly conducted by Sir G. Bonham, who gave the Colony its first common-sense instructions in the A-B-C of constitutional government. In other words, of the first four Governors of Hongkong only Captain Elliot and Sir G. Bonham appear to have read aright the lessons of the past history of British intercourse with China and to have applied those lessons correctly to the establishment of the Colony of Hongkong.

To begin with Captain Elliot, he seems to have recognized or at any rate acted upon the following principles—(1) that Hongkong must be regarded in the first instance as a point from which should radiate the general influence of Europe upon Asia; (2) that it is therefore of primary importance to maintain at Hongkong British supremacy *vis à vis* Chinese mandarindom; (3) that the settlement on Hongkong must be treated rather as a station for the protection of British trade in the Far East in general than as a Colony in the ordinary sense of the word, that is to say that Hongkong is in truth neither a mere Crown Colony acquired by war nor a Colony formed by productive settlement; (4) that the Colony of Hongkong can be made to prosper only by keeping sacredly inviolate its free trade palladium and by governing the colonists on principles of constitutional liberty. Unfortunately Captain Elliot was recalled before he could give full effect to these fundamental principles. But that he established the Colony on this basis redounds to his honour.

It was even more unfortunate that Captain Elliot's successors, Sir H. Pottinger and Sir J. Davis, pursued a policy which, while theoretically accepting the first of those propositions, virtually ran counter to all of them. It is quite possible that the recall of Captain Elliot implied a condemnation on the part of the Colonial Office of the above stated propositions rather than of his Palmerstonian war policy, and that the contrary principles adopted by Elliot's successors originated with the Downing Street Authorities rather than with themselves. But if so, it is remarkable that both Sir H. Pottinger and Sir J. Davis appear to have carried out *con amore* those pernicious instructions and to have personally identified themselves with the autocratic and protectionist spirit that must have governed the authors of those instructions whoever they were. Sir H. Pottinger, indeed, gloriously maintained, while the British army and navy were at work, the ascendancy of Europe in Asia, but, the moment the sword was sheathed, he allowed Mandarin duplicity and arrogance to cajole him so as to surrender one and all of the principles established by Captain Elliot. Sir H. Pottinger thought so highly of Chinese officials and so badly of British merchants that, for very fear of furthering the interests of opium dealers and smugglers, he shrank from maintaining free trade principles. In result, he preferred to allow the Cantonese Authorities to frame regulations for Hongkong's commerce which effectually strangled it. Moreover, whilst thus sacrificing the liberty and prosperity of British commerce, Sir H. Pottinger, though in the Nanking Treaty he had defined Hongkong as a mere naval station for careening and refitting British ships, governed the settlers as if Hongkong were a regular Colony bound to maintain by taxes an extravagantly expensive official establishment, and yet refused to give them any representation or voice whatsoever in a Council which autocratically disposed of the taxpayers' money. Sir J. Davis, specially selected as the trained tool of Mandarin autocracy and monopoly, not only followed in the footsteps of his predecessor, but went even farther in violation of the principles

which had guided Captain Elliot. By his Triad Society's Ordinance he sacrificed the rudimentary principles of European civilization and the British axiom of the liberty of the subject to a cringing subservience of the aims of Mandarin tyranny in its most barbaric aspects. By his buccaneering expedition of April, 1847, he injured British prestige in the East even more than his predecessor had ever done. By his monopolies and farms and petty regulations he hampered and injured the foreign and native commerce of the Colony and nullified the freedom of the port. The result of the misgovernment, initiated by Sir H. Pottinger and continued by Sir J. Davis, was that Parliament had to step in to warn the Colonial Office against the mischievous policy pursued at Hongkong, and to rescue the Colony from plainly and imminently impending ruin by a return to the principles established by Captain Elliot. Let the reader who doubts the soundness of the above analysis of Hongkong's early history ponder the incontrovertible fact that the policy of autocracy, monopoly and protectionism, pursued by Sir H. Pottinger and Sir J. Davis, not only drove commerce away from Hongkong and made the Colony contemptible in the eyes of the Chinese, but brought the settlement to the verge of commercial and financial ruin and delivered British commerce at Hongkong, under the shadow of the British flag, into a bondage of Chinese mandarindom, as effective, as despicable and as galling as that under which the East India Company and the British free traders ever groaned whilst located at Canton. What staved off the impending ruin was a reversion to the principles of Elliot.

The foregoing remarks may serve to show that the formulation, by the Parliamentary Committee of 1847, of the programme essential for Hongkong's prosperity, was but a comprehensive re-statement of the principles which led to and guided the original establishment of the Colony. Those principles, discarded for a while by Sir H. Pottinger and Sir J. Davis to the Colony's manifest injury, were re-introduced by Sir G. Bonham who conformed his administration to those principles, though he did not agree with all the propositions which the Parliamentary

Committee had deduced therefrom. Sir G. Bonham's administration stands thus connected positively with that of Captain Elliot and negatively with that of Sir H. Pottinger and Sir J. Davis. This view comprehends, in one organic process, the whole period from 1841 to 1854 as the first epoch in the pragmatic history of Hongkong. It also gives its due importance to the administration of Sir G. Bonham which, as it was with regard to the misrule of his two predecessors, the grave of the past, was at the same time, by the restoration of Elliot's vital principles, the cradle of the future.

What constitutes, therefore, the close of Sir G. Bonham's administration as one of the great turning points in the history of the Colony is this, that by this time both the colonists and the Colonial Office had attained to the clear consciousness of Hongkong's mission as the representative of free trade in the East and of the need of some sort of representative government. An equally clear apprehension of the difficulties standing in the way of a practical realisation of this ideal was not wanting. But the recognition of the ideal itself was now established. This was for the young Colony what the first effulgence of personal self-consciousness is in the evolution of the human mind. Autocratic despotism, protectionism and monopoly, were now doomed, in principle at least. The commercial and financial prosperity of Hongkong was now, though not perfected yet, virtually established. A definite prospect of the Colony becoming soon absolutely self-supporting, was now looming within measurable distance. And as to Hongkong's exercising, on behalf of Europe, a civilizing influence upon the adjoining continent of Asia, the colonists and their rulers could well trust to the natural course of events to work out that problem. A British Colony thus firmly established in Asia, on the root-principles of European liberty, was and is sure to play, in the drama of the future, such a part as will illustrate, in the sight of Asia, the superiority of British over Chinese forms of civilization and government and make Hongkong for all times the bulwark of the cause of Europe in the East.

CHAPTER XVII.

THE ADMINISTRATION OF SIR JOHN BOWRING.

April 13, 1854, to May 5, 1859.

DURING the ten months of Sir G. Bonham's absence on furlough (1852 to 1853), while Major-General Jervois administered the government of the Colony, the affairs of the Superintendency of Trade were, as mentioned above, separately attended to by H.M. Consul of Canton who, for this purpose, temporarily resided at Government House, Hongkong. That Consul and Acting Chief-Superintendent of British Trade in China was Dr. Bowring.

He had previously gained for himself a measure of European renown and the verdict of public opinion was, to use the words of his own epigrammatic critique of Byron, that more could be said of his genius than of his character. Dr. Bowring's natural abilities were marked by great versatility but appeared to lack in depth. Starting in commercial life and having occupied several responsible posts on the Continent, he distinguished himself as a linguist, as a racy translator of foreign literature, as the author of promiscuous pamphlets on commerce, finance, and political economy, and as a member of numerous Literary Societies. So great was his literary and political reputation, that, when the Westminster Review was started (1824) to expound the doctrines of the so-called philosophical radicals, headed by Jeremy Bentham, and to advocate the views of the advanced liberal party, he was chosen as first editor and successfully held the office for many years in conjunction with H. Southern. During Earl Grey's Ministry, the Government also recognized his abilities and employed him repeatedly, first as Secretary to a Commission for investigating the public accounts, and

on subsequent occasions in connection with Commercial Treaties concluded with France, the Zoll-Verein, the Levant and Holland. Whilst in Holland, he received (1829) from the Academy of Groningen the honorary title of *Doctor Literarum Humaniorum*. In the year 1833 he entered Parliament as Member for Kilmarnock (1833 to 1837) and, after three unsuccessful contests for Blackburn and Kirkcaldy, sat for seven years for Bolton (1841 to 1849). During this period he directed (in 1846) the attention of the Ministry to alleged illegal flogging in Hongkong and took, as a member of the Parliamentary Committee of 1847, a prominent part in the inquiry into Hongkong affairs and British relations with China. He was also for a number of years President of the Peace Society (established since 1816) which labours to procure universal disarmament and the substitution of international arbitration for war. Earl Clarendon and Lord Palmerston thought highly of Dr. Bowring and always remained his staunch supporters. Owing to financial reverses, however, Dr. Bowring had to seek a lucrative post and accepted, in January 1849, a Consular appointment. 'Lord Palmerston,' he says in his autobiography, 'offered me the Consulship of Canton where diplomatic questions with the Central Kingdom were discussed.' His actual occupations in Canton were, however, of a disenchantingly humble description and even during his short tenure of the Acting Superintendency in 1852, he disdained the limits of his little reign and considered himself a disappointed man. However, he adhered to Sir G. Bonham's policy, ruled in peace over the few Consular stations and abstained, while in Hongkong, from all interference with the affairs of the Colony, beyond resuscitating by sundry sinological contributions and by the inspiration of his personal presence the moribund Hongkong Branch of the Royal Asiatic Society. One of the most valuable papers he wrote at this time is his dispatch to Lord Clarendon of April 19, 1852, in which he correctly and lucidly summed up the policy of the Chinese Government, during the preceding ten years, as one of unflinching hostility and shewed the

essential incompatibility of British and Chinese aims in the Far East.

On the return of Sir G. Bonham, Dr. Bowring, instead of resuming his duties at Canton, went on furlough (February 16, 1853) and returned by way of Java to England. There he secured for himself the long coveted appointment to the double office of H.M. Plenipotentiary in China and Governor of Hongkong. On December 24, 1853, he was created by Her Majesty a Knight Bachelor and a warrant issued which, while making provision for the eventual separation of the office of Chief-Superintendent of Trade from the Governorship of Hongkong, appointed Sir John Bowring to be H.M. Plenipotentiary and Chief-Superintendent of Trade, as well as Governor of Hongkong and its Dependencies and Commander-in-Chief and Vice-Admiral of the same. When Sir John received (February 13, 1854) his instructions under this warrant, and found himself also authorized to arrange for a commercial treaty with Siam, he felt his greatness overpowering him. 'To China I went,' says Sir John, 'as the representative of the Queen, and was accredited not to Peking alone but to Japan, Siam, China and Corea, I believe to a greater number of beings (indeed no less than a third of the race of man) than any individual had been accredited before.' Thus, bearing his blushing honours thick upon him, he sailed to China with the sound of glory ringing in his ears.

When he arrived in Hongkong (April 13, 1854), where he had Colonel W. Caine for his Lieutenant-Governor and the Hon. W. T. Mercer for his Colonial Secretary, he found the community contented and the Civil Service still free from any dissension. The residents were certainly not enamoured with their new Governor but, though they attributed to him an inordinate anxiety for self-glorification, humorously saying that he had come back big with the fate of China and himself, there was no ill-will against him. Stirring times were certainly approaching.

Within a fortnight of his arrival in Hongkong, Sir John received the news of the declaration of war (March 28, 1854)

against Russia. Immediately he started off, with the Admiral (Sir James Stirling) for Chusan, hoping to intercept the Russian fleet under the command of Count Pontiatin. It was a wild goose chase. The Russians had left for regions unknown. Meanwhile the fear of a Russian descent upon Hongkong grew apace among the residents. Indeed fear developed into panic (June 3, 1854) when the Lieutenant-Governor announced the defenceless condition of the Colony and in hot haste ordered batteries to be erected. Nothing came of it, however, as the combined Anglo-French squadron kept the Russians at bay on the Siberian coast. The port of Petropaulowsky was bombarded (September 1, 1854) but the land attack failed. The allied fleet, consisting only of six vessels, was too weak for any purpose but that of harrassing the Russian outposts. The Governor returned inglorious. But Hongkong patriotism vented itself in a public meeting (February 21, 1855) which resulted in an amalgamation of sundry private subscriptions that had been commenced, and sums of money eventually aggregating £2,500 were forwarded to the Patriotic Fund in London. This was done as a testimony of the admiration felt in the Colony for the heroic deeds of the British Army and Navy engaged in what was called 'the noble struggle against Russian aggression' and of Hongkong's sympathy with the sufferings consequent thereon. In addition to this, a patriotic address to the Queen was dispatched (March 15, 1855) declaring the approval of the community of the war against Russia and of the alliance entered into with 'the great French Empire,' and expressing a hope that this contest so unavoidably taken up would be vigorously pursued. The excitement was renewed when news came that the Hon. Ch. G. J. B. Elliot, in command of H.M. Ships *Sibylle*, *Hornet*, and *Bittern*, having discovered five Russian vessels in hiding in Castries Bay, had sneaked away, to the disgust of his subordinate officers, not daring to engage the Russians. The matter became afterwards the subject of a court martial in England which exculpated the commander of the squadron. The only event in the Russian war that affected Hongkong

directly was the arrival in the harbour (September 21, 1855) of the German brig *Greta* in charge of a prize crew of H.M.S. *Barracouta* with 270 Russian prisoners of war and among them Prince Michaeloff. These were the officers and men of the Russian frigate *Diana* which had been wrecked at Japan. The *Greta*, having been chartered to convey the Russians from Simoda to Ayen was captured by Admiral Stirling. In November (1855), the Vice-Admiralty Court of Hongkong condemned the vessel as a lawful prize to H.M.S. *Barracouta*. Great was the rejoicing when the news of the restoration of peace with Russia was received (June 26, 1856). All the ships in harbour were dressed in their gayest, salutes were fired, and thanksgiving services were held in Union Church (July 2, 1856) and on the following Sunday in the Cathedral.

Siam next claimed the attention of Sir J. Bowring. The British Government had long been anxious, in the interests of commerce, to conclude a treaty with Siam, but repeated attempts made in this direction by the Governor-General of India and subsequently (1850) by Sir James Brooke of Sarawak had failed. The United States of America also had been foiled in their endeavour to open up Siam to foreign trade. Sir J. Bowring now tried his hand and succeeded where greater men had signally failed. He began by opening up a private literary correspondence with the young King who had received a European education and, being a kindred spirit likewise endowed with belletristic aspirations, was fascinated by the learned doctor's fame as a literary genius. Consequently, in reply to Sir John's overtures of literary brotherhood, there arrived in Hongkong (August 12, 1854) two envoys from Siam, bearers of a royal dispatch. Sir John adroitly arranged through these envoys an official visit as a proper compliment in return for the favour of a royal missive. Fortunate as he had been so far, he was even more favoured by fortune in securing for this delicate mission, the utter failure of which was confidently predicted on all sides, the services of that astute young diplomatist, Mr. (subsequently Sir) Harry Parkes of the Canton Consulate. Great was the

need for diplomacy. There was a strong party at the Siamese Court, determined to make no concessions to foreign commerce. Sir John, therefore, starting for Siam in February, 1855, with but two vessels of war, avoided all display and went to work with the utmost caution. But the promptitude with which every obstacle, that the opposition party placed in the way of the mission, was astutely brushed away, was partly owing to the resource and acumen displayed by Sir Harry Parkes. Within an unexpectedly short period all preliminaries were settled and an important commercial treaty solemnly concluded (April 18, 1855). Sir J. Bowring returned to Hongkong victorious (May 11, 1855) while Sir Harry Parkes proceeded to England to obtain Her Majesty's signature and a year later the ratified treaties were exchanged (April 5, 1856) and supplementary articles signed (May 13, 1856). The great progress which Siam thenceforth made in commerce and civilization and the annually increasing trade which at once sprang up between Siam and Hongkong, date from the conclusion of these treaties, the success of which is in the first instance due to Sir John Bowring.

During his brief tenure of the Superintendency of Trade, Sir John devised, and succeeded in persuading the Earl of Clarendon (in 1854) to adopt, a scheme which has not only endured to the present day but formed the model of Consular organization followed by other nations, and was finally introduced in Hongkong (by Sir H. Robinson) as a Cadet scheme. It was a scheme for supplying the British Consular Service in China with Student Interpreters who, while studying the Mandarin dialect and the written language of China, should make themselves acquainted with the routine of Consular business. In sanctioning the immediate adoption of Sir J. Bowring's plan, the Earl of Clarendon forthwith presented one nomination to King's College, London, and one to each of the three Queen's Colleges in Ireland.

In his relations with the Chinese Government the learned doctor was unfortunate. His experience in the negotiation and formulation of commercial treaties, which had proved so

eminently successful in Siam, gave him no advantage in contact with a nation that despised trade. As to literary affinities, there was nothing but contempt on the Chinese side. The doctor's gown of Groningen, which captivated the Siamese King, appeared ridiculous in the eyes of Chinese Mandarins whenever he displayed it before them. The most ingenious and persistent efforts which he put forth to open up personal relations with high Chinese officials invariably met with a stolid rebuff. Sir John saw this very soon but, ignorant yet of the utter futility of peaceful measures, he attempted to gain by direct intercourse with the Court at Peking what he had failed to obtain at the hands of provincial dignitaries. Accordingly he started (September 16, 1854) in H.M.S. *Rattler* for Shanghai, in company with the French Minister M. Bourbillon, leaving Mr. D. B. Robertson in charge of the Superintendency of Trade at Hongkong, while Colonel W. Caine acted, as before, as Lieutenant-Governor. After some consultations held at Shanghai, Sir John, the U.S. Minister McLane and M. Bourbillon's Secretary proceeded, with H.M.S. *Rattler* and U.S.S. *Powhattan*, to the mouth of the Peiho where a conference, vainly expected to result in the opening up of direct negotiations with Peking, had been arranged with deputies of the Viceroy of Chihli. Beyond the opportunity which the foreign Ministers here had of stating their wishes, ventilating their grievances and hinting at intervention in aid of the suppression of the Taiping rebellion, this move was absolutely futile. On their return to Shanghai, the Ministers observed the strictest silence as to the results of their conference at the Peiho. Undeterred by this failure, Sir John was, two years later (October, 1856), on the point of starting on a second visit to the Gulf of Pehchihli, when troubles arose at Canton. But of these later on.

Sir John and the other Ministers had thought they might possibly succeed in securing direct diplomatic intercourse with Peking, without the pressure of an armed demonstration, because the Imperial Government was at this time hardly pressed by the progress of the Taiping rebellion and supposed to be secretly

desirous of foreign intervention. Sir John, following the example of his predecessor, and having sent Consular Officers to Chinkiang and Nanking (September, 1854) to report to him upon the stability, resources and prospects of the Rebel Dynasty, came to the conclusion that the Rebel Government was a gigantic imposture. Hence he concluded that the interests of British commerce in the East demanded an abandonment of the neutrality insisted upon by the Foreign Office and he vainly hoped to secure the opening up of China to foreign trade by the offer of foreign intervention. In taking this view, Sir John ran counter to a party powerfully represented in China and in England by Bishop Smith and the Missionary Societies whose views were at the time efficiently advocated by a Consular Officer (T. T. Meadows). 'If the Taipings,' wrote Mr. Meadows, were to succeed, then 480 millions of human beings out of 900 millions that inhabit the earth would profess Christianity and take the Bible as the standard of their belief.' That Sir John, with his conviction of being accredited, as the Queen's representative, to so great a portion of the human race, resisted the temptation of posing as the apostle of the much belauded Taiping cause does credit to his sagacity. But that the ex-President of the Peace Society should think of putting the sword of Great Britain into the scale against the so-called Christian Taipings and eventually draw the sword against the ruling Manchus, was an anomaly which, while it caused his fanatical opponents in China to slander him as being an atheist, alienated from him the attachment of his calm political friends in England.

Meanwhile the Taiping rebels continued their depredations in the central and southern provinces of China. In July, 1854, the city of Fatshan (the Birmingham of South-China) fell into their hands and a panic broke out in Canton (July 20, 1854) resulting in a general exodus of the wealthier classes. Crowds of fugitives took refuge in Hongkong. Kowloon city, opposite Hongkong, was at the end of September, 1854, repeatedly taken and retaken by the Rebels and the Imperialists. The

former closed in upon Canton from all sides and commenced a blockade of the Canton River which caused the junk trade of Canton city to migrate for a time to Hongkong. Owing to the general increase of piracy and the facilities for smuggling afforded by the general paralysis of the Imperial revenue service, there sprang up in Hongkong a strong demand for small European vessels (lorchas) which were chartered or purchased by local Chinese firms to convoy fleets of junks or to engage in an irregular coasting trade. Sir J. Bowring fostered this movement by passing two Ordinances (No. 4 of 1855 and No. 9 of 1856) which granted a Colonial register, and the use of the British flag, to vessels owned by such Chinese residents as were registered lessees of Crown lands within the Colony. The capture, by the Taipings, of the Hoifung and Lukfung district cities (in the N.E. of Hongkong) in September, 1854, seriously interfered, for a time, with the market supplies of the Colony. Armed bands of Taipings also paraded the streets occasionally, until the police (December 21, 1854) stopped it by arresting, in the Lower Bazaar, several hundred armed Rebels who were about to embark to attack Kowloon city. About the same time, the Governor issued a Neutrality Ordinance (No. 1 of 1855) to regulate the exclusion from the harbour of armed vessels under the contending Chinese flags and the manufacture and sale of arms and ammunition. Since September, 1854, there was at anchor in the harbour a fleet of war-junks under the command of an alleged prince (Hung Seu-tsung) of the Taiping Dynasty who, with his officers, fraternized with the local Chinese Christians and some of the Missionaries. More than a week elapsed after the passing of that Ordinance without its being acted upon and meanwhile the Colony narrowly escaped (January 23, 1855) the danger of a naval battle being waged in the harbour, as nine war-junks, carrying 2,000 Imperialist soldiers, arrived and anchored west of the Lower Bazaar whilst a large number of Taiping war-junks were lying close to the Hospital-ship *Minden*. After much delay, however, both parties were ordered off and peacefully departed in different directions.

The Taiping fleet returned to Hongkong in September, 1856, when Hung Seu-tsung addressed a letter to the Governor, stating that he had been commissioned by the Taiping Emperor to reduce the Kwangtung province, and asking for permission to charter in Hongkong steamers and junks to convey his troops to Poklo whence they would start operations against the Manchu troops. Sir John Bowring sent a copy of the letter to Viceroy Yeh and vainly claimed some credit for having declined the proposed alliance.

It is worthy of notice that the long continued successes of the Taipings did not induce the Manchu Government to relax its anti-European policy in the slightest degree. Repeatedly did Sir John hint to the Canton Viceroy how valuable the friendship of England might be to him. Again and again he reminded the stolid Mandarin of an accumulation of unredressed grievances owing to his incessant disregard of Treaty rights, and pressed him to concede at least a friendly interview for an informal discussion of the situation. It was all in vain. When Mr. (subsequently Sir) Rutherford Alcock was to be installed in his office as H.M. Consul in Canton, Sir John wrote to Viceroy Yeh (June 11, 1854) and proposed to introduce the Consul to him. Yeh left the dispatch unacknowledged for a month and then informed Sir John unceremoniously that there was no precedent for granting his request. At the close of the same year, when the Taipings blockaded the Canton river and defeated the Imperialist fleet (December 29, 1854) in a pitched battle at Whampoa, the proud Viceroy, in his hour of distress, condescended to ask Sir John to protect Canton city against the impending assault of the Taipings. Sir John hastened to Canton with Admiral Stirling (January, 1855) and, under the pretext of protecting the lives and property of British residents at Canton, took with him a large force (H.M. Ships *Winchester*, *Barracouta*, *Comus*, *Rattler* and *Styx*). This move had the desired effect of over-awing the Taiping fleet which forthwith retired. But when Sir John now once more asked Yeh for an interview and alluded to the

unfulfilled promise of the opening of Canton city, the ungrateful Viceroy was as intractable as ever. The Earl of Clarendon had, when giving Sir John his instructions (February 13, 1854), specially warned him, 'to treat all questions of unrestricted intercourse with the Chinese with much caution, so as not to imperil commercial interests which, with temperate management, would daily acquire greater extension.' But this policy of waiving at Canton the rights granted to British residents and condoning the insults incessantly offered to them by that proud city, did no good with people like the Cantonese gentry. It merely postponed the impending crisis and put off for a brief interval the day of reckoning for years of continued breaches of Treaty rights. Canton was now the only port in China where the Nanking Treaty was systematically disregarded, and this was done at Canton simply on account of the proximity of Hongkong. The establishment of a British Colony at the mouth of the Canton river was to the haughty Cantonese what German Alsatia is to sensitive Frenchmen: a festering wound in their side, a source of constant irritation.

Yeh Ming-shen, the successor of Seu Kwang-tsin in the Imperial Commissionership and Viceroyalty at Canton and the most faithful exponent of that Manchu policy which heeds none but forcible lessons and is bound by none but material guarantees, was the very man to bring the existing popular irritation to a crisis. He was the idol of the gentry and literati of Canton who had (in 1848) erected, in honour of Seu and Yeh, a stone tablet recording their anthropophagous hatred of Europeans in the following memorable words, 'whilst all the common people yielded, as if bewitched, to all the inclinations of the barbarians, only we of Canton, at Samyuenli (1841) have ever destroyed them, and at Wongchukee (1847) cut them in pieces: even our tender children are desirous to devour their flesh and to sleep upon their skins.' Viceroy Yeh, the representative of this party, hated the power, the commerce, the civilization of Europe even more than any of his predecessors. He was not aggressive, however, nor did he think it worth while to strengthen his

defences or his army. Yet he was determined to maintain the supremacy of China over all barbarians. He blamed Sen for having had too much parleying with Plenipotentiaries and Consuls. He would have no interviews of any sort. He would simply dictate his terms to them. As a matter of fact he never granted an interview to any foreigner, though Sir John plied him with arguments and Sir M. Seymour bombarded his residence to obtain one, and he never met a European face to face until that memorable day (January 5, 1858) when his apartments were unceremoniously burst into by the blue-jackets of H.M.S. *Sanspareil* and he was, while climbing over a wall, caught in the strong arms of Sir Astley Cooper Key whilst Commodore Elliot's coxswain 'twisted the august tail of the Imperial Commissioner round his fist.' But I am anticipating.

From the time of Yeh's assumption of office, the anti-foreign attitude of the literati at Canton became more and more pronounced. There was a brief lull in 1855 and 1856 while the Taipings hovered around Canton city. But when the rebels retreated, the gentry of Canton resumed their hostile demeanour. Inflammatory anti-European placards and handbills were distributed broadcast over the city and suburbs in summer 1856. Englishmen were stoned if they shewed themselves anywhere outside the factories. It was felt on both sides that an explosion was imminent. Yet neither side prepared for the coming struggle.

Such was the position of affairs when, on 8th October, 1856, the little incident occurred which gave rise to the famous *Arrow* War. The Chinese Annalist tells the story in the following words. 'The difficulty arose through a lorcha (named the *Arrow*), having an English captain and a Chinese crew, anchoring off Canton with the Russian (sic) flag flying. Now the Nanking Treaty provided for the surrender of such Chinese as shall take refuge in Hongkong or on board English ships. When the Chinese Naval Authorities became aware that the crew was Chinese, a charge of being in collusion with barbarians was preferred and twelve Chinese seamen were taken in chains into

Canton.' In reality, the facts were briefly these. Some Chinese crown-lessees of Hongkong had legally purchased in Chinese territory and from Chinese officials a small clipper-built vessel (lorcha) which those officials had re-captured from Chinese pirates. The purchasers, residents of Hongkong, brought the vessel to the Colony, gave her the name *Arrow*, and in due form obtained for her (in October, 1855) a Colonial register under Ordinance No. 4 of 1855. As the original owners of the vessel (whose rights the Chinese officials had set aside) brought an action against the purchasers in the Supreme Court of Hongkong, the ownership of the vessel was judicially established. The *Arrow* was then employed in the legitimate coasting trade, open to British ships, and thus visited the port of Canton, flying the British flag, on 8th October, 1856. Although the renewal of her register happened to be several days over-due, that did not in law deprive her of her privileges as a British vessel. Nor did the Chinese Authorities know of it. The unceremonious arrest of her crew on the part of the Chinese Authorities on the charge of 'collusion with barbarians' and their refusal of Consul Parkes' demand that the men be surrendered to him for trial in the Consular Court (as required by the Treaty), constitute the undisputed facts of the case. The only point in which this violation of Treaty rights differed from numerous previous acts of the Cantonese Authorities was the fact that the arrest of the crew involved in this case a deliberate insult to the British flag.

To the Chinese merchants and shipowners residing in Hongkong, the point in dispute appeared to be the question whether their owning vessels, lawfully registered under a Hongkong Ordinance, made them liable to a charge of being in collusion with barbarians. The Admiral on the station, Sir Michael Seymour, rightly looked upon the case as an unprovoked insult to the British flag, such as demanded an immediate apology or redress. Sir John Bowring saw in this move of the insolent Viceroy a good opportunity for settling the question of official intercourse dear to himself and for securing the

promised opening of Canton city demanded by the merchants. His Chinese advisers, Consul Parkes and Secretary Wade, saw deeper and recognized in the case, not merely the old foolish assumption of Chinese supremacy, but the unavoidable conflict between Europe and Asia or (as Parkes put it at the time) between Christian civilization and semi-civilized paganism. At any rate, this much is perfectly clear, that, even if the *Arrow* case had never occurred, hostilities would have broken out all the same.

Sir J. Bowring commenced action by demanding (October 10, 1856) a public surrender of the crew. This was refused. He next demanded (October 12th) an apology. This was also refused. Sir John then authorized the seizure (October 14th) of a Chinese gunboat. Yeh ridiculed such petty retribution and sent word that the gunboat was not his at all. At last (October 21st) Sir John solemnly threatened warlike operations unless an apology was tendered and the crew restored to their vessel within 24 hours. Yeh sent the twelve men to the Consul with a message that two of the men must be returned to him as they were wanted, and refused an apology. Admiral Seymour now stepped in and undertook to avenge the insult to the British flag. He commenced by demanding of Yeh a formal apology and access, for that purpose, into the city. When Yeh curtly refused this demand, there commenced what was thenceforth known as the *Arrow* War.

The Admiral demolished forthwith some Chinese forts (October 23rd and 24th), and, when this failed to impress the stubborn Viceroy, the Admiral bombarded (October 27th to 29th) his official residence. Contrary to all expectation this measure also failed to elicit an apology. Next the city wall opposite Yeh's residence was breached (October 29th), but Yeh, having removed to a safe distance within the city, defied the Admiral to do his worst, feeling sure that the handful of men under the Admiral's order would not venture inside Canton city which the literati and their trainbands had declared safe from invasion. To move Yeh's colleagues, the Admiral bombarded (November

3rd to 5th) the official residences of the Civil Governor and of the Tartar General. Yeh still held out. The Admiral destroyed another fort (November 6th) and dismantled the Bogue forts (November 12th and 13th). But, when these measures also left the Viceroy as indomitable and intractable as ever, the Admiral informed Sir John that, in the absence of troops, nothing more could be done and retired to Hongkong, whence he wrote home asking for a reinforcement of at least 5,000 men. Chinese and European residents of Hongkong were dismayed.

Now it was Yeh's turn to commence hostilities in his own way. He had previously (October 28, 1856) put a price of \$30 on English heads. He now raised the reward to taels 100 per head, called upon the Chinese population of Hongkong to leave the Colony immediately, and placarded the streets of Hongkong and Canton with appeals to the people to avenge his wrongs by any means whatever. In response to this appeal, which had at first no effect in Hongkong, the Canton mob set fire to the European factories at Canton (December 14, 1856) and later on (January, 1857) to the British docks and stores at Whampoa.

In Hongkong, where Taiping rebels and professional pirates and brigands had been making common cause under the aegis of the local Triad societies, the European community was, ever since the *Arrow* incident, pervaded by a growing sense of insecurity. On 16th October, 1856, a public meeting, summoned to consider matters seriously affecting the interests of the Colony, bitterly complained of the total inefficiency of the Police Force for the protection of life and property. Various forms of registering the Chinese residents, so as to exclude all Chinese whose honesty was not vouched for, were proposed and urged upon the Government with the utmost confidence. Sir John, however, put no trust in the vouchers that would have been produced and shrank from a measure the thorough execution of which would have involved the forcible deportation of the vast majority of the local Chinese residents. His refusal to sanction any of the popular measures proposed by the British

community gave great offence and the irritation increased when the fleet retreated from Canton, foiled by Yeh's obstinacy, and more particularly when his placards appeared at every street corner calling upon all loyal Chinese residents of Hongkong to avenge his wrongs and to make war against all Europeans which they could do only by dagger, poison or incendiarism. The European community now felt the enemy lurking in their midst, the British flag successfully insulted, the navy defeated, the Governor indifferent to their danger. What measures the Governor did take, served only to increase the excitement which now commenced to take hold of the community. On 30th December, 1856, a general rising of the mob being apprehended, H.M.S. *Acorn* was anchored near the Central Market to overawe the Chinese rowdies congregating in that neighbourhood. On the same day an auxiliary Police Force was organized and an attempt was made to enrol volunteers as special constables. The new-year opened with the news that the S.S. *Feima*, having been attacked by Chinese soldiers, was hulled in several places, and that incendiaries had been at work in different parts of the town. The Governor now issued (January 6, 1857) in great haste a draft Ordinance for better securing the peace of the Colony. But the measures it resorted to, greater stringency as to night-pass regulations, deportation of suspected emissaries or abettors of enemies and compulsory co-operation for the extinction of fires, gave no satisfaction to the community in the absence of a Draconic form of compulsory registration. It was once more suggested that every Chinaman not carrying on his person an official badge and registered voucher of his honesty should be deported. The feeling of insecurity increased. Jardine Matheson and Company found it necessary to obtain a detachment of blue-jackets and marines to guard their premises, and the local papers now published a 'daily chronicle of Chinese atrocities.' Within the first fortnight of 1857 this chronicle contained daily items of local outrages such as 'shooting of four men with fire-balls upon them; temporary stupefaction of three Europeans after eating poisoned soup; discovery of a headless body in the-

Wongnaichung valley ; firing matsheds on Crosby's premises in Queen's Road Central ; capture of S.S. *Thistle* (January 13, 1857) by Chinese soldiers disguised as passengers, who murdered eleven Europeans and several Chinese and burned the vessel.'

On the morning of January 15th, 1857, a few hours before the mail carrying to England the foregoing budget of news left the harbour, the foreign community was seized by a general panic, as at every European breakfast table there arose the simultaneous cry of 'poison in the bread.' Some 400 Europeans, partaking that morning of bread supplied by the E-sing bakery, owned by a Heungshan man called Ah-lum, suffered more or less from arsenical poisoning. Every 4 lb. loaf of white bread, subsequently analysed at Woolwich (by F. A. Abel), contained grains .92 per cent. of white arsenic. Toasted bread contained the smallest proportion (.15 grains per cent.) of poison, yet 4 ounces of it were found to contain $2\frac{1}{2}$ grains of arsenious acid. Brown bread contained about $2\frac{1}{2}$ times and white bread about 6 times the quantity found in the toast. Those who ate least suffered the most. Some, Lady Bowring for one, were delirious for a time ; many had their health permanently injured ; all received a severe nervous shock by the sudden consciousness of being surrounded by assassins. No immediate death was caused by this poisoning incident but some, as for instance Lady Bowring, who had to return to England and failed to recover, were evidently hurried into the grave by it. Even after the lapse of a year (January 17, 1858) the local papers asserted, with reference to the death of a Mr. S. Drinker and Captain Williams of the S.S. *Lily*, that their deaths had been medically traced to the arsenic swallowed by them on the great day of poisoning. On that memorable morning the excitement was of course most intense. The medical men of the Colony, whilst personally in agonies through the effects of the poison, were hurrying from house to house, interrupted at every step by frantic summons from all directions. Emetics were in urgent request in every European family. Ah-lum, the baker, who for some weeks previous had been worried by messages from the

Heungshan Mandarins to remove from Hongkong, had left for Macao that morning with his wife and children, but they also found themselves poisoned, and Ah-lum was returning voluntarily to Hongkong when he was arrested. Strange to say, his workmen did not run away even after the poison had taken effect, but remained at the bakery until the police, after a delay of many hours, came and arrested 51 men. As many as 42 of them were kept for 20 consecutive days and nights on remand, in an underground police cell, 15 feet square by 12 feet high. It was thenceforth justly termed 'the Black Hole of Hongkong.' The local papers seriously urged the Governor 'to have the whole of the poisoning crew of E-sing's bakery strung up in front of the shop where the scheme was concocted.' Justices of the Peace, shrinking from the application of lynch law, entreated the Governor to proclaim forthwith martial law and to deport every Chinaman whose loyalty could not be vouched for. Though every member of his family suffered from the poison, Sir John remained calm and rejected all suggestions of hasty measures. But to the eyes of the terror-stricken community his firmness bore at the time the aspect of callous indifference. When, by the end of the month, the excitement had somewhat abated, the European residents still complained that nothing was done by the Governor to assure public confidence against the recurrence of a similar or worse catastrophe, and that the deportation (to Hainan) of 123 prisoners, released owing to the overcrowded state of the gaol, increased the general feeling of insecurity.

The result of the criminal prosecution instituted against Ah-lum and his workmen was equally unsatisfactory to the public mind. There was no evidence incriminating the persons arrested, and Ah-lum, who was defended by the Acting Colonial Secretary (Dr. W. T. Bridges), was acquitted by the verdict of an impartial jury. He was, however, re-arrested as a suspicious character and detained in gaol until July 31st, 1857, when he was released, by order of the Secretary of State, on condition of his not resorting to the Colony for five years.

A civil action had meanwhile been brought against Ah-lum by the editor of the *Friend of China* (W. Tarrant) who obtained (June 24, 1857) \$1,000 damages for specific injuries, that resulted from eating the poisoned bread sold to him by Ah-lum. The latter was, however, by this time reduced from affluence to bankruptcy. He may have been innocent of any direct complicity, but the community, which unanimously attributed the crime to the instigations of Cantonese Mandarins, would not believe otherwise but that Ah-lum had, in some measure, connived at the diabolical attempt to poison the whole of the foreign residents of Hongkong.

When the news of the outbreak of hostilities at Canton reached England, the several political parties in opposition formed a coalition with a view to censure the Ministry. Lord Derby, supported by Lord Lyndhurst in the House of Lords (February 24, 1857), and Mr. Cobden, supported by Mr. Gladstone and Mr. Disraeli in the House of Commons (February 26, 1857), heroically espoused the cause of that innocent lamb-like Yeh and condemned the proceedings initiated by Sir John Bowring in the most unsparing terms. It was said that the Government had one rule for the weak and another for the strong, and that the conduct of Sir John Bowring had been characterized by overbearing insolence towards the Chinese Authorities. Lord Palmerston warmly defended the action of Sir John but, as the debate proceeded, it soon became evident that the question involved was not merely the proposed appointment of a Committee to investigate British relations with China, nor even the recall of Sir John, but the fate of the Ministry. However, when Mr. Cobden's vote of censure was carried in the Commons by a majority of 16 votes, the Ministers, instead of resigning, announced (March 5, 1857) that, after passing certain urgent measures, they would dissolve Parliament in order to appeal, on the Chinese question, to the nation. They added that meanwhile the policy of the Government with regard to China would continue to be what it always had been, viz. a policy for the protection of British commercial interests, and that the question of the continuance or recall of Sir John Bowring was one that

had been and still was under the grave consideration of the Cabinet. Without waiting for the result of the coming elections, Lord Palmerston sent orders to Mauritius and Madras to mobilize troops for service in China, and forthwith selected the Earl of Elgin and Kinkardine to proceed by the mail of April 26, 1857, as special Plenipotentiary to China. A supplementary force of troops, steam-vessels and gun-boats was immediately dispatched from England. The Viceroy's placards and the poisoning of the Hongkong community, which the Cantonese Mandarins had considered a master stroke of their policy, exercised, at the general elections, a considerable influence towards bringing about the deliberate adoption by the nation of the warlike policy of Lord Palmerston. He returned to power stronger than ever. However, so far as Sir John Bowring was concerned, the debate in Parliament blasted in one fell swoop all his ambitious hopes. Lord Clarendon indeed wrote to him sympathetically, saying, 'I think that you have been most unjustly treated and that in defiance of reason and common sense the whole blame of events which could not have been foreseen and which had got beyond your control was cast upon you.' But there was no comfort to Sir John in such a private declaration of his innocence, seeing that it was accompanied by the official announcement that he had been superseded in his office as H.M. Plenipotentiary in China. This measure virtually left him but the Governorship of Hongkong. But what was that in the eyes of the man who had been accustomed to say, 'I have China, I have Siam, I have no time for Hongkong'? Moreover, the loss of personal friends like Cobden and others, who could not get over the fact that the late President of the Peace Society had been the originator of the latest war, cut him to the quick. Fame now seemed to him but a glorious bubble and honour the darling of but one short day.

Owing to the outbreak of the Indian Mutiny (May, 1857) nearly a year passed by before the troops sent out to China and opportunely diverted to India, were ready to recall the Chinese Government to a sense of Treaty obligations. Meanwhile

Viceroy Yeh continued his irregular warfare. The S.S. *Queen* suffered (February 23, 1857) the same fate as the *Thistle* and her captain and European crew were assassinated. Incendiarism flourished in a petty way in Hongkong, and Duddell's bakery, inaccessible to poisoners, was fired (February 28, 1857). Mandarin proclamations once more (March, 1857) peremptorily ordered all Chinese to leave Hongkong on pain of expatriation, but as yet with little result. A vast conspiracy was discovered (April 15, 1857) to have been organized in Canton to make war in Hongkong against British lives and property. Attacks on British shipping and even on British gunboats were of frequent occurrence until Commodores Elliot and Keppel (May to June, 1857), by a series of dashing exploits, drove Yeh's war-junks out of the delta of the Canton River and, by a brilliant action near Hyacinth Island, destroyed Yeh's naval headquarters in the Fatshan creek.

On 2nd July, 1857, Lord Elgin arrived in Hongkong. Reluctantly he condescended to receive an address from the British community, but departed presently for Calcutta. He left upon Sir John and the leading residents, whose suggestions he treated in supine cavalier fashion, the impression that his sympathies were rather with poor old Yeh than with his own countrymen. He shewed plainly that he looked upon the *Arrow* incident as a wretched blunder. Hongkong residents rejoiced to learn that his instructions (of April 20, 1857) included, besides the demands for compensation, for a restoration of Treaty rights and the establishment of a British Minister at Peking, also 'permission to be secured for Chinese vessels to resort to Hongkong from all parts of the Chinese Empire without distinction.' But this hope, like every other local expectation centering in Lord Elgin, was doomed to disappointment. Before his departure he would not even listen to Sir John's urgent advice that the reduction of Canton was a necessary preliminary to an expedition to the Peiho. But when he returned from Calcutta (September 20, 1857), together with Major-General C. van Straubenzee and his staff, he yielded the point as it

was then too late in the year for operations in the North. A further delay was necessary to await the arrival of the French Plenipotentiary, Baron Gros, and his forces, as the French, under the pretext of having the murder of a missionary to avenge, desired to co-operate in the humiliation of China. Meanwhile the Canton River had been blockaded (August 7, 1857) by the British fleet and a Chinese coolie-corps of 750 Hakkas had been organized. When all was ready at last, fully a year had passed by since the British retreat from Canton. At last the formulated demands of the Allied Plenipotentiaries were forwarded (December 12, 1857) to Yeh. After ten days' consideration, Yeh calmly replied by a lengthy dispatch, full of what even his friend Lord Elgin characterized as sheer twaddle. He promised nothing but was willing to go on as of yore. An ultimatum was now presented (December 24, 1857) giving him 48 hours to yield or refuse the demands of the Allies. Meanwhile 5,000 English and 1,000 French troops moved into position in front of Canton city without opposition. Yeh had notified the people that, as the rebellious English had seduced the French to join them in their mutinous proceedings, it was now necessary to stop the trade altogether and utterly to annihilate the barbarians. But this appeal to a people without popular leaders was fruitless. Yeh replied to the ultimatum by a reiteration of his trite arguments. So the bombardment of Canton, or the 'Massacre of the Innocents' as Lord Elgin termed it, commenced (December 28, 1857). The fire was, as on former occasions, exclusively directed against the (untenanted) official buildings and Tartar quarters and against the city wall and forts. Lin's fort blew up by accident. Yeh quietly continued ordering wholesale executions of Chinese rebels. Next day (December 29, 1857) Magazine Hill, which commands the whole town, was captured and the city walls occupied without much loss. Yeh remained obstinate. At last, after a strange pause in the proceedings, detachments of British and French troops entered the city simultaneously from different points (January 5, 1858) and, after a few hours of unopposed search, Yeh as

well as the Civil Governor (Pih Kwei) fell into the hands of British marines, while the French captured the Tartar General. The question now arose what to do with Canton city and its captured officials. Lord Elgin reluctantly admitted that a successful organisation of the government of Canton city was impossible so long as Yeh was on the scene. So he sent him to Hongkong *en route* for Calcutta where he died two years later. Whilst Yeh was in Hongkong, Sir J. Bowring had at last (February 15, 1858) the long desired pleasure of an interview with Yeh on board H.M.S. *Inflexible*, but Yeh would not enter into any conversation and referred him to his interpreter (Ch. Alabaster). Meanwhile the government of Canton city had been settled by the appointment (January 10, 1857) of a Mixed Commission consisting of Consul Parkes, Colonel Holloway of the Royal Marine Light Infantry, Captain Martineau des Chenez of the French Navy and Governor Pih Kwei. This Commission, thanks to Sir H. Parkes' organizing genius, succeeded, with the aid of a small force of Anglo-French police and by means of re-instating all the executive and administrative officers under Pih Kwei, in restoring forthwith public confidence and in maintaining perfect order. These arrangements were made by Lord Elgin, at the suggestion of Consul Parkes who was the head and soul of the Commission, contrary to the advice of Sir J. Bowring. The latter opposed such a mixed form of government on the ground that a dual administration of this sort, containing so many elements of discord, would fail to inspire public confidence, produce mutual distrust and clashing of authority, and give the Chinese in other provinces the idea that the barbarians did not really conquer and govern Canton city. Events disproved these vaticinations. For several years, the most turbulent city of the Empire was successfully and peacefully governed by the Allied Commissioners. Trade was immediately resumed and the industries of Canton carried on as usual. The village volunteers in the adjoining districts, with whom Pih Kwei was secretly in league, were kept in check by occasional military expeditions, organized at the suggestion of Consul Parkes

and dispatched to Fatshan and Kongtsun (January 18, 1858), to Fuyen (February 8th) and far up the West River to a distance of 200 miles (February 19th to March 3rd). The government of Canton city and these military expeditions into the interior of Kwang-tung Province were indeed the only operations in the whole *Arrow* War that made a good and lasting impression upon the Chinese people. These measures shewed conclusively the ease with which large masses of Chinese can be controlled by a moderate but firm display of European power. They demonstrated also the benefits that would accrue to the Chinese as well as to foreign trade by a real opening up of South-China to the civilizing influences of British power.

Lord Elgin, with his maudlin misconception of the true character of the Manchu Government, proved a signal failure. Like Sir H. Pottinger, he did well so long as warlike operations proceeded, but the moment parleying commenced he allowed himself to be duped. After sending the demands of the Allies to Peking (February 11, 1858) and finding them to his surprise treated with contempt, he took the Taku forts (May 20, 1858) and occupied Tientsin with ease. But instead of pushing on to Peking and dictating his terms there, he stopped at Tientsin and negotiated a Treaty (June 26, 1858) void of any material guarantees apart from money payments. Instead of retaining at least possession of Tientsin until the ratification of this compact, he retreated forthwith to Shanghai to settle commercial regulations. Next he yielded the main point of his own Treaty (permanent representation of Europe in Peking) and returned to England (March, 1859) only to find, three months later, when the Treaty ratifications came to be exchanged, that the wily Chinese had fooled him. The success with which Yeh had for years disregarded the Nanking Treaty in the South, naturally encouraged the Mandarins in the North to signalize their disregard of the Tientsin Treaty by their action at Taku (June 25, 1859) which permanently injured British prestige in China.

In Hongkong the turmoil continued in one way or other to the end of Sir J. Bowring's administration. On the day when

the bombardment of Canton commenced (December 28, 1857), there was among Europeans in Hongkong a serious apprehension of an emente which found expression in a startling Government notification to the effect that 'in case of fire or serious disturbance' notice would be given by beat of drum and residents would find 100 stand of arms ready for volunteers willing to assist the police. Owing to the frequency of conflagrations, ascribed to a gang of incendiaries headed by the famous pirate chief Chu A-kwai, the Governor offered (May 17, 1858) rewards of \$500 for the arrest of the man and \$100 for each of his accomplices. This appeal to sordid cupidity in order to further the ends of justice naturally appeared to the Chinese as on a par with Yeh's system of retaliating for the bombardment of Canton by offers of head-money to private assassins and patriotic incendiaries in Hongkong. That barbarous mode of warfare against the Colony was steadily continued by the Mandarins of the neighbouring districts who, in spite of the occupation of Canton by the Allies and even after the conclusion of the Tientsin Treaty, continued to worry Chinese residents of Hongkong into hostile attitude against Europeans. In January, 1858, the Legislative Council had represented to Lord Elgin the continued exactions practised by the Chinese Authorities at Heungshan and especially at Casa Branca (near Macao) on the Chinese in the employ of Europeans in Hongkong, but Lord Elgin would not listen to the suggestion of the Council that a forcible demonstration be made against those Authorities. When the Mandarins found how comparatively fruitless their proclamations were, they moved the rural militia-associations to compel all village elders to cut off the market supplies of the Colony and to send word to their respective clansmen in Hongkong to leave the Colony immediately on pain of their relatives in the country being treated as rebels (including mutilation and forfeiture of property). This popular measure had its effect. Many Chinese in the Colony now resigned lucrative employment for very fear. A sensible exodus of individuals of all classes commenced and by the middle of July European

residents began to feel themselves boycotted. A public meeting was therefore held (July 29, 1858) to discuss the extensive departure of Chinese from the Colony and the stoppage of food supplies. In accordance with the urgent resolutions unanimously passed by this meeting, Sir John boldly departed from Lord Elgin's line of policy and issued (July 31, 1858) a proclamation emphatically threatening the Heungshan and Sanon Districts with the retributive vengeance of the British Government if servants and food supplies were withheld any longer. Copies of this proclamation were successfully delivered at Heungshan by a party of British marines, but when H.M.S. *Starling* conveyed copies of the same proclamation to Sanon, a boat's crew, while under a flag of truce, were fired upon by the braves of Namtao. Thereupon General C. van Straubenzee and the Commodore (Hon. Keith Stewart) proceeded to Sanon with a small military and naval force and took the walled town of Namtao by assault, with the loss of two officers and three men. This measure had its effect in an immediate restoration of the market supplies of the Colony and an altered attitude of the Mandarins.

In addition to all the excitement which the *Arrow* War and its by-play of poisoning, incendiarism and boycotting involved, the public life of Hongkong was, throughout this administration, convulsed by an internal chronic warfare the acerbities of which beggared all description. It is not the duty of the historian to drag before the public eye the private failings of individuals nor is it proposed here to enter upon all the details of the mutual criminations and recriminations in which the public men of the Colony and the local newspapers indulged during this liveliest period in the history of Hongkong. But as the eruptions of volcanoes reveal to us the secrets of the interior of the earth, so these periodical explosions of feeling in the Colony give us an insight into the inner workings of local public life. It is necessary therefore to characterize, and trace the real cause of, these dissensions which disturbed the public peace, the more so as these matters became subjects of debate in Parliament to the great injury of the reputation of Hongkong.

When Sir John arrived in the Colony (April, 1854), the public mind had for some years been, and still was, in a state of tolerable tranquillity, and peace reigned within the Civil Service. The only disturbing element was a local newspaper, *the Friend of China*, edited by a discharged Civil Servant, who generally criticized the Government and most public officers with some animus and repeatedly insinuated that the Lieutenant-Governor (whilst Chief Magistrate) had been in collusion with his com-prador's squeezing propensities. The fact that the Lieutenant-Governor allowed five years to pass before he stopped these unfounded calumnies by the appeal to the Court which, as soon as made, consigned that editor to the ignominious silence of the gaol (September 21, 1859), encouraged in the Colony a vicious taste for journalistic personalities. The more wicked a paper was, the greater now became its popularity. Soon another local editor (*Daily Press*) who, in certain business transactions in connection with emigration, had been crossed by the Registrar General, outstripped in scurrility his colleague of the *Friend of China*, and commenced to insinuate that the Registrar General was the tool of unscrupulous Chinese com-pradors and in league with pirates. The Registrar General sent in his resignation (June 11, 1855) but the Government, as well as the Naval Authorities, having perfect confidence in him, he was later on (December 6, 1856) induced to resume his office.

The next source of trouble was the system of Petty Sessions devised by Sir G. Bonham and continued by Sir J. Bowring who appointed (October 4, 1855) 13 non-official Justices of the Peace (subsequently increased to 15) to assist the stipendiary Magistrates. The non-official Justices, however, did not attend the Sessions unless they were specially sent for and the Chief Magistrate, as a rule, sent for them only when he had a difficulty with the Executive. In spring 1856, the Governor several times took occasion to remonstrate with the Chief Magistrate (T. W. Davies) regarding his interpretation of the new Building Ordinance (No. 8 of 1856) in cases of encroachments on Crown land. The Magistrate, disregarding the minutes of the Executive

Council on the subject of that Ordinance, twice (May 23rd and June 3rd) sent for non-official Justices to assist him in cases in which the Crown was prosecutor, and these Justices, representing the interest of house owners, emphatically concurred in his interpretation of the Building Ordinance. Thereupon the Governor addressed (August 19, 1856) a severe remonstrance to the Justices of the Peace, blaming all for habitual neglect of their duties in not giving regular attendance at the Petty Sessions (at which half of them had never attended at all) and censuring four Justices with having (May 23rd) concurred in a decision by which the obvious intent of the law was abrogated, and with having (June 3rd) supported the Magistrate in his determination not to give effect to the law. An angry correspondence ensued, in the course of which the Justices, alleging that they had attended in Court whenever they were requested to do so, claimed the right to frame their decisions according to their own convictions and characterized the Governor's action as an attempt to intimidate the stipendiary Magistrate. 'The question at issue,' they wrote, 'is in effect this, whether the law is to be administered according to the judgment of the Magistrates who are sworn to dispense it according to the best of their knowledge and ability, subject to correction by appeal to the Supreme Court, or according to the dictation of the Governor and Executive Council.' The dispute culminated in a passionate public meeting (October 16, 1856). This meeting complained of the retrospective character of the new Building Ordinance (8 of 1856) and the insufficiency of the Surveyor General's staff, of the right given to the Crown to recover costs at common law (Ordinance 14 of 1856), of the exclusion of the public from the meetings of Legislative Council and of the absence of a Municipal Council. In his reply the Governor clearly had the best of the argument but promised a reconstruction of the Legislative Council. He added, however, that this reconstruction would not be based on a representative principle, 'to which the circumstances of Hongkong are, in the judgment of Her Majesty's Government

and of a majority of the members of the Executive Council, far from adapted.'

But now a more potent element of discord appeared on the scene in the person of a testy Attorney General who for some reason or other had been sent out, fresh from the House of Commons where he had represented the electors of Youghal (1847 to 1856). While considering it his mission in life to set things right in Hongkong, he seemed to combine, with thorough uprightness of character, a lamentable want of self-restraint. He was hardly a month in the Colony before he quarrelled with both Magistrates, and scenes of mutual re-erimination were enacted in the Supreme Court (June, 1856). This was followed, two months later, by an action for defamation brought by the junior Magistrate against the Attorney General. With the exception of an allegation of defalcations in the Colonial Treasury, which had been placed (in 1854) in charge of its chief clerk (R. Rienacker) and necessitated the appointment (June 13, 1851) of a Commission of Inquiry, there was a brief lull in this internal turmoil, while the public mind was occupied with, and wrought up to great nervous tension by, the *Arrow* War and its local consequences. In spring 1858, however, the shattered nerves of the community were thrilled anew with a series of Civil Service disputes. The editor of the *Daily Press*, having gone so far as to accuse the Governor of corruptly favouring the firm of Jardine, Matheson & Co. in the matter of public contracts, was promptly brought to book and sent to gaol for six months (April 19, 1858). About the same time the Acting Colonial Secretary who, being a barrister, had taken over the office on condition of his being allowed private practice, was charged by the Attorney General with collusion with the new opium farmer (an ex-teacher of St. Paul's College) from whom he had accepted a retainer. A Commission (H. T. Davies and J. Dent) inquired into the charge (April, 1858) but, though some slight blame was laid on the Acting Colonial Secretary, his honesty and honour were held unimpeached. Next the Attorney General resigned the Commission of the Peace unless

the Registrar General were excluded from it (May 14, 1858). The Governor at once asked the Justices to nominate a Committee of Inquiry. The Justices declined to do so but, when the Committee appointed by the Governor (Ch. St. G. Cleverly, H. T. Davies, G. Lyall, A. Fletcher, John Scarth) advised the retention of the Registrar General in office (July 17, 1858), four of the Justices (J. D. Gibb, P. Campbell, J. Rickett, J. Dent) published their dissent from the verdict of the Committee. Now in the course of this inquiry side-issues had meanwhile been raised which carried the conflict still further. The Attorney General not only impeached the Acting Colonial Secretary's integrity by insinuating that he had burned the account books of a convicted pirate (Machow Wong) to screen himself and the Registrar General against a charge of complicity with pirates, but the Attorney General also publicly divulged an unfavourable opinion, as to the character of the Acting Colonial Secretary, which the Governor had expressed in confidential consultation with the Attorney General. Naturally, the Governor now suspended the Attorney General, and referred the case to the Home Government. Although the Secretary of State, in reply, expressed himself satisfied with the conduct of the Acting Colonial Secretary, the latter voluntarily resigned his office (August 28, 1858). However, when he commenced an action for libel (with reference to the burning of the books of Machow Wong) against the editor of the *Friend of China*, the jury brought in a verdict of not guilty and the Court awarded costs against the Government (November, 1858). The conduct of the Governor who, to avoid a subpoena served on him in this case, had hurriedly departed for Manila (November 29, 1858) being too ill to attend, provoked much criticism at the time. But unfortunately matters did not stop here. Elated by this measure of success, the editor of the *Friend of China*, and the suspended Attorney General, commenced an agitation in England which only served to bring upon the Colony greater odium and the contempt of the nation.

In January, 1859, a public meeting held at Newcastle-on-Tyne, in the belief that the books of Machow Wong had been burned to screen a public officer from conviction of complicity with pirates, petitioned Parliament to direct such an inquiry as would vindicate the honour of the British Crown and do justice. This example was followed by meetings held at Tynemouth, Macclesfield and Birmingham, and at some other towns public meetings were convened for the same purpose. On March 3rd, 1859, Earl Grey brought the Newcastle petition before the House of Lords, while Sir E. Bulwer-Lytton dealt with the matter before the Commons. The latter stated, that the documents in the case had been referred to a legal and dispassionate adviser of the Crown; that he discovered in them hatred, malice and uncharitableness in every possible variety and aspect; that the documents might consequently be considered a description of official life in Hongkong; that the mode in which the Attorney General had originated and conducted the inquiry, and the breach of official confidence which occurred in the course of the trial, had led the Governor to suspend him; that, after a dispassionate consideration of the papers, he could come to no other conclusion than that the Governor's decision ought to be confirmed; that it was, however, his intention, as soon as possible, to direct a most careful examination into the whole of the facts. Of course the public press treated the whole case in a variety of ways, but the verdict of public opinion in England was, no doubt, that to which the *Times* gave utterance (March 15, 1859) in a scathing article of which the following is a brief digest.

‘Hongkong is always connected with some fatal pestilence, some doubtful war, or some discreditable internal squabble, so much so that, in popular language, the name of this noisy, bustling, quarrelsome, discontented little Island may not inaptly be used as a euphemous synonym for a place not mentionable to ears polite. Every official's hand is there against his neighbour. The Governor has run away to seek health or quiet elsewhere. The Lieutenant-Governor has been accused of having allowed his servant to squeeze. The newspaper proprietors were, of late,

all more or less in prison or going to prison or coming out of prison, on prosecutions by some one or more of the incriminated and incriminating officials. The heads of the mercantile houses hold themselves quite aloof from local disputes and conduct themselves in a highly dignified manner, which is one of the chief causes of the evil. But a section of the community deal in private slander which the newspapers retail in public abuse. The Hongkong press, which every one is using, prompting, disavowing and prosecuting—the less we say of it the better. A dictator is needed, a sensible man, a man of tact and firmness. We cannot be always investigating a storm in a teapot where each individual tea-leaf has its dignity and its grievance.

Black as the case thus put before the home country was, it did not cover the whole extent of Hongkong's internal warfare. The dissensions which, as above recounted, disgraced the public life of the Colony, invaded also the Legislative Council. In the first instance the Members of Council, both unofficial and official, frequently overstepped during this period the limit of their proper functions, occupying themselves with matters having no concern with legislation, and really trenching on the powers of the Executive. Next, the official Members, and notably the Attorney General and the Chief Magistrate, claimed an extraordinary measure of independence. On more than one occasion, and without any previous communication to the Governor or Colonial Secretary, these officials censured the Executive in strong terms. The Attorney General, with whose advent the character of the Legislative Council underwent a marked change, often repudiated the authority of the superior Law Officers of the Crown when their opinions, formally conveyed to the local Government, differed from his. With equal nonchalance he declared that he took his seat in Council as an independent legislator, not as a servant of the Crown, and that he was there, if he thought fit, to criticize and oppose the views of the Executive. Naturally the unofficial Members felt under these circumstances justified in claiming equal liberties.

When Sir J. Bowring became Governor, the Legislative Council was presided over by the Lieutenant-Governor and consisted of 6 Members of whom 2 were non-officials. In 1855 Sir John submitted to the Secretary of State (Mr. Labouchere) a proposal to enlarge the basis of the Council by introducing 4 additional official and 3 non-official Members, giving a total of 13 Members exclusive of the Governor. Mr. Labouchere disapproved of so great an enlargement but sanctioned a moderate addition. This was given effect to by the introduction of the Colonial Treasurer, the Chief Magistrate and one non-official Member, the relative proportions being thus preserved and the Legislative Council then consisted of 6 officers of the Government and 3 members of the community. Sir John however added (in 1857) the Surveyor General and in November, 1858, probably with a view to secure the passing of the Praya Ordinance, he further introduced the Auditor General, so that there were 8 official to 3 non-official Members. Against this measure the 'unofficial Members at the bottom of the table,' as Sir John humorously styled them, put in a formal protest (November 20, 1858) and suggested that the nomination of the Auditor General should remain in abeyance until the original number of 6 officials be returned to by the occurrence of vacancies or that the original proposition of Sir J. Bowring as to the number of non-official Members should also be carried out. A memorial impeaching the Governor was talked of, just before he left for Manila, but after further consideration the idea was abandoned. From after the close of the session of 1857 the proceedings of the Council were regularly published and from March 25th, 1858, the Governor allowed the public to be present at the debates.

The principal bone of contention between the Governor and his Legislative Council was the construction of a Praya or sea-wall which was to extend along the whole front of the town from Navy Bay to Causeway Bay and to be named Bowring Praya. The Council heartily approved of the completion (October 1, 1855) of the new Government House (at a total

cost of £15,318 spread over many years), the erection of a number of water tanks (1855) and the completion (in 1857) of two Police Stations (Central and Westpoint Stations) and four new Markets. But the projected Praya and particularly its proposed name aroused determined opposition. Sir John's scheme had the support of an official Commission appointed by him to weigh all the objections which could be urged against it, and he assiduously hoarded the surplus funds of several years to provide the means for carrying out his pet scheme. The scheme was published (November 10, 1855) with the announcement that the Governor had power to enforce it under the alternative, offered to unwilling lot-holders, of resumption according to terms of lease. Most of the Chinese lot-holders appeared to be willing to come to terms with the Government, but a public meeting of European owners passed (December 5, 1855) resolutions to the effect that the Governor's plan was defective and inadequate as a public measure, onerous upon individuals and infringing on the rights of holders of marine-lots. The opposition view thus formulated was ably maintained and put before the Colonial Office by the Hon. J. Dent with the support of the other unofficial Members of Council. The Governor's contention was that many marine-lot holders had, for years past, recovered from the sea and appropriated to their own use, against the rights of the Crown, land measuring 298,685 square feet which had been arbitrarily superadded to the respective leases granting in the aggregate other 260,326 square feet. The owners of marine-lots, having thus doubled their respective properties, were naturally opposed to a scheme intended to re-establish the rights of the Crown. However, the Secretary of State (Mr. Labouchere), after considering the objections raised by Mr. Dent, decided against the marine-lot holders and instructed the Governor to proceed with the reclamation work as soon as the needful funds were available. The Chinese owners of marine-lots consented (in 1857) to reclaim, under Government supervision, and to pay rent for a large portion of the Praya in front of their holdings. As



their work proceeded, the Governor succeeded in making amicable arrangements also with most of the European holders of marine-lots in front of the city, and that part of the Praya the frontage of which properly belonged to the Government was forthwith taken in hand. But two British firms (Dent and Lindsay), holding the small portion of land situated between the parade-ground and Pedder's wharf, obstinately resisted, though the estimates for the sea-wall and piers for this section amounted to less than £14,000. Finding, in 1858, that a sum of £20,000 of hoarded surplus funds was available for public works, the Governor, who had been advised by the Acting Attorney General (J. Day succeeded by F. W. Green) to proceed by Ordinance, had a draft Bill prepared by a Committee consisting of the Acting Attorney General, the Colonial Treasurer (F. Forth) and the Surveyor General (Ch. St. G. Cleverly). These officers assured the Governor that they were satisfied with the Bill which they prepared and which was published in the Gazette (October 23, 1858). The first reading of the Bill was opposed by Mr. Dent, voting alone. Owing to the Governor's absence on a trip to the Philippine Islands, the second reading of the Bill was delayed until 4th February, 1859. On that day the Governor was confident of success. The Acting Attorney General had assured him that the Bill would pass and would even have the support of one of the unofficial Members. But when the Council met, to consider this Bill on which the leading merchants were at issue with the Governor, the Chief Justice and the Lieutenant-Governor were absent, and Mr. Dent's motion that the Praya question be adjourned *sine die* was, to the intense surprise of the Governor, carried by six votes against three. The effect on the audience was startling. There was a tragicocomical tableau, which a local artist forthwith perpetuated by some woodcuts published in the *Daily Press*. It appeared that none voted in favour of the Bill except the Acting Attorney General, the Colonial Treasurer and the Auditor General. The Colonial Secretary (W. T. Mercer) had quite lately returned from furlough and thought the Bill might be considered later

on; the Chief Magistrate (H. T. Davies) had not been consulted and thought water-works more urgent; the Surveyor General (Ch. St. G. Cleverly) said he had changed his mind; and all of them claimed the right of voting against the Government.

It must be said to the credit of Sir John that he did not dispute the right of the official Members of Council to vote according to their conscientious convictions. But he had not expected them to vote against his darling scheme without giving him previous notice. Sir John, however, drew one important lesson from this painful fiasco of his Praya Bill, viz. that the leading firms can defeat a Governor and that the public service must suffer if functionaries and especially the higher ones (Attorney General and Surveyor General) are allowed to accept private practice. 'The enormous power and influence of the great commercial houses in China, when associated directly or indirectly with personal pecuniary advantages which they are able to confer on public officers, who are permitted to be employed and engaged by them, cannot but create a conflict between duties not always compatible...One of the peculiar difficulties against which this Government has to struggle is the enormous influence wielded by the great and opulent commercial Houses against whose power and in opposition to whose personal views it is hard to contend.' These words of Sir John, as well as the whole story of this first Praya Bill, indicate a recognition of the fact that the commercial aristocracy created by his predecessor had by this time commenced to exercise a political influence liable to be inspired, occasionally, by the interests of individual firms rather than by unselfish consideration of the public good.

The legislative activity of the Council was, particularly after the arrival (in spring 1856) of the Hon. Chisholm Anstey, the Attorney General, somewhat excessive. He had a passion for reform and set to work, revising local procedure in civil and criminal cases (Ordinance 5 of 1856) and in Chancery (Ordinance 7 of 1856), limiting the admission of candidates to the rolls of practitioners in the Supreme Court (Ordinance 13 of 1856), regulating the summary jurisdiction of the Police Court-

and appeals to the Supreme Court (Ordinance 4 of 1858) and declaring sundry Acts of Parliament to be in force in the Colony (Ordinances 3 of 1856 and 3 and 4 of 1857). As many as 15 Ordinances were passed by the Council in the year 1856 and 12 Ordinances in 1857. Mr. Anstey received, however, small thanks for his zeal. Shortly after his departure a Colonial Office dispatch was read in Council (January 20, 1859) stating that the legal advisers of the Crown had severely commented on the careless manner in which British Acts of Parliament had been adopted in Hongkong. A lamentable state of affairs was revealed when Mr. Anstey's successor, in admitting the justice of the censure, stated that his own tenure of the office was too uncertain to admit of his commencing any new system of legislation or correcting mistakes for which he was not responsible.

Among the Ordinances of the year 1857 there is one (No. 12 of 1857) which requires special mention as it constitutes the first attempt made by a British legislature to grapple with and control the evils arising from prostitution, by the introduction in Hongkong of the system of registration, compulsory medical examination and the establishment of a Lock Hospital. This Ordinance was the work of Dr. W. T. Bridges, the Acting Colonial Secretary, who was an enthusiastic believer in the philanthropic virtues of Contagious Diseases Acts. Sir J. Bowring, with some diffidence, permitted the Ordinance to pass, stating that he reserved his opinion as to its value; but, when the Chinese community made an energetic stand against the application of the measure to the inmates of houses visited by Chinese, Sir John yielded and thereby deprived the scheme of a fair trial in Hongkong. The problem involved in such a C. D. Ordinance requires, for a just and charitable solution, that unbiassed mind which but few possess. Let it be granted that, in the rural surroundings of the domestic and social life of Christian England, where every form of moral and religious influence is at full play, regulations of the nature of the C. D. Acts would fall under the condemnation of morality and religion as being not only not required but distinct reminders and

encouragements of immorality. But it must then also be granted, from the same Christian point of view, that the practice of taking young men away from those moral and religious influences of their rural homes and transplanting them, in the interest of the nation, in an enervating climate, in the midst of all the demoralising surroundings of sensuous native communities, is a proceeding equally to be condemned on the score of both morality and religion. The correct thing would therefore be, to abolish our army, our navy, and our Colonial commerce. This application of the Christian ideal is practically impossible. If, then, we cannot nationally realise the higher ideal of the Christian life and must perforce provide for war and commerce abroad, it is neither a consistent nor a moral or charitable proceeding to apply that impracticable ideal by withdrawing from the men thus placed, in the interest of the nation, in unnatural positions, the small measure of medical safeguards which C. D. Ordinances provide.

The legislative work of Sir J. Bowring's administration is further distinguished by the great attention paid to the interests of the Chinese residents. In March, 1855, Sir John ordered an investigation to be instituted concerning the extensive gambling system which had been in vogue among the Chinese employees of the Government. Strict regulations were made to prevent a recurrence of the evil. The right which Sir J. Bowring gave to Chinese lessees of Crown-lands, to become owners of British ships and to use the British flag in Colonially registered vessels (Ordinances 4 of 1855 and 9 of 1856), has already been mentioned in connection with the *Arrow* War. As the laws in force in the Colony appeared to tend to the avoidance of all wills made in the Chinese manner, Sir John authorized (Ordinance 4 of 1856) the recognition in local Courts of Chinese wills when made according to Chinese laws and usages. Chinese burials which hitherto studded the hill sides in all sorts of places with graves, were regulated by the establishment of special Chinese cemeteries (Ordinance 12 of 1856). Chinese domiciled in the Colony (and other alien residents) were granted (by

Ordinance 13 of 1856) the privilege of seeking qualification as legal practitioners. The government of the Chinese people by means of officially recognized and salaried head-men (Tipos) under the supervision of the Registrar General was organized (by Ordinance 8 of 1858) and a Census Office established. As to the latter, Sir John all along recognized the practical impossibility of individual Chinese registration, but insisted upon a registration of houses. He revised also the night pass regulations extending the time, when Chinese had to keep indoors, from 8 to 9 P.M. The markets of the Colony having hitherto been worked under a system of monopoly, which augmented the price of food stuffs in the Colony, Sir John introduced an Ordinance (9 of 1858) which to some extent diminished the evils of monopoly and transferred to the Government, in the shape of augmented rental, a portion at least of the profit which was before in the hands of two or three compradors supposed to enjoy special official patronage.

But the most effective and beneficial legislative act of this period, and one for which Sir J. Bowring deserves much credit, was the so-called Amalgamation Ordinance (No. 12 of 1858). This Ordinance empowered barristers to act as their own attorneys and thus gave the public the choice of engaging an attorney and barrister in the persons of two or of one member of the legal profession. The evil which it was intended to counteract by this measure consisted in the excessive amount of pettifogging, needless litigation and worthless conveyancing that prevailed in the Colony for many years previous. This evil was supported by adventurers, the riff-raff of Australian attorneys, who had infested the local Courts. Indeed the legal profession of this period was in even greater need of reform than the Civil Service. The Courts were in a continual ferment and the lower one of the two branches of the legal profession was a by-word. Evidence was produced before the Council, shewing not only that the public was systematically fleeced by exorbitant attorneys' bills for worthless work, but that attorneys kept Chinese runners whose duty was to hunt up and to stir up

litigation cases, and that the percentage payable to these men was sometimes as much as two hundred dollars a month. There was among the leading merchants as well as among the principal barristers (Dr. Bridges, J. Day, H. Kingsmill) a strong and unanimous feeling in favour of an amalgamation of the two legal professions as a permanent remedy of the existing state of things. This proposal of an amalgamation was further supported by a letter addressed by 50 local firms to the Attorney General, and even the leading attorneys (Cooper-Turner, Hazeland, Woods) were either in favour of amalgamation or remained neutral. But the other attorneys raised a powerful opposition. The question was under the consideration of Sir J. Bowring for six months and he gave both sides full and patient hearing. When the Amalgamation Bill was considered by the Legislative Council (June 24, 1858), Mr. Parsons was heard and examined on behalf of the attorneys but, when he claimed to represent also the local Law Society, it was proved that he had received no authority from that body. After the most painstaking inquiry, the Bill was passed by seven votes against two and exercised thereafter a beneficial influence as long as it remained in force.

The *cause célèbre* (apart from the actions for libel above referred to) of this period was a dispute raised by General J. Keenan who, since July 11, 1853, officiated in Hongkong as U.S. Consul. After some animated correspondence with the Colonial Secretary (in October, 1855), concerning his views as to Consular rights and jurisdiction over American subjects on board American ships in harbour, the gallant General forcibly took the law into his own hands. In result, he had to answer (November 13, 1855) a charge of rescuing a prisoner (American) from the Civil Authorities charged with assault and battery. The case was, however, amicably arranged and General Keenan became a very popular man in the Colony.

The finances of the Colony gave Sir J. Bowring much anxiety. Finance was supposed to be one of his strong points. But he was hampered in every way and could not achieve much.

He succeeded, indeed, in increasing the revenue by the sale of Crown-land, principally marine lots. He was aided in this respect by the surrender (in 1854) of the ground at Westpoint previously occupied by the Navy Department for stores which were removed to Praya East. Sir John succeeded in doubling the revenue within the five years of his administration and the last year of it, when compared with the revenue of the last year of his predecessor, presented an increase of £37,776. But he could not keep the expenditure within the limits of the revenue, although he restrained public works as much as possible. Consequently he had to fall back once more upon Parliamentary grants, obtaining £10,000 per annum for the years 1857 and 1858. These grants were made for hospital and gaol buildings. But by an advantageous exchange with the Rhenish and Berlin Missions he obtained a new hospital at little cost, and by reducing the proposed limits of gaol extension he made some further savings, so that the greater part of the Parliamentary grants, laid out at interest, could be left to accumulate for the purposes of his great Praya scheme, which however broke down at the last moment. After raising the police rate to 10 per cent., Sir John reduced it again (in 1857) to 8½ per cent., only to find that it after all proved insufficient to pay the cost of the police and gaol departments owing to the extra expenses caused by the disturbances consequent upon the *Arrow* War. In spring 1858, Sir John stated that he had intended to claim from the Chinese Government compensation for the increased expenditure caused by the disturbed state of the neighbouring Districts, but that the appointment of Lord Elgin had taken the power out of his hands. As a matter of fact, the Colony never received any compensation when the accounts between England and China were settled at Canton, at Nanking or Tientsin. The Imperial Exchequer appropriated in each case the whole amount of war compensation paid by China. Sir John deserves credit for having initiated the practice of depositing the surplus funds of the Government in local chartered Banks, paying interest, instead of leaving large sums of money lying idle in the vaults of the

Treasury. The opium monopoly was re-instated by Sir John (April 1, 1858) to swell the revenue, but failed to fetch its true price, being let at \$33,000 a year. Sir John removed one impost, the productiveness of which, he said, was small whilst its annoyances and inconveniences were great, viz. that upon salt. Sir John claimed credit for having wholly freed salt from taxation, as it became thereby an article of increased commercial importance. He seems, however, to have been oblivious of the fact that, as salt is a heavily taxed Imperial monopoly in China, his action in abolishing the salt tax in Hongkong merely gave a fillip to the Chinese contraband trade carried on by the salt smugglers in the Colony.

Sir J. Bowring paid much attention to the condition of the Police Force. Being at first dissatisfied with its organisation, he appointed (August, 1855) a Commission to inquire into the police system of the Colony and invited the public to give evidence verbally or in writing. Some changes were made in the constitution of the Force (in 1857) and at the close of his administration Sir John considered the outward appearance, discipline and general efficiency of the Police Force to have greatly improved. He stated that the complaints under this head, which formerly were frequently addressed to the Government, were in 1858 much diminished in number. Considering the indifferent materials from which the selection, for economical reasons, had necessarily to be made, Sir John considered the state of the Force to be satisfactory and creditable to its Superintendent (Ch. May).

It could not be expected that crime would decrease during a period of such extraordinary commotion. Yet the criminal record of Sir John's regime compares, with the exception of the unique attempt to poison the whole foreign community, by no means unfavourably with that of other periods of the history of Hongkong. Indeed, although Hongkong was at this time more than ever the recipient of the scum of Canton and of the vilest and fiercest of the population of South-China, the experienced Superintendent of Police (Ch. May), himself an ex-Inspector of

Scotland Yard, reported in 1857 that the proportionate number and gravity of offences committed in Hongkong was considerably less than that of the British metropolis. The execution (in 1854) of two Europeans, who had murdered a Chinese boy on the ship *Mastiff*, greatly impressed the Chinese residents with the equality of justice dealt out by British tribunals. In 1854 and 1855, gangs of robbers, having their lairs on the hillside or on the Peak, engaged in occasional skirmishes with the police (April 24, 1855) and made a daring attack (November, 1855) on some shops in Aberdeen, when several constables were wounded while the robbers sailed away with their booty in a junk. The conviction (June, 1854) of a Chinese boatman and his wife of the murder of a Mr. Perkis, the attack made by an armed gang on the comprador's office of Wardley & Co. (December, 1855), a similar attack made on shops at Jardine's Bazaar (January 1, 1856), when several private policemen of Jardine, Matheson & Co. were wounded, and finally the murder (April 1, 1857) of Mr. Ch. Markwick by his Chinese servant, were the principal crimes, unconnected with the war, that attracted public attention during this period. In the latter case, the Registrar General (D. R. Caldwell) pursuing the murderer with the assistance of a gunboat to his native village, obtained his surrender by the threat of bombarding the village. The Secretary of State subsequently expressed his disapproval of this measure. Nevertheless the District city of Nantao was (March 19, 1859) actually bombarded by H.M.S. *Cruiser* (Captain Bythesea) to compel reparation for the sum of \$4,500 which, as the comprador of the Registrar General's Office alleged, had been stolen by Nantao braves from a Hongkong passage-boat in which he had an interest. These were high-handed measures inspired by the war-spirit of the time rather than by justice.

Sir J. Bowring believed that the spot where almost all crime was concocted in Hongkong was to be found in the unlicensed gambling houses of Taipingshan. In connection with this belief, and in view of the apparent impossibility of finding constables who would not wink at and profit by existing

abuses rooted in the inveterate Chinese habit of gambling, Sir J. Bowring boldly proposed to Lord John Russell (September 4, 1855) and subsequently to Mr. H. Labouchere (February 11, 1856) to regulate the vice that could not be suppressed and to adopt the system in vogue at Macao of controlling Chinese gambling houses by licensing a limited number of them. The Lieutenant-Governor (W. Caine), the Acting Colonial Secretary (Dr. Bridges) and the Attorney-General (T. Ch. Anstey), strongly supported the Governor's arguments, which were fortified by a considerable array of favourable reports, received from India, the Straits, the Dutch Possessions and the Governor of Macao (I. F. Guimaraes) as to the good results of such a control of Chinese gambling. None but the Superintendent of Police (Ch. May) and the Chief Magistrate (C. H. Hillier) raised a voice of warning. Accordingly a draft Ordinance, 'relating to public gaming houses and for the better suppression of crime,' prepared by Dr. Bridges and assented to by all the Members of Council (Mr. Hillier excepted), was submitted to H.M. Government (April 17, 1856). Although the measure met with a blank refusal on the part of Mr. Labouchere, who would not even consider it, Sir J. Bowring again and again, but in vain, represented to Mr. Labouchere's successors (Lord Stanley and Sir E. B. Lytton) his ardent conviction that the system of licensing vice for the purpose of controlling it was as legitimate in the case of gambling as in the case of prostitution and opium smoking, and that the existing state of things resulted in general corruption of the Police. The problem was left to be taken up ten years later by Sir Richard MacDonnell.

That piracy was specially rampant during this period was natural. The periodical onslaughts which British men-of-war made on the pirates swarming in the neighbourhood of Hongkong appeared to make little impression. Captious critics, both in the Colony and in Parliament, and particularly European friends of the Taiping Government, occasionally threw out doubts whether all the junks destroyed by British gunboats were actually

piratical craft or Taiping rebels or peaceful but in self-protection heavily armed traders, officially traduced by Chinese informers as pirates. H.M.S. *Rattler* made a successful raid against pirates at Taichow (May 16, 1855). H.M. Brig *Bittern* burned 23 junks and killed 1,200 men at Sheifoo (September, 1855) with the loss of her own commander killed and 19 men wounded. H.M.S. *Surprise*, assisted by boats of H.M.S. *Cambrian*, captured a whole pirate fleet at Lintin (May, 1858) and in result of this action as many as 134 large cannons were sold in the Colony by public auction and purchased by Chinese (probably confederates of pirates) at the rate of \$234 a pair. H.M.S. *Magicienne*, *Inflexible*, *Plover*, and *Algerine*, destroyed (September, 1858) 40 junks, 30 snake-boats, a stockaded battery and several piratical villages. H.M.S. *Fury* and *Bustard* captured 12 junks near Macao (December, 1858) and in the same neighbourhood H.M.S. *Niger*, *Janus*, and *Clown* burned 20 junks and killed some 200 men (March, 1859). Mr. Caldwell, by whose information and guidance all these expeditions were undertaken, enjoyed the fullest confidence of the Authorities but incurred, at the same time, much obloquy and animosity on the part of European friends of the Taipings and particularly among the Chinese friends and abettors of the pirates. On 1st June, 1854, a foolish rumour gained credence among the local Chinese population that an immense piratical fleet was coming to attack and plunder the Colony. After the outbreak of the *Arrow* War such rumours were frequently in circulation owing to the general increase of piracy. As many as 32 piracies were reported in Hongkong between November 1st, 1856, and 15th February, 1857. After that they decreased in frequency. Only 5 cases of piracy were reported in March, 5 more in May and June, and 11 cases between June 28th and August 17th, 1857. One of the foreign associates of pirates, Eli M. Boggs, an American, was convicted (July 7, 1857) of piracy and sentenced to transportation for life, and a notorious pirate chief, Maehow Wong, was sentenced (September 2, 1857) to 15 years' transportation (to Labuan). In October, 1857, the schooner *Neva* was attacked by pirates who

murdered the captain and two of the crew. Piracy continued to worry the junk trade until March 1858, and the capture of a Hongkong passage-boat (*Wing-sun*) made some stir (January 17, 1858), but after that time the number of piracies sensibly decreased and no further attack on European vessels occurred until the day preceding the Governor's departure, when the S.S. *Cumfa* was plundered by pirates (May 4, 1859).

Owing to the long-continued disturbances in the Canton Province, the population of Hongkong increased, with some strange fluctuations (in 1856 and 1858), from 56,011 people in the year 1854 to 75,503 people in 1858, the average annual increase, during the five years of Sir J. Bowring's administration, being only 6,915, though in the years 1854 and 1855 the annual increment amounted to 16,954 people. Sir John explained these fluctuations by saying that the returns of 1857 and 1858 were under-estimated by error and that the ambulatory habits of the Chinese residents might account for the inaccuracies of the census of 1856 which reported 71,730 persons residing in the Colony (exclusive of troops). Referring to the year 1856, Sir John reported an increase in the respectability of the Chinese population and stated that a better class of people had commenced settling in Hongkong. It was also noticed in 1857 that the average proportion of Chinese females residing in the Colony was far higher than it had ever been before.

In his report for the year 1854, the Colonial Surgeon (J. Carroll Dempster) urged upon the Government the necessity of securing drainage and ventilation for Chinese dwellings. He stated that smallpox was the principal scourge of the Colony in 1854. In spring 1855, fever raged among the Chinese population, some 800 deaths being reported between 6th February and 28th April. Increased activity of the sanitary department caused, in October 1856, just after the commencement of the *Arrow* War, much excitement among the Chinese residents owing to the heavy fines imposed by the Magistrates under the new Nuisance Ordinance (8 of 1856) and mobs of turbulent Chinese paraded the streets. The year 1857 was reported upon by the

next Colonial Surgeon (Dr. Menzies) as having been distinguished by more than average unhealthiness consequent upon the failure of the usual amount of rain. But the next year was positively disastrous. When Dr. Harland (the successor of Dr. Menzies) died of fever in the year 1858, it was noticed that he was the fourth Colonial Surgeon who had fallen a victim to the climate. His successor, Dr. Chaldecott, reported, as a novel appearance in the Colony, the outbreak of true Asiatic cholera and hydrophobia. Whilst insisting upon the urgent need of improving the sanitary condition of the Colony, repeatedly pointed out by his predecessors, Dr. Chaldecott stated that this first appearance of Asiatic cholera 'was, if not entirely owing to, at least fearfully aggravated and extended by, the neglect of proper drainage and cleanliness, the results of which must act with double force in a community so crowded together as that of Victoria, and in a climate so favourable to the decomposition of animal and vegetable products.' He reported that Asiatic cholera in Hongkong first attacked the worst lodged and worst fed part of the Chinese community, then some Indian servants, next the European seamen both ashore and afloat and at the same time some of the soldiers of the garrison and the prisoners in the gaol, and that it finally, in three cases, attacked the higher class of European inhabitants of the Colony and in one of those cases proved fatal. The residents of Macao suffered at the same time from the disease and cases occurred among the Allied Forces at Canton and in some of the men-of-war in the River. The disease afterwards visited the East Coast, reached Shanghai and then raged with great virulence over a large part of the Japanese Empire.

The erection of waterworks was repeatedly mooted during this period and particularly in the year 1858. Sir J. Bowring publicly stated that some of the opponents of his Praya scheme (Members of Council) had openly avowed their purpose of swamping the surplus revenue, accumulating for Praya purposes, by diverting it to other and hitherto unauthorized public works, and that it was for this sinister purpose that the construction of

waterworks was prominently put forward. One of the principal advocates of the waterworks scheme was the Colonial Secretary (W. T. Mercer). Observing that the paucity of the hill streams on the northern side of the Island renders the procural of a sufficient water supply for the city a matter of extreme difficulty, and noticing also that this want is specially felt in the winter season when conflagrations are most frequent among the Chinese houses, he suggested to lead the water from Pokfulam round the side of the hill, attracting at the same time the smaller rivulets crossing the course of the proposed aqueduct. The Surveyor General estimated the cost of this undertaking at £25,000. Sir J. Bowring, however, opined that it was not the business of the Government to furnish individuals with water any more than any other necessaries of life and that therefore the annual income of the Colony was not fairly applicable to such speculations. Sir John suggested the formation of a joint-stock company, but pointed out, at the same time, the difficulty of collecting a water rate from the Chinese population.

In the sphere of commercial affairs, Sir J. Bowring was unfortunate in coming, almost immediately after his arrival in China, into collision with the Shanghai Chamber of Commerce. When the capture of Shanghai by the Taipings brought the Imperial customs office of that port to a standstill (September 7, 1853, to February 9, 1854), Sir G. Bonham had suggested that British merchants continuing trade there should deposit, in the Consulate, bonds for the eventual payment of customs dues. The merchants demurred, on the ground that the Chinese Government could not claim duties, as it had ceased to exercise authority and to afford protection, and that American, Prussian and Austrian vessels actually came and went without paying duty on their cargoes. Sir J. Bowring had, before leaving London, discussed the matter with Earl Clarendon and understood him to say that those duties must be paid. By the time Sir John reached Shanghai, the Chinese customs office had been re-established (February 10, 1854), but, after working irregularly, ceased again (March 28, 1854), whereupon the foreign Consuls

agreed to collect duties by promissory notes. Sir John having informed the Chamber of Commerce of Earl Clarendon's decision, the British merchants handed in their bonds for arrears of duties down to July 12, 1854. After making an arrangement with the U.S. Minister that a European Inspector should be appointed to collect temporarily the duties payable to the Chinese Government, Sir John returned to Hongkong (August, 1854) and, to his great surprise, found there a dispatch awaiting him in which the Foreign Office, acting under the advice of the Crown Lawyers, instructed him to return the bonds to the parties by whom they were given. Sir John forthwith ordered restoration of those bonds which covered the period from September to February, but retained the other bonds, as he interpreted his instructions to authorize his doing so. But when the Shanghai Chamber once more appealed to the Foreign Office, Earl Clarendon told a deputation of the East India and China Association (November, 1854) that Sir J. Bowring had received positive instructions not to interfere in any way with the collection of duties. Sir John now suffered unmerited obloquy as the Shanghai merchants, supposing him to have acted throughout in a manner contrary to his instructions, censured his action in the matter as markedly insincere and autocratic. So much more does it redound to the credit of those same merchants, that they, as soon as the news of the Parliamentary condemnation of Sir John's character and conduct in connection with the *Arrow* War reached Shanghai (April, 1857), immediately passed resolutions enthusiastically defending his character and justifying his general conduct and policy.

The commerce of the Colony flourished throughout this administration. The conclusion of Sir John's treaty with Siam caused, since May, 1855, large shipments of Siamese produce to pour into Hongkong. This caused an immediate revolution of the rice trade which now fell largely into foreign hands, whence resulted a welcome reduction of prices, as famine rates had been ruling in Canton. The opening of Japan, by the Convention concluded (October 14, 1854) by Admiral Sir James

Stirling, had no such immediate effect upon the trade of Hongkong, but laid the basis of an important though slowly developing branch of commerce. So also the trade with the Philippine Islands, materially furthered by the opening (June 11, 1855) of the ports of Saul, Iloilo, and Zamboanga (on the island of Mindanao), waited only for the establishment of regular steam communication to benefit Hongkong more extensively by an annually increasing demand for British manufactures. Chinese emigration continued to develop from year to year. An emigration officer was appointed by Sir John (May, 1854) with good effect. The first ship-load of emigrants to Jamaica was reported (November, 1854) to have arrived safely at Kingston. The efflux of emigrants to California and Australia (especially to Melbourne) continued to increase. As many as 14,683 Chinese emigrants were shipped from Hongkong in the year 1855, and 13,856 in 1858. The prohibition placed at one time (September 1, 1854) on the coolie trade to the Chincha Islands, when that trade was believed to result in the most aggravated form of slavery, was withdrawn again (February 3, 1855) as measures had meanwhile been taken for the better treatment and regular supervision of Chinese labourers on those Islands. About the same time new regulations concerning the diet and provisions of Chinese passengers in emigrant ships were made (March 7, 1855). Hongkong continued to be the port from which all South-China emigrants, able to pay their passage, preferred to embark for foreign countries. The existence at one time (March, 1857) of closed coolie barracoons in Hongkong was a shocking discovery, and was immediately put down. Sir John thought the Chinese Passenger Ordinance too stringent as regards Chinese emigrants paying their own passage, though for the emigration of hired labourers under contract he considered the Act much needed. The disturbed condition of affairs within and without the Colony did not interfere much with the trade of the Colony. The junk trade, indeed, fell off suddenly in 1857, during the pause in the hostilities when the Canton River was virtually closed to Hongkong junks, and decreased by

270,244 tons in one year, but it speedily recovered again. The foreign shipping returns for the five years of this administration show an average yearly increase of 487 vessels, representing 251,350 tons, being 68 per cent. The tonnage increased from 300,000 to 700,000 tons of square-rigged vessels. The junk trade improved on the whole in similar proportions. Aided during this period by a great extension of the lines of communication connecting Hongkong with other parts of the world, the Colony not only continued to be the headquarters of all the great commercial establishments in China, but became by this time the most extensively visited port in the Pacific.

The currency question was not advanced in any way by Sir J. Bowring. By order of the Colonial Office he published (July 9, 1857) a notification to the effect that Australian sovereigns and half-sovereigns should have legal currency in Hongkong. But he urged upon the consideration of Her Majesty's Government the inconvenience of making the sovereign the standard of exchange in a country where gold is not legal tender. He also inveighed against the absurdity of keeping the accounts of the Government in Sterling in a Colony where not a merchant, shopkeeper or any individual has any transaction except in dollars and cents. Sir J. Bowring went even further and urged the Lords Commissioners of H.M. Treasury to sanction the introduction of a British dollar and the establishment of a Mint in Hongkong. Unfortunately, this sage proposal was rejected by the Treasury Board on the plea that the mercantile supporters of Sir J. Bowring's notions were merely some Shanghai merchants who had, from dissension among themselves, prevented the introduction of Mexican dollars into that place and whose obvious interest it was to advocate any scheme which, if it succeeded, relieved them from difficulty and, if it failed, would cost them nothing. Sir J. Bowring's call for a British dollar was not only considered a risky and expensive experiment but premature in view of the fact that Sterling money remained, under the terms of the Royal proclamation of May 1, 1845, the standard of value in Hongkong,

In this, as in some other respects, Sir John's ideas were in advance of his time.

How far behind the times some worthy men in Hongkong kept lagging, is evidenced by the fact that in spring 1856 the Lieutenant-Governor, Colonel W. Caine, revived the old suggestion, first made by Captain Elliot (June 28, 1841) and then repeated by misguided Hongkong merchants (December, 1846), that Parliament should impose a differential duty of one penny per pound in favour of teas shipped from Hongkong. Colonel Caine thought that, if this measure were adopted, the result would need no demonstration. Sir J. Bowring, however, incisively remarked in his covering dispatch, that the whole system of differential duties was, in his view, obnoxious in principle, fraudulent in practice and disappointing in result. After this, no more was heard of the scheme.

Among the minor commercial topics which ephemerically occupied the attention of the public, may be mentioned the complaint made by the Postmaster General regarding the irregular arrival of mail steamers (December 10, 1854), the breaking up of the Hongkong and Canton Steam Packet Company (December 13, 1854), and a decision given by the Supreme Court (May 2, 1855) to the effect that the Peninsular and Oriental Steam Navigation Company must forward parcels without unnecessary delay and have no right to leave any of the parcels for Europe behind, at any point on their route, to make room for other cargo.

The fact that the commercial reputation of the Colony had, even by this time, not yet been re-established in England, became painfully evident by an article which appeared (December 17, 1858) in the *Times* and caused much comment in the Colony. Hongkong was there represented as feeling humiliated and displaced by the opening of so many Treaty ports in China. It was alleged that all the success of British arms in China, so valuable to the rest of the world and so important to the great interests of humanity, was rather carped at by Hongkong merchants, owing to their natural tendency towards their own individual

interests. The notion of the writer was apparently that of Mr. M. Martin, whose influence came here once more (for the last time perhaps) to the fore, that the Colony was misplaced at Hongkong and should be removed to Chusan, if a British Colony was at all wanted in China. All the advantages of Hongkong were said to consist exclusively in its proximity to the single privileged port of Canton, the writer labouring under the supposition that Hongkong's successes were merely derived from Canton's difficulties.

The educational history of this period is characterized by a sensible decline of the voluntary schools. The Anglo-Chinese College, numbering from 30 to 85 scholars, was closed at the end of the year 1856 owing to the results not justifying its continuance. Though it had trained some useful clerks for mercantile offices, it had failed from a missionary and educational point of view, and, recognizing the failure, Dr. Legge courageously closed this College. St. Paul's College continued for some years longer, but Sir J. Bowring, weighing its results in the official scales, pronounced it likewise a failure. 'For the last six years' he said, '250 pounds a year has been voted by Parliament to the Bishop's College for the education of six persons destined to the public service, and not a single individual from that College has been yet declared competent to undertake even the meanest department of an interpreter's duty, though I have no doubt of the Bishop's zeal and wish to show some practical and beneficial result from the said Parliamentary grant. To the missionaries alone I can at present look for active assistance, and their special objects do not usually fit them for the direction of popular and general education.' A new educational movement was initiated (March 6, 1855) by a public meeting which, complaining that Hongkong was still without a Public School for English children, who were educationally less cared for than the Chinese, established amid general enthusiasm a school (thenceforth known as St. Andrew's School) under a representative and highly popular Committee (the Hon. J. F. Edger, A. Shortrede, James Smith, B. C. Antrobus, C. D. Williams, Douglas Lapraik, F. W. M. Green,

and Geo. Lyall). But though this School was well started and continued under the fostering care of Mr. Shortrede, the conviction soon forced itself upon public recognition that the Committee's original idea of confining the School to the tuition of the children of British residents was impracticable. Weighed in the popular scales, this School was also found wanting, though it lingered on for a few years longer. But while the principal voluntary schools thus declined during this period, and the smaller day schools established by the Protestant and Catholic missions for the benefit of the Chinese also continued in a languishing condition, the 13 Government Schools, giving a purely Chinese education, flourished and developed both in attendance and in organisation, through the appointment (May 12, 1857) of an Inspector, the Rev. W. Lobscheid. The Acting Colonial Secretary (Dr. W. T. Bridges), while stating (March, 1857) that nothing could well be at a lower ebb than the local educational movement, recognized distinct signs of healthy vitality in the Government Schools (small as they were) which he personally visited.

There is but little to record concerning the religious affairs of this period. Great indignation was aroused when Sir J. Bowring declined (May 25, 1855) the request of Bishop Smith that the Governor should appoint the 6th June, 1855, as a day of fast and humiliation, with reference to the Crimean War and in imitation of the popular action taken in England. Sir John incurred the unjust condemnation of most religiously inclined people in the Colony, but his action was strongly approved by the Colonial Office because the proclamation of a public fast day is a prerogative which even the Sovereign, as the head of the Church of England, may exercise only in the form of an Order in Council. A few years later, Bishop Smith came (October 18, 1858) again to the front by the publication of a stirring letter addressed to the Archbishop of Canterbury in review of the Tientsin Treaty as favourably affecting the prospects of Christianity in the East. This letter, in which the zealous Bishop appealed to the Church for renewed missionary efforts in China,

had considerable effect both in England and on the Continent. In May, 1858, a public subscription was raised in Hongkong to obtain, under the advice of Sir F. G. Ouseley, the Oxford Professor of Music, an organ (to cost £125) and a first-class organist. In result a highly trained and talented musician (C. F. A. Sangster) was sent out (in 1860) and he conducted the Cathedral choir for 35 years with great success.

While the social life of Hongkong continued on the whole to center in Government House, Sir J. Bowring occupied to some extent the position held by his literary *confrère* and one of his gubernatorial predecessors, Sir J. Davis. Both men were about equal in genius and equally unpopular in Hongkong. It was often remarked that the friends and admirers of Sir J. Bowring—and that he had such, there is ample testimony—were mostly non-English. A correspondent of the *New York Times* (January 4, 1859) represented in glowing colours Sir John Bowring's sociability and intellectuality, alleging that one secret of Sir John's unpopularity 'in the detestable society of Hongkong' was the democratic simplicity he adhered to in his style of living. Among the occurrences which gave colour to the social life of this period, the following incidents may be enumerated, viz. the arrival (August 1, 1854) of the U.S. store-ship *Supply*, the officers of which had just surveyed extensive coal beds in Formosa; the arrival (August 14, 1854) of the American ship *Lady Pierce* with her owner Silas E. Burrows; the strike (September 12, 1854) of local washermen who demanded better pay; the presentation (September 14, 1854) by the American community of Canton and Hongkong of a service of plate to Commodore Perry in command of the U.S. Squadron; the arrival (November 1, 1854) from the Arctic Ocean of the discovery-ship *Enterprise*; a public farewell dinner given (November 20, 1858) to the officers of the 59th Regiment (2nd Nottinghamshire) which had been nine years in China; the series of theatrical entertainments (since January, 1859) given by the officers of the 1st or Royal Regiment who issued season tickets for the purpose.

The following facts may be mentioned as indicative of the progress made by the Colony during this period, viz. the formation, at the instance of Mr. W. Gaskell, of a local Law Society (October 28, 1854); the organisation of a volunteer fire brigade (January 23) and a Chinese fire-brigade (March 7, 1856); the improved lighting of the town, including now also Praya East and Wantsai, 100 oil lamps being added (October 1, 1856) to the previously existing 250 oil lamps, and the lighting rate providing for the whole expenditure (Ordinance 11 of 1856); the establishment at Pokfulam of a number of villas for use as sanatoriums and of farms laid out to grow ginger and coffee (June, 1856); the establishment by Mr. Douglas Lapraik and Captain J. Lamont of new docks at Aberdeen (June, 1857).

The measure of turmoil which the Colony underwent, during this period, through warfare without and within, was added to by accidental calamities. Even before the emissaries of Cantonese Mandarins invaded Hongkong as patriotic incendiaries, some serious conflagrations took place in the central part of the town (February 16, 1855), in Taipingshan (January 27, 1856) and at the western market (February 23, 1856). A harmless shock of earthquake was felt in Hongkong (September 28, 1854), heavy rains did a great amount of damage to drains, roads and Chinese houses (June 22, 1855), and a typhoon passed very near to the Colony (September, 1855) causing much injury to the shipping and the piers, besides burying a number of houses at Queen's Road West by a land-slip, the immediate consequence of the heavy rain which accompanied this typhoon.

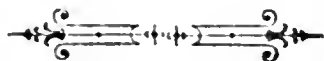
The obituary of this period includes, among others, the names of Mrs. Irwin (July 21, 1857), Colonel Lugard (December 1, 1857), Dr. W. A. Harland (September 12, 1858), and Acting Attorney General J. Day (September 21, 1858). Since the death of J. R. Morrison (in 1843), no event in Hongkong was mourned so generally and so deeply as the death of Dr. Harland, who since 1844 had acted as Resident Surgeon at Seamen's Hospital and latterly as Colonial Surgeon, and died of fever contracted while charitably attending on the Chinese poor.

Sir J. Bowring's administration terminated at a time (May 5, 1859) when the passionate comments of the English press, reviewing the Parliamentary discussions of Hongkong's misdeeds, reached the Colony and thereby reproduced a considerable amount of popular excitement. Sir J. Bowring departed, like Sir J. Davis, amid the execrations of a large portion of the European community and the blustering roar of farewell condemnations poured forth by local editors. In one respect Sir J. Bowring fared even worse than his predecessors. Neither Sir H. Pottinger, nor Sir J. Davis, nor in fact any Governor of Hongkong before or after him, not even Sir J. Pope Hennessy, was so extravagantly abused as Sir J. Bowring. The venomous epithets and libellous accusations, continuously hurled at him by the public press (*China Mail* excepted) until the very moment of his departure, are unfit to be mentioned. It clearly was his personal character rather than his policy that provoked the ire of his political opponents. As in the case of Sir J. Davis, so now the European community marked their dislike of the Governor by lavishing extra favours on the departing Admiral while ignoring the Governor's exit. On 16th March, 1859, the leading merchants presented to Sir Michael Seymour, K.C.B., a magniloquent address and a draft on London to the amount of 2,000 guineas for the purchase of a service of plate, to mark the sense of the Hongkong community of his great services and of the respect entertained for him personally. In his reply, Sir Michael gracefully referred to the advantages he had enjoyed in having had, previous to the arrival of Lord Elgin, the advice and experience of Sir J. Bowring to aid him. But when, a few weeks later, the Governor left the Colony, the European community presented neither address nor testimonial, sullenly ignoring his departure, until the rare event of a public auction held at Government House (May 20, 1859) drew the European community together in sarcastic frolics over their ex-Governor's goods and chattels.

The Chinese community, however, stolidly indifferent to the dissentient views of foreign public opinion, came forward

right loyally. Two stately deputations of Chinese waited on Sir J. Bowring at the last moment of his departure and expressed the genuine esteem in which he was held among all classes of the native population, by presenting him with some magnificent testimonials including a mirror, a bronze vase, a porcelain bowl and a bale of satin which bore the names of 200 subscribers. The spontaneous character of these presentations was undoubted and did much to cheer the departing Governor's heart.

On his way home by S.S. *Pekin*, Sir J. Bowring had the misfortune of being shipwrecked in the Red Sea, but he reached England in safety. He, the advanced Liberal, received the thanks of a Conservative Ministry for his faithful and patient services in Hongkong. but he was, on the other hand, given the cold shoulder in the lobby of the House of Commons by some of his former political friends. After his retirement from the public service on a liberal pension, he lectured frequently on Oriental topics; wrote papers on social, economical and statistical questions; gave addresses at meetings of the Social Science Association, the British Association, the Devonshire and other Societies; studied Chinese and composed religious poems, some of which possess enduring value. Calmly looking back at the close of his life over all the varied events of his chequered history, and viewing his career in China as but a small portion of his life work, Sir J. Bowring penned, in his auto-biographical recollections, the following memorable words. 'My career in China belongs so much to history, that I do not feel it needful to record its vicissitudes. I have been severely blamed for the policy I pursued, yet that policy has been most beneficial to my country and to mankind at large. It is not fair or just to suppose that a course of action, which may be practicable or prudent at home, will always succeed abroad.' Sir J. Bowring died peacefully on 23rd November, 1872, having just completed his eightieth year.



CHAPTER XVIII.

THE ADMINISTRATION OF SIR HERCULES ROBINSON.

September 9, 1859, to March 15, 1865.

AT the close of Sir J. Bowring's administration, the condition of the Colony and its reputation in England were such that the selection of a new Governor was as difficult a matter as it had been when Sir H. Pottinger or Sir J. Davis vacated the post. It was evident, on the one hand, that now a man was wanted who possessed not only common sense but combined with the firmness of a strict disciplinarian the fine tact and large views of a man whose mind is seasoned with humanity and able to bring into ripening maturity what seeds of goodness had been sown. But, on the other hand, the sanitary, social and moral reputation of Hongkong was so bad that the offer of the governorship of Hongkong afforded no encouragement to a man of such high abilities as were required for this office. Sir Hercules Robinson was precisely the man that was wanted to clear out this redoubtable Augean stable in China. Though he occupied at the time an insignificant governorship on the opposite side of the globe, he probably did not feel in the least flattered by the offer of the Hongkong appointment, unless he looked at it as implying, under the peculiar circumstances of the case, a compliment to his abilities. Sir Hercules had originally served in the 87th Fusiliers and, on his retirement from the Army, found civil employment during the Irish famine (1846 to 1849) under the Commissioners of Public Work and Poor-Law Board in Ireland. He had subsequently (1852) acted as Chief-Commissioner to inquire into the fairs and markets of Ireland and, in recognition of his services, been promoted to the Presidency of Montserrat (1854). Then he became Lieutenant-

Governor of St. Christopher (1854) and combined with the latter post the dormant commission of Governor-in-chief of the Leeward Islands. Consequent upon his courageous acceptance of the governorship of Hongkong, he was created a Knight Bachelor in June, 1859.

Sir H. Robinson, destined by Providence to reap where his predecessors had sown, arrived in Hongkong on September 9th, 1859, and took on the same day the oaths of his office as Governor and Commander-in-chief and Vice-Admiral, being the first Governor of Hongkong entirely dissociated from the Superintendency of Trade and from the diplomatic duties of H.M. Plenipotentiary in China. During his tenure of office, Sir Hercules was twice absent on furlough, first for a brief visit to Japan (July 17 to September 8, 1861), and subsequently for a longer term (July 12, 1862, to February 11, 1864), during which he visited England and transacted (in autumn, 1863) some business for the Colonial Office as a Member of the Commission appointed to inquire into the financial condition of the Straits Settlements. On leaving Hongkong on the latter occasion (July 12, 1862), after but three years of his administration, so great was the change already wrought in the commercial, financial and administrative condition of Hongkong affairs, that he was presented on his departure with enthusiastic addresses from the local Volunteers, the Bishop and all the Members of Council, congratulating him on the undoubted success achieved. During his absence from Hongkong, the government of the Colony was on both occasions, as well as after his final departure, administered by the Colonial Secretary (W. T. Mercer) who faithfully and successfully continued the line of policy initiated by Sir Hercules. The recognition of the improved status which the Colony had gained by this time found expression in the permission now (January 23, 1863) given to the Governor of Hongkong to wear the uniform of the first class.

By the time when Sir H. Robinson arrived in Hongkong (September 9, 1859), the Superintendency of Trade had already been removed to Shanghai where Sir F. W. Bruce (since June,

6, 1859), as H.M. Minister in China, was waiting for instructions, after the defeat of the British fleet at the Peiho (June 25, 1859). British and French relations with China were at a standstill. The U.S. Minister Ward had attempted (June 27, 1859) to get the start of the Allies and to be the first to obtain an audience of the Emperor, but found himself treated in the precise form of a barbarian tribute bearer and retired discomfited. After much delay, a plan of action was agreed upon between England and France, and by order of Lord John Russell (November 10, 1859) a mild form of an ultimatum was presented to the Chinese Authorities (December, 1859). Whilst this ultimatum was under the consideration of the Chinese Ministers, the Viceroy of the two Kiang Provinces in Central China (Ho Kwei-sin), pressed by the Taiping rebellion, urged his Government to make peace with England and France and actually asked the Allies (March, 1860) for military assistance against the Taipings. But the moment this became known in Peking, an order went forth for his arrest and he was punished as a traitor. A defiant reply to the ultimatum of the Allies was now issued (April 8, 1860), such as left no room for further negotiations. The Chinese Government bluntly declared that they had never intended to carry out the provisions of the Tientsin Treaty. The Allies were not prepared for an immediate resumption of the war, but the Island of Chusan was meanwhile (April 21, 1860) occupied by the British fleet. Happily, in spite of renewed protests against the war policy initiated by Lord Palmerston and regardless of the fresh denunciations of Sir J. Bowring's action, hurled against him by Mr. Bright and Mr. Sidney Herbert (March 16, 1860), Parliament decreed that the honour of Great Britain was at stake. Lord Elgin had to return to China with a new army to do over again the work he had botched by his misplaced meekness. As soon as the re-inforcements arrived in China, the Taku forts were carried by assault and Tientsin occupied (August 26, 1860). Finally, after a shocking demonstration of Chinese official treachery and barbarity, Peking was taken (October 13, 1860), the Imperial summer palace burnt by way

of retribution (October 18, 1860), and the Peking Convention (October 24, 1860) secured at last the ratification of the long dormant Treaty of Tientsin. In accordance with the demand of the Allies, the conduct of international affairs was now transferred from Canton to Peking and the Tsungli Yamen was created (January, 1861) as a special department for foreign affairs. After the death of the irreconcilably hostile Emperor Hienfung (August 22, 1861), Prince Kung came to the front and by a *coup d'état* (November 1, 1861) made himself virtually Prime Minister of a new regency, the heads of which were the Empress Dowager and the Empress Mother of the infant Emperor Tungchi. Next, Prince Kung established the Foreign Maritime Customs Service which was ably organized by Mr. H. N. Lay with the assistance of Mr. (subsequently Sir) Robert Hart. During Mr. Lay's absence in England (1862 to 1863) to bring out a flotilla of gunboats under Captain Sherard Osborne, R.N., Sir R. Hart gained the entire confidence of the Chinese Government. Mr. Lay was, owing to his imperious refusal to place that flotilla under the orders of the Provincial Authorities, dismissed by Prince Kung (July 19, 1864) and Sir R. Hart obtained the supreme control of the Foreign Customs Service. With the aid of the Allied Forces (since February 21, 1862) Shanghai was delivered from a threatened attack of the Taipings and, thanks to the services of the Ever-Victorious Army under General Ch. Gordon (January 6, 1863, to June 1, 1864), the Taiping rebellion was crushed by the capture of Nanking (July 19, 1864) and peace restored in the Empire for awhile.

- During this time the relations of Hongkong with the Chinese Government had steadily improved. As long as the occupation of Canton by the Allied Forces continued (January 5, 1858, to October 21, 1861), Hongkong was virtually the port of supply for Canton city. The renewal of the war with China, in 1860, also gave a fresh stimulus to Colonial activities in various directions and the commissariat and transport services, required by the Allied Forces from October, 1859, to the close of the year 1860, caused the shipping interests of the Colony to

develop enormously for a time, whilst the war itself raged at a distance.

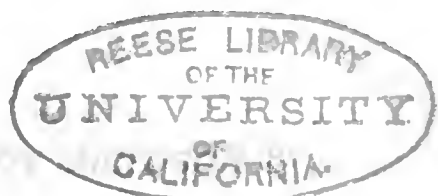
The principal benefit of a lasting character that Hongkong derived from this second war with China consists in the acquisition of the Kowloon Peninsula. The first official suggestion of the great importance attaching to Kowloon appears to have originated with a naval officer. On 2nd March, 1858, four months before the conclusion of the Tientsin Treaty, Captain W. K. Hall, of H.M.S. *Calcutta*, forwarded to the local Government copy of a letter addressed by him to the Earl of Hardwicke. In this letter, Captain Hall represented that the present opportunity of obtaining the cession of Kowloon Point and Stonecutters' Island should not be lost, especially as another Power might occupy these vantage points to the great detriment of Hongkong. Captain Hall argued that the Kowloon Peninsula would afford much needed sea-frontage for commercial building lots and additional barrack accommodation; that the British occupation of Kowloon would remove the danger with which the mercantile shipping, anchored during the typhoon season in close proximity to the settlement of lawless Chinese vagabonds at Tsimshatsui, was threatened; that H.M. Naval Yard ought to be transferred to Kowloon and its present site utilized for barracks; and that Stonecutters' Island would be useful for a quarantine establishment and for the strengthening of the defences of the Colony. It seems that General Ch. van Straubenzee at once took up Captain Hall's suggestion and reported to the War Office (in March, 1858) that he had forwarded to Lord Elgin a recommendation to include among the claims to be made at the conclusion of the war the cession of Kowloon Peninsula. Lord Elgin, who never did anything for Hongkong that he could help and did not even take the trouble to conceal his aversion to the Colony, refused to entertain the suggestion of the annexation of Kowloon. He said he had no instructions on the subject. Accordingly the Treaty of Tientsin (June 28, 1858) left Hongkong in the exact position in which it was under the Treaty of Nanking. Sir J. Bowring, however, drew the

attention of the Colonial Office to the importance of Kowloon, and in the following year (March 29, 1859) distinctly recommended its annexation by cession in the following words. 'The possession of the small peninsula opposite the Island is become of more and more importance. To say nothing of questions of military and naval defence, it would be of great commercial and sanitary value, while to the Chinese it is not only of no value, but a seat of anarchy and a source of embarrassment. I hope therefore that measures will be taken for obtaining a cession of this tract of land.' In October, 1859, the Downing Street Authorities urged this recommendation upon the consideration of the War Office in connection with the renewal of the war with China, and on March 12th, 1860, Mr. Sidney Herbert (then Secretary of State for War), agreeing with this proposal, dispatched to Hongkong a memorandum on the military occupation of Kowloon. Strange to say, on the very same day (March 12, 1860) Sir H. Robinson forwarded to Sir F. W. Bruce, at the urgent suggestion of Sir H. Parkes, a memorandum on the civil occupation of Kowloon. Sir H. Parkes had been urging the Governor to take the peninsula on a lease which he, as Chief of the Commission in occupation of Canton, believed he could easily obtain from the Cantonese Viceroy Lao Tsung-Kwong. Sir Hercules was at first unwilling to ask for a lease because the charter of the Colony made no provision for such an arrangement. He shrank from asking the Chinese Government to grant, as a favour, ground which at the moment was needed for the prosecution of the war. Indeed a part of the peninsula had, with the Governor's sanction, already been informally utilized (since February, 1860) as camping ground. Nevertheless Sir Hercules forwarded Sir H. Parkes' proposition to Sir F. Bruce on March 12th, 1860. The next day (March 13, 1860) a new advocate of the annexation of Kowloon, and one who afterwards claimed to have originated the idea, arrived in Hongkong, in the person of General Sir Hope Grant, G.C.B., the commander of the English expedition. His statement is as follows. 'On the opposite coast, and within three-quarters of

a mile, was the promontory of Kowloon, a spot of which I was most anxious to gain immediate possession—firstly, because its occupation was absolutely essential for the defence of Hongkong harbour and the town of Victoria; secondly, because it was an open healthy spot, admirably suited for a camping ground on the arrival of our troops; thirdly, because at the conclusion of the war it would be a salubrious site for the erection of barracks required for the Hongkong garrison; and lastly, because, if we did not take it, the French probably would. This tract was about two miles in breadth and was particularly healthy, owing to its being exposed to the south-west monsoon. There were, however, difficulties in the way. Mr. Bruce, our Plenipotentiary, had sent an ultimatum to the Chinese Government allowing them a month to reply and war had not yet been actually declared; so the forcible seizure of the promontory would not have been quite legal.’ From Sir H. Parkes’ journal it appears that on March 16th, 1860, he had a consultation with Sir H. Robinson and General Grant, and this is what he says of it. ‘After hearing what I had to say, both Sir H. Robinson and Sir Hope Grant came round to my way of thinking as to the desirability of getting a *lease* of Kowloon, although they had already begun to land troops...Sir H. Robinson is all eagerness that it should be settled forthwith and that I should get back to Canton to arrange it as speedily as possible.’ As soon as it was found that Sir F. Bruce also approved of the proposed lease, Sir Hercules formally authorized Sir H. Parkes to arrange a lease. Viceroy Lao made no difficulty and on March 21st, 1860, signed, sealed and delivered a lease which granted the Kowloon Peninsula ‘in perpetuity to Harry Smith Parkes, Esquire, Companion of the Bath, a Member of the Allied Commission at Canton, on behalf of Her Britannic Majesty’s Government.’ On March 24th, 1860, Colonel Macmahon gave notice to the Chinese occupants of Kowloon that no further settlers would be allowed to come there in future but all orderly people already located there would be protected and outlaws driven away. When Lord Elgin arrived (June 21, 1860), the occupation of

Kowloon was happily an accomplished fact which he could not undo. Accordingly he arranged in his Peking Convention (October 24, 1860) that the lease of Kowloon should be cancelled and that the peninsula should 'with a view to the maintenance of law and order in and about the harbour of Hongkong, be ceded to H.M. the Queen of Great Britain and Ireland, Her heirs and successors, to have and to hold as a Dependency of Her Britannic Majesty's Colony of Hongkong.' It was further stipulated in this Convention that Chinese claims to property on the peninsula should be duly investigated by a Mixed Commission and payment awarded to any Chinese (whose claims might be established) if their removal should be deemed necessary. In pursuance of these stipulations a Commission was appointed (December 26, 1860) and the ceremony of handing over Kowloon Peninsula to the British Crown was solemnly performed (January 19, 1861) in the presence of a large assembly and some 2,000 troops. One of the Cantonese Mandarins delivered a paper full of soil to Lord Elgin in token of the cession. Sir Hercules and Lady Robinson and Sir H. Parkes assisted at this function and the royal standard was hoisted amid the cheers of the assembly and the thunders of salutes fired by the men-of-war in the harbour and by a battery on Stonecutters' Island. This was the last official act performed in China by Lord Elgin who with unfeigned relief left Hongkong forthwith (January 21, 1861) for England by way of Manila and Batavia. His name was perpetuated in Hongkong by its being given to a terrace which at the time was a fashionable quarter of the town. Sir H. Robinson had appointed Mr. Ch. May to act as British Commissioner in conjunction with some Chinese deputies to adjust native claims and to mark out the boundary, for which purpose he was assisted by Mr. Bird of the Royal Engineers' Department, who surveyed and mapped out the whole peninsula. But now arose the question how to allot the ground between the Colony, the Army and Navy. Sir Hercules appointed for this purpose a Board in which Mr. Ch. St. G. Cleverly represented the Civil Government, Colonel Mann, R.E., the Army, and Captain Borlase, R.N., the

Admiralty. But this Board reported (March 7, 1861) their inability to come to any agreement. The matter had to be referred home. Sir Hope Grant claimed—that the idea of appropriating the peninsula had originated with the Military Authorities; that the Colonial Office had approved of the occupation of Kowloon for military purposes; that the lease had been obtained by his own authority; that the peninsula ceded by the Peking Convention should therefore be converted into a purely military cantonment separate and apart from the Government of Hongkong; that at any rate the highest and healthiest ground of the peninsula should immediately be utilized for the erection of barracks. Plans for the latter were forwarded by General Grant without delay (April, 1861) and approved, with some alterations, by the War Office (March 13, 1862). On the other hand, Sir H. Robinson represented to the Colonial Office (February 13, 1861)—that the idea of appropriating Kowloon did not originate with the Military Authorities; that the Hongkong Government, in originally mooted the acquisition of Kowloon, had in view the necessity of providing for the wants of the general population as well as of the military garrison; that the lease was obtained under his own authority; that the Peking Convention expressly declared the peninsula to be ceded as a Dependency of the Colony of Hongkong; that the peninsula is indispensable to the welfare of the Colony, it being required to keep the Chinese population at some distance and to preserve the European and American community from the injury and inconvenience of intermixture with the Chinese residents; that the peninsula is further needed by the Colony to provide storage accommodation, room for docks, for hospitals, for private residences and for air and exercise; that the site specially claimed by the Military Authorities is indispensable for the foregoing purposes and that, without that site, it would be almost worthless to the Colony to have Kowloon at all. Strange to say, these incontrovertible arguments of Sir H. Robinson, which the subsequent history of Kowloon proved to have been based on truth, were brushed aside by the simple fiat of the Imperial



Government. The wants, the welfare and the development of the Colony were mercilessly sacrificed to Imperial military interests which after all were soon found to be ill-served by this unrighteous appropriation. But that, in addition to the serious and permanent injury thus inflicted upon the Colony, an annual military contribution was likewise demanded, can be explained only by the assumption that Her Majesty's Government was kept in ignorance of the serious blow which the prosperity of Hongkong received by being deprived of the advantages which the civil occupation of Kowloon would have afforded. The dispute dragged on until 1864, when the Military Authorities got the lion's share and certain prescriptive rights over the remainder, which was divided between the Colony and the Navy. At a land sale, held in 1864 (July 25 to 29), some 26 marine and 39 inland lots were sold, on short leases, at a premium of \$4,050 and an annual rent of \$18,793 (of which sum hardly one-fourth was ever paid). The one portion which was of essential value for the Colony was retained by the Military Authorities.

In spring, 1860, a novel proposition was under discussion. The idea was mooted of appointing a Governor-General of H.M. Insular Possessions in the East, who should combine the civil and military government of Mauritius, Ceylon, the Straits Settlements and Hongkong. Nothing further came of this amalgamation scheme, however, beyond the appointment of a Colonial Defence Commission.

The relations of the Colony with the Cantonese Authorities were, after the evacuation of Canton (October 21, 1861), under the care of H.M. Consul at Canton, subject to the control of the British Minister at Peking. Nevertheless, when any pressing case occurred, this circumlocutory process was occasionally set aside. To give but one instance, it happened in January, 1865, that a Chinese resident of Hongkong was kidnapped from a boat in the harbour and held for ransom in a village near Shamtsün in the Sun-on District. The new Registrar General (C. C. Smith), without loss of time, obtained the use of H.M.S. *Woodcock* and proceeded to Deep Bay. A party of 25

blue-jackets, under the command of Captain Boxer, of H.M.S. *Hesper*, went inland with the Registrar General and captured, happily without resistance, both the kidnapper and his prisoner who were brought to Hongkong.

One of the earliest subjects that engaged the attention of Sir H. Robinson in Hongkong was Civil Service reform. Very wisely he commenced his labours in this direction with an attempt to revise official salaries. But when the draft of an Ordinance (13 of 1860) for establishing a revised Civil List came under discussion in Legislative Council (December 26, 1859), the unofficial Members (J. Jardine, J. Dent and Geo. Lyall) urged that, although the salaries of most of the Civil Servants were inadequate, there were at present no available funds for effecting a general increase of salaries. They recommended, however, to increase the salaries of four subordinate officers whom they named. There was also thrown out a suggestion that Hongkong officials, instead of having their salaries increased on account of length of service, should have a chance of promotion to other Colonies. Sir H. Robinson, though foiled to some extent in his Civil List reforms, succeeded in establishing a Pension Scheme (May 5, 1862) under Ordinance 10 of 1862 by which he definitely fixed the rate of pension payable to officers of long and approved service.

Several new offices were established by Sir H. Robinson. For the benefit of the mercantile marine, the Governor established a Marine Court of Inquiry (Ordinance 11 of 1860) and a Board of Examiners for granting certificates of competency to masters and mates (Ordinance 17 of 1860). The first certificate so issued was obtained by Mr. Samuel Ashton of the schooner *Vinder* (August 31, 1861) and between July, 1863, and June, 1864, as many as 48 masters and 28 mates were passed by this Board of Examiners. Sir Hercules also re-organized the Police Court (Ordinance 6 of 1862) by substituting (July 23, 1862) two magistrates with equal power (Ch. May and J. Ch. Whyte) for the former chief magistrate and his assistant. At the same time (July 7, 1862) a Court for Summary Jurisdiction, under

a Puisne Judge (H. J. Ball) was established by Ordinance 7 of 1862 as a branch of the Supreme Court.

But the principal and most beneficial addition to the Civil Service machinery, devised by Sir H. Robinson, was undoubtedly the series of reforms, culminating in his Cadet Scheme, which he introduced for the better government of the Chinese population of the Colony. Sir Hercules, who appeared to have taken Sir Harry Parkes' dealings with the Chinese for his model, took special pains to make sure of two things, first, that the Chinese should be fully and correctly informed of the nature, purport and details of every Government measure affecting their interests, and, secondly, that in every case the Governor should be accurately informed of what the Chinese in any case, public or private, really wanted or needed or wished to say. In harmony with the first part of this programme, Sir Hercules organized a translation office and secured the publication of correct translations of every decision he made in Chinese affairs. He first recognized this need in connection with the resistance offered by the Chinese pawnbrokers and cargo boat people to firmer supervision by the Government and had forthwith careful translations of the respective Ordinances published (May 5 and November 24, 1860). But he went farther and established (March 1, 1862) a separate Chinese issue of the Hongkong Government Gazette. He not only arranged that every Government measure affecting the Chinese residents should be published in this Gazette, but took great pains personally to test the fulness and correctness of the translators' work. In pursuance of the second part of this programme, Sir Hercules took a bold step. He deliberately discarded the attempt to govern the Chinese directly through their own headmen (Tipous), summarily dismissed all the Tipous (June 30, 1861) and made the Registrar General exercise, with regard to the Chinese population, the same functions which the Colonial Secretary performed in relation to the European population. This measure was virtually a return to the original bifurcation of government which Captain Elliot

aimed at when the Colony was formed in 1841. The first number of the Chinese issue of the Hongkong Government Gazette (March 1, 1862) introduced this new policy by the simple notification, which really constituted a revolution in the government of the Chinese population, that thenceforth all applications to the Government, on the part of Chinese residents, must be made by petition (pien) to the Registrar General. Sir Hercules, however, clearly foresaw that for the success of this measure it was indispensable that the Registrar General's office should thenceforth be entrusted only to men who were not only acquainted with the Chinese language and Chinese modes of thought and life, but in sympathy and touch with the Chinese people. It was, in the first instance, for this purpose that he established his Cadet Scheme. On the model of the system organized by Sir J. Bowring for the training of Consular interpreters, Sir Hercules launched (March 23, 1861) a scheme to provide the Colony with a staff of well-educated interpreters who should study the Chinese language in Hongkong and be eligible, when qualified, for promotion to the headship of several departments. They were not intended to act as Court interpreters but to fill eventually those of the higher offices in the Service in which a knowledge of the Chinese mind and character afforded some special advantage. This scheme having met with the approval of H.M. Government, three such cadets (C. C. Smith, W. M. Deane and M. S. Tonnochy) were appointed (April 3, 1862) student interpreters, and underwent two probationary examinations in the year 1863. Mr. (subsequently Sir) C. C. Smith was the first cadet who acted as Registrar General, that is to say as Colonial Secretary for the Chinese population (October 24, 1864), Mr. Tonnochy taking his place in the same capacity later on (November 1, 1865).

The inquiry into the Civil Service abuses of the preceding administration was entrusted by the Secretary of State to the Governor in Executive Council and commenced on 13th August, 1860. As these meetings of Council were held in public and all the records and evidence were printed and published, this terribly

protracted investigation served only to stir up once more the mud of old animosities and produced renewed mutual incriminations between the Registrar General (who resigned and withdrew from his office) and the Superintendent of Police. Moreover, the excessive latitude which the Governor allowed to all parties in the case gave to the editor of the *Daily Press* fresh opportunity to raise side issues and to produce even prisoners from the gaol to aid him in hunting down the object of his hatred. The final result of this distressing inquiry (continued until September 24, 1861) was that the Colony permanently lost the services of the man who was indisputably the best Court interpreter the Colony ever possessed, and who was never equalled in efficiency as a detective police officer. But the rancour of the editor of the *Daily Press* was not satisfied with the scope of the inquiry. He clamoured for further investigations and desired the former Acting Colonial Secretary to be impeached. When Sir H. Robinson resisted any re-opening of the inquiry, the irate editor appealed to the Secretary of State, hurling various charges against the Governor and (in his absence) against the Administrator (W. T. Mercer). After a lengthy correspondence, the Duke of Newcastle at last (in autumn 1862) informed the complainant that, as he had five times been prosecuted for libel, he was not entitled to any consideration and that the Colonial Office would henceforth receive no more communications from him. The same Secretary of State regulated also, by Circular of August 20, 1863, the extent to which public officers might write for or to the public papers. The Duke of Newcastle laid down the rule that, whilst there is no objection to public servants furnishing newspapers with articles signed with their names on subjects of general interest, they are not at liberty to write on questions which can properly be called political, nor to furnish any articles whatever to newspapers which, in commenting on the measures of the Government, habitually exceed the bounds of fair and temperate discussion.

In the Legislative Council, Sir H. Robinson introduced an important change by the inhibition now put, by order of the

Home Government, on the independence of vote formerly allowed to official Members. A set of standing orders and rules had been framed (July 12, 1858) and, using these as a curb rein, Sir Hercules ruled his Council as with a rod of iron, confining its functions strictly to legislation, allowing no criticism of the acts of the Executive, and reducing public influence upon the deliberations of the Legislative Council to the lowest possible minimum. He acted on the principle that legislation should not be influenced by the opinions of irresponsible parties outside the Government. The only point in which he allowed much latitude to the unofficial Members was the discussion of questions of expenditure and taxation.

As to the legislative enactments of this period, the regulation of commercial transactions received a large share of attention. Hardly any other Governor bestowed so much care on commercial legislation. Eleven Ordinances were passed bearing on exclusively commercial matters, such as Chinese passenger ships (6 of 1860), fees to be taken under the Merchant Shipping Ordinance (10 of 1860), exportation of military stores (3 of 1862), protection of patents (14 of 1862) and trade marks (8 of 1863), the law of debtor and creditor (4 of 1863 and 5 of 1864), bills of sale (10 of 1864), bills and promissory notes (12 of 1864), commercial law (13 of 1864) and finally the incorporation, regulation and winding up of Trading Companies (1 of 1865). The Ordinance empowering the Governor to prohibit the export of military stores was caused by the abandonment of that attitude of neutrality which the British Government had occupied in relation to the Manchu Government and the Taiping Rebels until February 21, 1862, when (as above mentioned) the Taipings threatened Shanghai once more. The subsequent issue of a proclamation prohibiting the export of arms and ammunition was intended to stop the supplies which the Taipings had been drawing from Hongkong, but was bitterly complained of as unjust because no similar prohibition was extended to ports in England and India. The consequence was a partial derangement of the operations of firms hitherto connected with this trade in

military stores, and numerous confiscations were made by the Harbour Master in February, 1863. In 1862, the discovery of an extensive system of issuing false certificates for opium deposits (June 14th) opened the eyes of the public to the imperfect formulation of the law of debtor and creditor. The Attorney General (J. Smale) drafted accordingly a Bankruptcy Ordinance (November 16, 1863) specially adapted to local circumstances, but it was set aside by the advisers of the Colonial Office who sent out another (5 of 1864) for acceptance by the Council. In connection with that same opium case, it was decided by a jury (August 7, 1863) that a delivery order, though sold and paid for, does not free the vendor from risk in case a mishap should occur to the article sold after the order had changed hands. When the draft of the Companies' Ordinance (1 of 1865) was under the consideration of the Council (in 1864), the question of incorporating companies with limited liability, which measure the Governor at the time viewed as fraught with danger for Hongkong, gave rise to much animated discussion. The position which the Governor took in this matter was such as to provoke a spirited protest by one of the unofficial Members of Council (J. Whittall) whose language the Governor censured as offensive to the Council.

Chinese trade also received a fair share of the Governor's attention, and Sir Hercules was the first Governor who understood how to deal with the common practice of the Chinese of offering seditious resistance to a weak Government by combining to strike work in order to mark their sense of irksome or imperfect legislation. Unaware what stuff Sir Hercules was made of, the Chinese resorted to this practice three times within four successive years but gave in on each occasion when they encountered, on the part of the Governor, calm but rigidly uncompromising firmness. The Pawnbrokers' Ordinance (3 of 1860) evoked a general closing of pawnshops and the Ordinance remained for a long time a dead letter whilst the pawnbrokers agitated for certain concessions. They submitted, however, when they found that the Governor turned a deaf ear to all their representations.

In order to provide a remedy against the habitual plundering to which goods were subjected in transit between ship and shore, an Ordinance (15 of 1860) was passed for the registration and regulation of the men employed on cargo-boats. As soon as this Ordinance came into force (1861), a general strike ensued on the part of cargo-boat people, but by unflinching firmness on the part of the Governor and the community they were soon brought to submit to registration. The chair coolies also resorted to a strike (in 1863) when they were for the first time to be brought under a system of regulating and licensing public vehicles by Ordinance 6 of 1863. They also yielded, after nearly three months' passive resistance, and the new Ordinance proved a great boon to the public.

An interesting trial (*Moss versus Alcock*) was concluded in the Supreme Court on 27th December, 1861. A British subject, having assaulted a Japanese officer at Kanagawa, had been sentenced to fine and imprisonment by a British Consul whose sentence was confirmed by Sir Rutherford Alcock, then H.M. Minister at Tokyo. But when the prisoner was lodged in the Hongkong Gaol, he appealed to the Supreme Court and obtained a verdict for \$2,000 damages, as the Consul had power only to inflict either a fine or imprisonment. It was in consequence of this case that subsequently (July 16, 1863) letters patent were issued conferring upon the Chief Justice of Hongkong appellate jurisdiction in respect to Consular decisions made in Japan. In the course of the trial (*Moss versus Alcock*) there occurred (December 12, 1861) the first of those lively but indecorous scenes of bickerings which for years after periodically recurred whenever Mr. (subsequently Sir) John Smale, as Attorney General or Chief Justice, was confronted in Court by the leading barrister of the time (E. H. Pollard). A fruitless attempt was made (April 23, 1859) by Dr. Bridges to induce the Governor in Council to modify Sir J. Bowring's Amalgamation Ordinance (12 of 1858) so as to permit barristers to form partnerships with a view to enable them to recruit health in Europe without breaking up their practice. So far from

extending the scope of this Amalgamation Ordinance, Sir H. Robinson repealed it altogether to the infinite regret of the public (by Ordinance 12 of 1862). It seems he was instigated to this retrogressive act by the new Chief Justice (W. H. Adams) and the new Attorney General (J. Smale) who, like the Governor, knew little of the sad condition in which the legal profession in the Colony had been before the introduction of this Ordinance. The beneficial effects it had produced were now considered a proof that it was no longer needed. In vain did the community, who heard of this measure only a few hours before it was read in Council, protest against the repeal. In vain did the unofficial Members of Council (F. Chomley, C. W. Murray, A. Perceval) demand that at least an inquiry be instituted into the working of the Amalgamation Ordinance and into the necessity for a repeal. The Governor was going away on furlough and had made up his mind to settle this matter before leaving, 'on the basis of the opinions of high legal officers, whose credit was at stake in the utterance of their opinions, rather than on the views of irresponsible outsiders.' The Chief Justice (W. H. Adams) and the Attorney General (J. Smale) thought the repeal necessary to preserve the purity of the higher branch of the profession. The public interest had to yield to that. But the impetuous haste with which the Governor rushed the Bill through Council (July 3, 1862), and the inexorable predetermination with which he brushed aside all objections whilst refusing any inquiry or consideration, caused the general public to stigmatise the conduct of Sir Hercules in this case, as in some others, as marked by 'mulish obstinacy.' As to other legal enactments of this period, the principal Ordinance of permanent value was that (7 of 1860) which gave authority to two Commissioners, H. J. Ball, Judge of the Summary Jurisdiction Court, and W. H. Alexander, Registrar of the Court, to compile an edition of the Ordinances in force in the Colony and to consolidate particularly the criminal law. This important work, by the starting of which the Governor complied with one of the recommendations of the Parliamentary

Committee of 1847, was satisfactorily completed in October, 1864, under the sanction which the Privy Council had given (February 20, 1864) to the introduction in the Colony of the criminal law of England with such adaptations as circumstances might render advisable.

Owing to the above-mentioned disturbances in the Canton Province, the population of Hongkong made great strides in the first few years of this period. In 1860 the population increased by 8,003 persons. In 1861, when the cession of Kowloon also contributed to swell the population, the increase amounted to 24,404 persons, having risen from 94,917 people in 1860 to 119,321 in 1861. After that year, however, the population increased but slightly in 1862, retrograded in 1863 and stood in 1864 at 121,498 people.

The finances of the Colony, though severely strained by liberal expenditure on public works, constitute one of the brightest features of this administration. The revenue of the year 1860 exceeded that of 1859 by £28,958. The expenditure of the same period, however, increased by £6,281. In consequence of the transfer of the Hongkong Post Office to the local Government (May 1, 1860), the Post Office receipts appeared for the first time in the accounts for the year 1860. But the largest increase of the revenue of that year was under the head of land revenue, which exceeded that of 1859 by nearly £17,000 in consequence of the great rise in the value of land. The revenue of 1860 was thus the largest ever raised, up to that time, in Hongkong, and four times greater than that of the year 1851. The Colony had now at last become fully self-supporting and commenced the year 1861 with an excess of assets (over liabilities) amounting to nearly £4,300. The revenue of the year 1861 (£33,058) was nearly double of the revenue of 1859, but owing to the large public works now taken in hand and to the augmentation of the establishment, the expenditure rose to £37,241. The returns for 1861 shewed an increase under almost every head of revenue but particularly so the items of land rents and licences, the rapid increase of the population, and the extensive purchases of land

connected with an attempt to develop the resources of Bowrington, having caused an enormous further increase in the value of land. Following the example of Sir J. Bowring, Sir H. Robinson deposited year by year all surplus funds in the local Chartered Banks at five per cent. and £61,550 were thus deposited in 1861. Since 1st July, 1862, the accounts of the Colony were kept in dollars. The increase (\$20,502) in the revenue of the year 1862 was ascribed chiefly to the increased yield of postage, police and lighting rates, opium farm and pawnbrokers' licences, whilst the increase (\$61,400) of expenditure was caused by public works and additions to the strength of the Police Force. The same items caused the expenditure of the year 1863 to exceed (by \$10,000) the revenue which had decreased by \$54,884 as compared with the preceding year. In the year 1864, postage and profits made on subsidiary coins (procured from England) caused the revenue to increase by \$61,471, whilst, on the other hand, the expenditure of the same year increased by \$176,742, owing to the erection of the Mint and the investment of \$250,000 in the purchase of land and houses at Kowloon. But, owing to a commercial depression which now set in, the difference between receipts and expenditure continued. On 4th March, 1865, Sir H. Robinson stated in Legislative Council that the total revenue for the preceding year had come to \$637,845 and the actual expenditure to \$763,307, an ominous indication of bad times in store for the Colonial finances.

As soon as the flourishing condition of the Colonial finances became known at home, a claim was set up for a military contribution. There was strictly speaking no surplus, as all available surplus funds were urgently required to provide additional gaol accommodation, additional water-works and most particularly a comprehensive drainage scheme for the town, which one Colonial Surgeon after the other urged as the indispensable preliminary basis of sanitary reform, and which, owing to the demand for a military contribution, Governor after Governor postponed for want of funds. On 15th August, 1864, Sir H. Robinson stated in Legislative Council that the Secretary of State insisted upon payment of a military contribution of £20,000 per annum for

five years as a reasonable and just return for the protection of life and property afforded by the military garrison, the amount charged being one-fifth of the Imperial military expenditure incurred in the Colony. It appeared that Mr. Mercer, as Administrator, as well as Sir Hercules had strenuously objected to this demand when it was first mooted. Their arguments were virtually those that thenceforth were repeated at every successive period of Hongkong's history: that Hongkong is not a producing Colony but a mere intermediate station of the China trade; that this station, being anyhow very profitable to India and to the Imperial Exchequer, ought not to bear the burden of military expenditure incurred for the benefit of British trade in China and Japan; that the settlement is a struggling one and needs no garrison for its local protection; that the Colony has, to the great detriment of local revenue and commerce, been deprived of so much building ground; appropriated for Imperial military uses, that it ought to be considered to have paid, in land, its quota towards a military contribution. But in this case, as on all subsequent occasions, the Home Government confined itself to the simple assertion that, as the Colony can afford to pay, it must pay what is demanded. A public meeting, the largest, it was said, that had been held yet, assembled in the Court House (August 23, 1864) and unanimously resolved to memorialize H.M. Government to protest against the measure. The senior unofficial Member of Legislative Council (C. W. Murray) acted as chairman and the proposers and seconders of the several resolutions to be embodied in the Memorial were—E. H. Pollard, Th. Sutherland, A. Turing, J. Whittall, K. Brand, H. B. Lemann, T. G. Linstead, G. J. Helland, R. S. Walker, H. Noble, C. H. Storey and W. Schmidt. The Chamber of Commerce and the Chinese community followed the example and likewise presented protests in form of Memorials. When the estimates for 1865, including the sum of \$92,000 as military contribution were laid before the Legislative Council, this item was passed only by the Governor's casting vote, as even the Colonial Treasurer (who was afterwards severely censured by the Secretary of State) joined

with the unofficial Members in voting against it. Moreover, with the single exception of the Chief Justice (W. H. Adams), all the Members of Council, both official and unofficial, agreed forthwith in passing a resolution stating 'that the maintenance of troops in Hongkong is not necessary purely for the protection of Colonial interests or the security of the inhabitants, and that the Colonial revenue cannot fairly be charged with any contribution towards the Imperial military expenditure in China and Japan.' In communicating to H.M. Government the unanimous protest of the colonists, Sir H. Robinson (September 7, 1864) suggested that, if there must be a military contribution, it had better be imposed by an Order of Her Majesty in Council. The Secretary of State (Mr. Cardwell) subsequently agreed to take this course (August 11, 1865) if the Legislative Council should insist upon it. But when the point was discussed in Council (November 16, 1865), the Members agreed to appropriate the amount by annual vote of the local legislature.

It has been stated above that Sir J. Bowring recommended to the Lords Commissioners of H.M. Treasury the establishment in Hongkong of a Mint and the issue of a British dollar. This suggestion was publicly taken up again during Sir H. Robinson's administration and the Governor was urged (October 4, 1860) to remedy the embarrassing fluctuations in the value of the Mexican dollar, and the constant complaints of the insufficiency of small silver coins procured from England, by the local establishment of a Mint. Sir Hercules, however, hesitated to move in the matter, owing to the refusal which his predecessor's recommendations had met with. Meanwhile the currency question became more pressing. In July, 1861, clean Mexican dollars bore a premium of 7 per cent., above their intrinsic value as compared with bar and sycee silver, and subsequently reached a premium of nearly 12 per cent. which, however, fell again to 8 per cent. in spring 1863. It was felt that these excessive fluctuations of the common medium of exchange in China and Japan must tend to embarrass the operations of commerce. Sir Hercules obtained, in 1862, the sanction of the Colonial Office

for the principle on which he proposed to base a reform of the currency of the Colony, viz. the official re-establishment of a silver standard based on the Mexican dollar. By a Royal proclamation, dated January 9, 1863, but not published until May 2, 1863, it was determined that, from a date thereafter to be notified, the former currency proclamations of 1845, 1853 and 1857 (mentioned above) should be wholly or partially cancelled, and Mexican or other silver dollars of equal value should, together with those silver coins (of Mexican standard) and bronze cents and cash (being hundredth or thousandth parts of the Mexican dollar) which were to be issued by H.M. Mint, be the only legal tender of payment in the Colony. The date here referred to was, however, not fixed until the Hongkong Mint was established (1865). But meanwhile Sir Hercules did two things: he obtained from England a supply of subsidiary coins (June 26, 1863) and set to work to move the Home Government to sanction the immediate establishment of a Mint at Hongkong. In April, 1863, the first consignment of subsidiary coins arrived. They consisted of silver ten-cent pieces, bronze cents and bronze mils (cash). The intrinsic value of the silver ten-cent pieces was such as to make \$3 face value equal to \$2.987 intrinsic value. With direct reference to the arguments previously advanced by the Treasury Board in condemnation of Sir J. Bowring's proposal, Sir Hercules represented to H.M. Government—that Mexican dollars now passed current in large quantities even in Shanghai; that the dollar had already been declared the only legal tender of payment in Hongkong; that the supply of Mexican dollars had become quite insufficient in consequence of the new demand for Japan; that even in the silk districts of Central China payments, formerly settled in sycee, had now to be made in undefaced Mexican dollars which were at a high premium; that consequently a British dollar of a value equal to that of the Mexican was urgently required. In consequence of these representations the Lords Commissioners of H.M. Treasury approved (April 10, 1863) of the proposal of Sir Hercules and suggested that the proposed Mint should be established in Hongkong by local

enactment to be approved by the Queen and that it should be placed under the control and supervision of the Master of the Royal Mint with a view to assay and verification of the coin to be issued from it. Arrangements were accordingly made by Sir Hercules, the site now occupied by the East Point Sugar Refinery was appropriated for the purposes of the Mint, additional land reclaimed from the sea at a cost of £9,000, a water supply secured at a cost of \$3,550, buildings commenced which cost \$25,000, and a staff ordered from home. Several Ordinances were also issued, providing for the conversion of British currency in all payments by or to the Government (1 of 1864) and for the organisation of the Mint service (2 of 1864). The former of these two Ordinances ordained, with reference to the above-mentioned proclamation of January 9, 1863, that, as soon as the date referred to could be fixed, all payments due in British Sterling to or by the Government should be made in dollars, cents or cash, to be issued from H.M. Mint at the rate of 4s. 2d. to the dollar.

As regards public works, the principal undertaking of this period was the so-called Victoria water-works scheme which had been under discussion during the preceding administration. Sir Hercules took it up with the vigour which characterized all his doings. He commenced by offering (October 15, 1859) a prize of \$1,000 for the best plan. Several competitors entered the lists (S. G. Bird, J. Walker, S. B. Rawling) and sent in elaborate plans. The Governor referred the papers to a Committee (Lientenant-Colonel G. F. Mann, R.E., J. J. Mackenzie, Ch. St. G. Cleverly) and adopted on their recommendation the scheme of Mr. Rawling, Clerk of Works to the Royal Engineers. This scheme proposed to construct a large reservoir at Pokfulam, to connect it by an aqueduct with two large tanks above Taipingshan and to provide thus, before the close of the year 1862, a supply of water for the western and central parts of the city at a cost of about £30,000. Tenders were immediately called for and the work commenced in 1860 under Mr. Rawling's supervision. An Ordinance (12 of 1860) was passed to empower the Governor in Council to appropriate from current revenues

the sum of £30,000 as the works proceeded and to supply any deficiency of funds, if necessary, by mortgaging the water rate, which anyhow was to be levied, at the rate of 2 per cent. on the gross annual value of house property, according to assessment. An imperfect estimate of the cost of the materials ordered out from England, and the substitution of cement for mortar (ordered by the Colonial Office), caused an excess over the original estimate by a considerable sum. It was not till the close of the year 1863 that the works were completed so far as to allow of the water rate being levied. The scheme was, at the time, believed to have proved a great success. But the experience of subsequent years revealed defects of construction. Moreover, as the scheme did not provide for a sufficient quantity of water (during the dry season) to provide for the wants of a rapidly growing population, and left the town east of the clocktower entirely without water, it was even at this time foreseen that this scheme afforded but temporary relief.

The Praya works were, in public estimation, considered unsatisfactory. These works, which had been commenced in a desultory way by Sir J. Bowring, and in the face of obstructions of all sorts, were energetically pushed on by Sir H. Robinson and carried out in conjunction with the Crown tenants under special arrangements with reference to the land reclaimed. Landing piers for cargo boats were also provided. The sections extending for a mile and a half west of the parade ground and for a quarter mile east of the arsenal (there being a break between) were completed in 1862. The construction having, however, proceeded piecemeal, and under incompetent (Chinese) overseers, the work was palpably deficient in solidity and, although no typhoon had touched it yet, much of the work had to be done over again in 1863. Sir H. Robinson accordingly determined to rebuild the whole Praya wall and to use this opportunity to extend the Praya seawards by reclaiming from the sea a further strip of land 100 feet in width. The Surveyor General (W. Wilson) addressed the holders of marine-lots to this effect (August 15, 1864) stating the

necessity for re-constructing the defective and dilapidated sea-wall and offering to the lot-holders the land to be reclaimed in front of their respective lots free of premium, in compensation for the reclamation expenses to be borne by them. But this offer met with the same obstructiveness which had hampered Sir J. Bowring's scheme. A public meeting of lot-holders, held on 13th September, 1864, resolved to protest against the proposal of burdening the lot-holders with the reclamation expenses and declared the existing sea-wall to be good enough for public purposes. A letter to this effect was addressed to the Colonial Secretary (September 20, 1864). Controversy ensued. The Colonial Secretary not only contested that the sea-wall needed rebuilding but that its original defective construction had been caused by the obstructions which the lot-holders had placed in the way of expenditure. This charge having been energetically rebutted by the lot-holders (November 18, 1864), Sir H. Robinson announced (November 20, 1864) that the extension of the Praya wall would not be enforced where not desired by the lot-holders. Meanwhile other public works had not been neglected. A Lock Hospital was erected in 1861, close to the Civil Hospital. Shaukiwan was supplied with a police station and a school-house. A new gaol was commenced, also in the year 1861, on Stonecutters' Island. By the year 1864 a new Central Police Station, the reclamation and building works connected with the Mint, a carriage road to Shaukiwan, and the construction of Stonecutters' Island Gaol were all completed.

Police and gaol management did not advance, even in this period of general administrative vigour, beyond the stage of unsatisfactory experiments. At the close of the year 1860, the *personnel* of the Police Force was considered as showing no improvement and though no very great fault was found with the Police as a preventive force, the whole question was felt to be one that baffled the wits of all who were responsible for the manifestly unsatisfactory condition of the Police. Bombay and Madras were tentatively resorted to (February 8, 1861) as recruiting grounds. In January and May, 1862,

drafts of recruits arrived from those places and the entire force was placed under the command of Captain W. Quin who had previously served in the Army and in the Bombay Police. For the convenience of the Water Police a ship was bought (April 1, 1862) to serve as a floating Police Station. In spring 1864, the Colonial Secretary, while acknowledging the intelligence and zeal of the new superintendent (W. Quin) and his assistant (J. Jarman), stated that the men of the corps, whether European or Indian, were wanting in most of the essentials of a Police Force. Bribery and corruption were particularly considered ineradicable among the Indian contingent. The right of the Police to use fire-arms, in the case of suspects refusing to stop when challenged, was judicially inquired into (July 28, 1864) when a constable, who had shot a boatman trying to escape search, was put on his trial on a charge of murder. The verdict of the jury, who viewed the case as one of justifiable homicide, was satisfactory to the Police. To stimulate zeal, regulations were made (October 25, 1864) awarding gratuities in case of special merit. Wholesale deportation of crowds of professional beggars was resorted to in summer 1864, to relieve the streets from these people, who were accordingly sent back to Canton.

Before the building of the new gaol at Stonecutters' Island was sufficiently advanced to occupy any portion of it, it became necessary, in 1862, owing to the inhibition now laid on transportation to the Andaman Islands and the pressing need of a separate debtors' ward, to relieve the congested state of Victoria Gaol. Some 280 long sentence prisoners were accordingly lodged on board a hulk (*Royal Saxon*) anchored close to Stonecutters' Island, the quarries of which afforded occupation for the prisoners. At the same time the rules of Victoria Gaol were revised (Ordinance 4 of 1863) and an expert was obtained from England to act as gaol superintendent (Ch. Ryall). Owing to repeated escapes of gangs of prisoners, principally through the gaol drains (January 12 and March 14, 1863), a Commission was appointed (May, 1863) to inquire into the condition and working of Victoria Gaol. The convict hulk

at Stonecutters' Island was equally unsatisfactory. Things went on well enough so long as a gunboat and a military guard were provided to guard the hulk, but when these were withdrawn, frequent attempts at rescue were made by outside associates of the prisoners. A sad accident also occurred by the upsetting of a boat, when 38 prisoners were drowned (July 23, 1863). Later on (April 21, 1864) a body of about 100 prisoners made good their escape in junks, after disabling their guards. The working of Victoria Gaol, however, appeared to improve, after the dismissal of the expert, when a new superintendent (F. Douglas) was appointed (December 12, 1863). The gaol was thenceforth popularly referred to as 'Douglas Hotel.'

The criminal history of this period presents some novel features. In January, 1860, one of the most popular compradors, Tam Achoy, distinguished himself by collecting in Hongkong an armed corps of Puntis, officered by some foreign seamen, whom he dispatched by the S.S. *Sir Jamsetjee Jeejeebhoy* to the San-ning District, S.W. of Macao, with a considerable supply of arms and ammunition. On arrival at San-ning, this corps of Hongkong freebooters took an active part in the internecine war going on at that time between the Puntis and Hakka clans of that District. When the Hongkong Police learned that two of the foreign leaders of this buccaneering expedition had been killed in battle, Tam Achoy was arrested and charged with murder. It appeared, however, that, before sending off that expedition, Tam Achoy had given formal notice to a Government officer of his intentions and received no warning of the illegality of his proceedings. The indictment having broken down for want of evidence, Tam Achoy was advised to plead guilty of misdemeanour and was discharged with a reprimand. The peninsula of Kowloon presented for several days in August, 1862, the novel aspect of an animated battle field, as the Puntis inhabitants of the neighbouring villages were engaged in a bloody warfare with the Hakka settlers at Tsimshatsui. But the most renowned crime of this period was the so-called

opium swindle, above referred to, which was perpetrated by an Indian merchant who, with the assistance of an Englishman in charge of the opium stored in the receiving-ship *Tropic*, defrauded the Chartered Mercantile Bank and others of some two million dollars (July, 1862) by means of forged opium certificates. Many daring burglaries and murderous attacks were made, during this period, by armed gangs, such as the attack on the signal station at Victoria Peak (July 27, 1863), the assault made on some men in the Artillery Barracks (October 11, 1863), the murder of an Indian and his wife (January 29, 1864) and an attack made on the offices of Holliday, Wise & Co. (May 11, 1864). Hongkong was now in daily communication with Canton by American river-steamers which took Chinese passengers at 20 cents a head in 1863 and 1864. These cheap fares caused the Colony to be inundated with Chinese ruffians who considered Hongkong, with its indulgent laws and humane treatment of criminals, to afford a temptation they could not resist. But the most novel feature of the depredations resorted to by Chinese burglars at this period was the ingenuity and engineering skill displayed by the so-called drain gangs. The godowns of Smith, Archer & Co. (January 30, 1864), the jewellery store of Douglas Lapraik (May 16, 1864), and the treasure vaults of the Central Bank of Western India (February 5, 1865) were successively attacked by burglars who used the subterraneous storm-water drains as the basis of their operations and drove from there tunnels by which they undermined the floors of treasure stores. The Central Bank was in this way robbed of \$63,000 in notes and £11,000 in gold ingots, some of which were found strewn about in the street on the morning of February 6, 1865.

A most deplorable series of riots, resulting in the murder of two soldiers, three seamen and a boarding-house clerk, took place on three successive days in September (12th to 14th), 1864, between Malay seamen, a body of policemen, and men of the 99th Regiment. The excitement was intense and it seemed impossible to restrain either the soldiers or the police from

renewing the contest. The Volunteers were called out to patrol the streets (September 14, 1864), and at the request of the Governor the 99th Regiment were ordered at three hours' notice to move forthwith over to Kowloon (September 15, 1864) where a camp was hastily erected. This was done in the face of a strong medical protest and the result was that a most extraordinary amount of mortality decimated the troops encamped on the site of which the Military Authorities had robbed the Colony.

Piracy flourished throughout the administration of Sir H. Robinson and the number of cases in which the pirates, disdainful of the less remunerative attacks on native junks, successfully plundered foreign vessels, appears to be rather a distinguishing feature of this period. The Taiping rebellion was by this time extinguished in South China and the Cantonese coastguard resumed again its former function as a preventive force, but it was unable to make headway, without steam cruisers, against the better equipped piratical fleets. Numbers of piracies were reported in Hongkong in autumn (September to November) 1859, by owners of native junks. Few piracies occurred in 1860. But in May, 1861, the brig *North Star* was attacked some four miles off Hongkong. The captain, some of the officers and crew, and a passenger were murdered. Seven months later, the Dutch schooner *Henriette Louise* was plundered, just outside the Lyee-moon, by pirates who wounded the captain and some of the crew (January 2, 1862). Three weeks after this outrage, the British brig *Imogene* was plundered and burned (January 23, 1862) by pirates, five of whom were subsequently (March 6, 1862) convicted of murder and executed. Next, the British schooner *Eagle* was plundered near Green Island by pirates, who were under the leadership of an Englishman (April 18, 1862). The captain and some of the crew were murdered. Soon after, the S.S. *Iron Prince*, when on her way to Macao, was attacked by pirates disguised as passengers. They murdered two of the crew. The captain, officers and European passengers were all wounded in a protracted fight, at close quarters; for the possession

of the steamer. Happily the pirates were finally overpowered and four of them captured, the vessel owing her safety principally to the foresight and heroic conduct of her master, Captain Harris. Next year (April 8, 1863) the Government offered a reward of \$1,000 for information leading to the arrest of certain lawless persons, English and American, employed on board of piratical junks in the neighbourhood of Hongkong and Formosa. This notification had no effect. The American barque *Bertha* was unsuccessfully attacked by pirates near Stonecutters' Island (July 22, 1863); six months later (January 28, 1864) some pirates attacked the Danish brig *Chico* and murdered some of her crew, and on February 5th, 1865, the Spanish brig *Nuevo Lepanto* was captured by pirates near Lantao.

As to the commercial history of this period, one of its principal landmarks is the formation (May 29, 1861) of the Hongkong Chamber of Commerce. It was to be the aim of this institution, to guard the liberties and interests of local commerce and to procure, without any interference with the freedom of the port, reliable commercial statistics. Various nationalities were represented among the members of the Chamber, and the Committee elected at the first annual meeting (April 23, 1862) included American (D. Delano), German (D. Nissen) and Parsee (T. B. Buxey) merchants. One of the first topics which occupied the attention of the Chamber of Commerce was a subject which for some years previous had been a burning question of the day, viz. the establishment by the Chinese Government of the Imperial Maritime Customs Service, under Mr. H. N. Lay. When this scheme was first mooted, four Hongkong firms (Dent, Fletcher, Turner and Birley) protested strongly against what they considered a needless superaddition upon the Consular Service and from the working of which, under Chinese supervision but in separation from the native Chinese Customs Service, they expected interference with the freedom of commerce to result. Some Canton firms joined this protest under the supposition that the effect of the scheme would be to drive the import trade from Canton to Hongkong and to confine the export trade to Macao.

When Mr. Lay commenced the operation of the new Customs Service at Canton (October 14, 1859), the United States Consul (O. H. Perry) objected to Mr. Lay's regulations, or rather to certain threats of penalties contained in their original edition, as an illegal interference with the American river-steamers. Those regulations were, however, at once revised, approved by the British and American Ministers and sullenly submitted to by the mercantile communities of Canton and Hongkong. The seizure by the new Customs Office of the Portuguese S.S. *Shamrock* (November, 1859), on a charge of smuggling, renewed the excitement. So great was the general antipathy prevailing in Hongkong against this Chinese Customs Service (from the control of which, however, the junk trade of Hongkong remained exempt), that the forcible and unlawful resistance which the captain of the barque *Chin Chin* offered to seizure by the foreign Customs Officers in Swatow (March, 1860) was unhesitatingly justified by a Hongkong jury, although a native employe of the Customs was killed in the *mélée*. Shortly after the Hongkong Chamber of Commerce had been established, a special meeting (August 2, 1861) took the whole subject of the Tientsin Treaty and the new Inspectorate of Customs into consideration, and eventually memorialized H.M. Minister at Peking who soon after (October 30, 1861) issued regulations regarding transit dues, exemption certificates and coast trade, which conceded the main points for which the Chamber of Commerce had contended.

Local Post Office regulations also attracted the watchful eye of the Chamber. Some transitory excitement was caused by proceedings taken (September, 1862) against the master of the American S.S. *Firecracker*, who was fined for detaining a portion of the mail brought on by him from Mauritius. More serious was the attempt made by Sir H. Robinson (early in 1863) to secure the sanction of the Legislative Council for a Bill intended to give to the Post Office the right, not only to compel vessels of all nationalities to carry mails without compensation, but also to search and detain any vessel on account of contraband letters. The Chamber stoutly resisted this Bill as an interference

with the spirit of free trade and the view thus taken by the Chamber met even with the support of the Chief Justice. Thanks to the energetic remonstrance addressed to the Governor in Council by the chairman of the Chamber (J. Macandrew), the Bill was thrown out (February 5, 1863) by a majority. The introduction of postage stamps (December 8, 1862) was hailed by the community with little satisfaction. On the contrary, serious apprehension of inconvenience and confusion, supposed to be the inevitable consequence of the compulsory use of postage stamps, filled the mind of the community. This first issue of Hongkong postage stamps consisted of stamps of the respective value of two, eight, twelve, eighteen, twenty-four, and forty-eight cents, reckoned at twenty-four cents to the shilling. Some confusion did arise, at first, as the previous practice of keeping running accounts with the Post Office had to be discontinued; but the Postmaster-General (F. W. Mitchell) did everything in his power to smooth matters and the community quietly submitted to this very unpopular innovation. As regards the conveyance of mails, the Secretary of State gave satisfaction to the community by making an order (October, 1862) that thenceforth no contract mail packets should, under any circumstances, be detained, except on the authority of the Governor, acting on his own responsibility, upon occasions of special urgency. An attempt, made by the Superintendent of Native Customs (Hoppo) at Canton, to induce the Foreign Customs Service to levy duties on cargo shipped in Hongkong for England, by vessels which, after partially loading in Hongkong, proceeded to Whampoa to fill up, was successfully resisted by the Chamber of Commerce (December, 1860), through the energetic action of H.M. Consul at Canton (Ch. A. Winchester).

Several new commercial ventures, started during this period, gave expression to the enterprising spirit which animated the community, both native and foreign. The native boat-building trade particularly, rose, during the year 1859, sevenfold over what it was in 1858, and fishing junks increased from 2,000 to 2,500. In the year 1860 a movement was set on foot to

light the city with gas through a Company formed in London. Next year, however, a hitch occurred in the negotiations between the local promoters of the Gas Company and the directors in London, and doubts were entertained of an understanding being arrived at. The Colonial Secretary (W. T. Mercer) subsequently stated that interested individuals had misled the community and caused opposition but that he set the community right on the subject and removed all obstacles. The city was for the first time lighted with gas on November 12, 1864. There remained, however, a general complaint that the directors in London had allotted an unduly small number of shares (70 only) to local applicants, and this emphasized the regret felt by the public that the gas works had not been started by a purely local Company. In January, 1863, the first strong timber pier in Hongkong was erected, at Spring Gardens, for the godowns of McGregor & Co. All former piers had been built of bamboo. This timber pier, jutting out into Wantsai Bay to a distance of 250 feet, gave at low water a depth of 26 feet. The Aberdeen Docks, which were commenced under the preceding administration, were kept fully at work from 1860 to 1863. A new Dock for the use of H.M. Navy having been approved by the Admiralty (January 22, 1863), a site was purchased (November 16, 1864) at Hunghom, on the Kowloon Peninsula, for the nominal sum of \$50, by a Union Dock Company which was formed to work the existing and projected docks and proved the beginning of a large establishment, growing in importance from year to year. But there is yet another institution, of equal importance, to be mentioned which likewise originated during this fruitful period. In July, 1864, the firm of Dent & Co. issued the prospectus of the newly formed Hongkong & Shanghai Banking Company (to be incorporated by charter) with a capital of five million dollars in 20,000 shares of \$250 each. The fact that this new venture was undertaken when there were already six Banking Institutions in the Colony, viz. the Agra and United Service Bank (Henry Noble), the Central Bank of Western India (W. M. Davidson),

the Chartered Bank of India, Australia and China (A. Hay Anderson), the Chartered Mercantile Bank of India, London and China (W. Ormiston), the Commercial Bank of India (P. R. Harper), and the Oriental Bank Corporation (W. Lamond), indicates the views then taken of the growing prosperity of Hongkong. The broad international basis on which this new banking enterprise was constructed is observable from the names of the merchants who formed the provisional committee of the Hongkong & Shanghai Bank, viz. F. Chomley, A. F. Heard, Thomas Sutherland, G. F. Maclean, D. Lapraik, W. Nissen, H. B. Lemann, W. Schmidt, A. Sassoon, R. Brand, Pallanjee Framjee, W. Adamson, G. J. Helland, and Rustomjee Dhunjeeshaw. This new bank, whose first manager (V. Kresser) entered upon his duties on January 1, 1865, was the first to profit by the Limited Liability provisions of the Trading Companies' Ordinance (1 of 1865).

During the first four years of this period (1859 to 1862) the stream of Chinese emigrants, paying their own passage, continued to flow forth from Hongkong at an average rate of 12,166 emigrants per annum. Contract emigration was, since the year 1859, almost entirely confined to Macao or Whampoa, the only exception being the shipment of Chinese coolies to British Colonies. In September, 1861, an attempt was made to ship coolies under contract to some other place, but the Police seized the ship and liberated the coolies. The emigration agent for the British West Indies (J. Gardiner Austin) succeeded in securing (November 15, 1859), through the influence of Protestant missionaries, numbers of Chinese families for Demerara, whereas it had previously been asserted that Chinese women could not be induced to emigrate. As many as 2,756 respectable Chinese women were (with their husbands and children) shipped from Hongkong during those four years, and mostly to the West Indies. Unfortunately, however, San Francisco took advantage of this new departure and sent thenceforth for annually increasing numbers of single Chinese women, most of whom were probably required for immoral

purposes. In August, 1862, the Hongkong Office of the British West Indies' emigration agent was closed and the business transferred to Canton, to admit of more searching supervision of the modes in which the coolies were procured. But, owing to this measure, the number of Chinese emigrants, annually shipped from Hongkong, fell from 10,421 in 1862, to 7,809 in 1863, and to 6,607 in 1864. In the year 1863 the number of emigrants leaving Hongkong was equalled by the number of those who returned from abroad. These returning emigrants generally brought considerable quantities of gold or gold dust into the Colony. In the year 1861 one single ship (*Minerva*) brought from Melbourne 350 Chinese coolies possessing gold of the aggregate value of £43,000. In the same year as many as 2,370 Chinese were shipped, as free emigrants, to India, and emigration to Tahiti commenced as a new venture.

The shipping returns of the year 1861, shewing a decrease of 217,003 tons, as compared with the returns of the preceding year, do not indicate any real falling off of the shipping trade of the Colony. On the contrary, those returns show an increase of 31,660 tons when compared with the returns of 1859. The difference is explained by the extraordinary increase of the shipping business occasioned, in the year 1860, by commissariat and transport services connected with the war in North China. It may also be noted that the American tonnage decreased in 1861 while British shipping took a proportionate bound in advance, owing to the effects of the Peking Convention which extended the scope of British commerce in China. Owing to the frequency of ships being wrecked on the Pratas Shoals, application had been made in 1860 to the Home Government regarding the erection of lighthouses on those rocks, but the Board of Trade declined (May 2, 1861) to move in the matter.

The somewhat Utopian scheme of connecting Calcutta with Canton and Kowloon by a railway, was brought under the consideration of the Chamber of Commerce (June 30, 1859) by Sir MacDonal Stephens who subsequently, after the completion of his railway undertakings in India, visited

Hongkong and exhibited (February 28, 1864) a wall map illustrating his scheme of connecting Calcutta, Hongkong and Peking by a railway. The question whether such a railway would benefit or injure the interests of the Colony was much debated. Sir M. Stephenson's scheme was, however, entirely premature and met with no encouragement on the part of the Chinese Government. At the close of the year 1861 arrangements were made to get the commerce of the Colony worthily represented at the Crystal Palace Exhibition of 1862. A Committee (Dr. Ivor Murray, J. J. Mackenzie, J. D. Gibb, W. Walkinshaw, and Dr. W. Kane) was officially appointed and forwarded to London a considerable number of articles fairly illustrating the principal features of local trade. The starting of the French Messageries Maritimes line of mail steamers (January 1, 1863) caused a material increase in the facility and rapidity of communication with Europe. The monopoly which the Peninsular and Oriental Steam Navigation Company had held as mail carriers was now ended and the competition benefitted the public in a variety of ways.— Communication with Canton was also improved, during this period, by the enterprise of two local American firms (Russell & Co. and Augustin Heard & Co.) which vied with each other, since 1859, in providing for the Hongkong and Canton trade roomy palatial river-steamers which ran both night and day (*White Cloud* and *Kimshan*). Since December, 1863, Hongkong was also placed in regular steam communication with North-Borneo and some business was done by importing coal from Labuan. In the tea trade a new departure was made in 1864 by forwarding, as an experiment, 5,000 pounds of tea by the overland route to England.

The problem involved in the sanitation of the Colony was left by Sir H. Robinson in the hopeless condition in which he found it. The outbreak, in Hongkong, of several epidemics and the fear of cholera invading the Colony from abroad necessitated some action. But it led to nothing further than the appointment, in 1862, of a health officer of the port (Dr. L. Richardson), the allotment of Green Island as a

quarantine station, and the appointment of a Commission productive of reports which led to nothing. In the year 1859 a mild epidemic of ophthalmia appeared in the gaol and rapidly spread throughout the Colony, attacking both natives and Europeans. As it also appeared at Canton, Amoy and Foochow, it was thought that it had been caused by atmospheric rather than local agencies. But in November, 1859, the Colony was threatened by an epidemic of diphtheria which, however, was happily limited to 10 cases and of these only two proved fatal. It was noted that the summer of 1859 was unusually severe as there was, previous to 4th June, a continuous drought of almost eight months' duration and the thermometer was for several weeks at an average height of 90 degrees. During the next two years (1860 and 1861) the health of the Colony was exceptionally good, and it is noteworthy that both years were stated to have been conspicuous for the absence of violent extremes of temperature. The long talked-of scheme of a medical sanatorium, to be established on Victoria Peak, was at last carried out but did not receive a fair trial. At the recommendation of the principal medical officer of the station, the Military Authorities opened, in spring 1862, a well-built sanatorium on the plateau below the flag-staff and filled it with patients (of an unsuitable class). But, before the close of the year, the military doctors condemned the scheme as a manifest failure, on the ground that nearly every case sent up had been attacked with diarrhoea of an intractable nature and that all medical cases had been aggravated rather than improved. The fate which had pursued the Island as a whole, and the Kowloon Peninsula in particular, asserted its power also as to the first settlements on the Peak: the first occupation produced disease, and patience and discretion were required to overcome the difficulty. It took years before Peak residence, strongly advocated by Mr. Granville Sharp, who took a lease of the deserted sanatorium, rose into favour. A small epidemic of cholera (25 cases) broke out in the gaol on October 17, 1862, but did not spread farther. Owing to the outbreak of cholera

in Shanghai, the Governor appointed (December 29, 1862) a Sanitary Commission (Chief Justice Ball, Colonel Moody, Surveyor General Cleverly, Hon. J. J. Mackenzie, Doctors Murray, Home and Mackay, with H. Holmes as Secretary). This Commission was in session all through the year 1863. The Commissioners became the object of much ridicule when they offered (March 9, 1863) a prize of \$400 for the best scheme for the drainage of the town, without fixing a limit of expenditure. It was generally considered that the paltry reward offered was on a par with the understanding the Commissioners appeared to have of the gigantic nature of the problem involved. The year 1864 afforded, however, evidence, satisfactory to the Government, of the continued healthiness of the Colony, and it was pointed out that the Police Force, though more exposed than any other body of men in Hongkong, enjoyed remarkable immunity from disease.

The paralysis which, during the preceding period, had come over the educational movement among Protestants and Catholics, was succeeded, from the commencement of the administration of Sir H. Robinson, by an extraordinary revival of energy. On the Protestant side, Bishop Smith started (in 1859) the Diocesan Native Training School, which had a prosperous career until the close of the present period and was located (in autumn, 1863) in the newly-erected buildings on Bonham Road. St. Paul's College also received a new lease of life under the tuition of Mr. (subsequently Dr.) J. Fryer and prospered as long as he remained in charge. Quite a new branch of educational work was started (in 1861) by Miss Baxter who, beside much Samaritan activity among all classes of the community and valuable zenana-work among Chinese women, commenced to labour for the education of the Eurasian children in the Colony. For this purpose Miss Baxter established, in Mosque Terrace and in Staunton Street, schools which were subsequently amalgamated and located in Baxter House on Bonham Road (now No. 8 Police Station). At the same time Miss Magrath laboured in a similar direction, while Miss Legge and the ladies of the Berlin Foundling House

were engaged in the education of Chinese girls. Taking a more prominent position, and striking out a new path, Dr. Legge came forward as an educational reformer. During the preceding administration he had closed his Anglo-Chinese College as an acknowledged failure in the line of religious Anglo-Chinese education. He now set to work, with the support of Sir H. Robinson, to convert all the Government Schools, which had hitherto been conducted in the interest of religious education, into professedly secular institutions. To begin with, the Government Gazette announced (January 21, 1860) the formation of a new Board of Education for the management of the Government Schools. Dr. Legge was thenceforth, though Bishop Smith retained the nominal chairmanship, the presiding spirit of this Board and ruled it with the ease and grace of a born bishop. In the absence of Bishop Smith, and after obtaining the resignation of the missionary Inspector of Schools (Rev. W. Lobscheid), the new Board took up (July 3, 1860) Dr. Legge's plan of merging the Inspectorate of Schools in the Headmastership of a grand Central School, which was to become the centre of secular education, and delivering the Government Schools from the bondage of St. Paul's College and its Bishop. It was essentially a non-conformist liberation scheme which preferred secularism to episcopalianism. Sir H. Robinson approved (January 9, 1861) this plan of Dr. Legge, which Sir J. Bowring had previously refused to take up. The Legislative Council also endorsed the scheme (March 25, 1861) and sanctioned the purchase and enlargement of premises (in Gough Street). These were forthwith filled with some 200 Chinese boys, by the amalgamation of three existing Government Schools which thus constituted the new Government Central School. A Headmaster and Inspector of Schools, who was to be kept for some years in the leading strings of the Board, was procured (February 18, 1862) in the person of Mr. (subsequently Dr.) F. Stewart, from Scotland, with the approval of Bishop Smith. Dr. Stewart thenceforth laboured, for the next sixteen years, as the faithful disciple of Dr. Legge, to maintain the reign of secularism in the sphere of

local education. Under his disciplinarian regime the Government Central School gradually became a highly popular institution and retained its hold upon public favour so long as it bore the impress of Dr. Stewart's own personality. But the establishment of this Central School was the ruin of the once equally popular St. Andrew's School, latterly under the tuition of Mr. J. Kemp. On the site of St. Andrew's School, closed in 1861, Dr. Legge erected his new Union Church which was removed thither from Hollywood Road in July, 1863.

This remarkable revival of educational zeal among the Protestant leaders was aided, and to some extent outstripped, since 1860, by a contemporaneous renewal of educational energy on the Roman Catholic side. The newly arrived Father (subsequently Bishop) T. Raimondi occupied at once among Catholic educationists the same prominent and fruitful position which Dr. Legge, whom he much resembled also in character and shrewdness, occupied among the Protestants. Bishop Raimondi, however, became the strongest opponent in the Colony of that educational secularism which Dr. Legge had established and to which the Protestant missionaries meekly submitted for many years thereafter. From the time of Bishop Raimondi's arrival, the English R. C. Schools, which had previously commenced to supply local offices with English-speaking Portuguese clerks, redoubled their efforts. The Italian and French Convents also extended their operations in the line of female education and an industrial Reformatory for vagabond children and juvenile offenders, which the Chief Justice (January, 1863) had pointed out as one of the great wants of the Colony, was started by Bishop Raimondi (September, 1864) and removed in the following year to more commodious premises erected on ground granted by the Government (March 24, 1865) at West Point.

The Hongkong Branch of the Royal Asiatic Society was felt (in 1859) to be in a moribund condition. After some ineffectual attempts made by Dr. Legge to revive a general interest in sinological studies, the local Branch was wound up and its

valuable library embodied in that of the equally moribund Morrison Education Society. Both libraries were stored at the London Mission Printing Office. The Morrison Education Society continued to exist for a few years longer in the form of a Committee administering, for purposes of religious education, the funds (\$13,000) still in hand, and distinguished itself (December, 1860) by a narrow partisan spirit in excluding from support the schools of a missionary (Dr. A. Happer) who had given offence to a member of the Committee (J. Jardine) by inaccurate statements concerning the percentage of opium smokers in China. Dr. Legge made a last but futile effort to extend the scope of the Society by appealing to the public (December 27, 1861) for additional subscriptions.

St. John's Cathedral was enriched (in 1860) by the erection of a good organ which was inaugurated (December 25, 1860) under the direction of the newly arrived organist (C. F. A. Sangster) who soon after organized and trained an efficient choir which has been maintained ever since. Consequent upon the retirement of Bishop Smith, the Legislative Council voted (September 13, 1864) for the Bishop of Victoria a pension of £300 per annum. A suggestion was, however, embodied in this vote to the effect that the Home Government should pay half of the sum on the ground that the Bishop's services had been devoted as much to Imperial as to local interests. The charity of the community was strongly manifested (in 1862 and 1863) by a unanimous endeavour to afford all possible relief to the Lancashire and Cheshire operatives thrown out of employment in consequence of the cotton famine caused by the outbreak of the American war. All classes of foreign residents agreed to give, in addition to special donations, a regular monthly contribution of \$2 per head. Special collections were made in all places of worship and concerts were given by amateurs of all nationalities to swell the funds. In this manner a sum of \$15,000 was raised and forwarded to the Mansion House Committee in London in September, 1862, and further contributions amounting in the aggregate to \$11,162 were

dispatched in January and March, 1863, Mr. D. Lapraik acting as Honorary Treasurer. On the other hand an official appeal by the London Committee of the Shakespeare Memorial Fund (October 16, 1863) for monetary contributions met with scant response on the part of the community, although Sir H. Robinson strongly supported the movement. The community of Hongkong, while holding Shakespeare's memory as sacred as a king's, had their own ideas as to how to pay tribute to the English King whom no time or chance or Parliament can dethrone and how to preserve the memory of the one who is 'a monument without a tomb and is alive still while his book doth live.' It was noteworthy, but not noticed at the time, that this appeal to the community was signed by Richard Graves MacDonnell, as one of the London Committee's Secretaries, who perhaps himself did not anticipate the fact, any more than the colonists, that he was to be their next Governor.

Hongkong's social life was, in the early part of this period, more or less affected by the excitements and the influx of strangers connected with the renewal of the war with China. The defeat of the British fleet at the Peiho (June 25, 1859), while it depressed the foreign community of Hongkong, appeared to evoke no feeling of any sort among the Chinese population. Indeed, those Chinese who gave any thought to the matter, seemed rather to regret this temporary success of Mandarin treachery. But the capture of Peking in 1860 and particularly the flight of the Emperor, whose tablet has ever since been removed from the altar of his ancestors, was felt by all but Triad Society partisans as a national disgrace. In the early part of the year 1860, the Kowloon camp with its military parades, and most particularly the war games and evolutions performed by Probyn's Horse, were an object of general attraction for sightseers, both native and foreign. The return of the Allied troops in November and December, 1860, gave to Hongkong society for a while quite a martial aspect. By a grand levée held by Lord Elgin at Government House (January 10,

1861), and by the ceremony of handing over Kowloon Peninsula to the British Crown (January 19, 1861), the leading spirits of the war period bade farewell to the Colony. Before the close of January, 1861, the expedition had departed and when the small force left in occupation of Canton city (until October 21, 1861) likewise left for Europe, the social life of Hongkong resumed its ordinary aspects. Club life, however, encountered during this period some lively disturbances. The Hongkong Club had been established to promote the interchange of good feeling among the representatives of the Civil Service, the Army and Navy, and the mercantile community, and to receive strangers visiting Hongkong. Nevertheless it happened occasionally, and in the years 1859 and 1860 with distressing frequency, that persons were blackballed who from their social or official position had a claim to admission. This caused much animated dissension. In April 1860, the Club Committee made a rule, requiring cash payment in the case of naval officers, which might have remained harmless, but when a public paper indiscreetly discussed the matter and stated that this rule had been occasioned by an enormous amount of bad debts burdening the Club finances, a little tempest arose. The naval officers on the station assembled in full force (April 18, 1860) and demanded of the Committee the names of naval officers, whose bills remained unpaid, with a view to their liquidation. When the Committee refused to give up the names, the naval officers withdrew from the Club in a body, the military officers also threatened to withdraw, and dissensions dragged on till the close of the year, when the dispute was at last amicably settled (December, 1860). A fresh disturbance of Club life arose, in 1864, in connection with the riots between sailors, soldiers and police. The Volunteer Corps was called out to take the place of the military in patrolling the streets. It so happened, on the evening of 14th September, 1864, that the Volunteer Corps, on returning from patrol duty, was made to fall out in front of the Club. Some of the members of the Club invited their friends among the Volunteers to join them in some

refreshments. It was a breach of the rules, which the patriotic duties of the Volunteers might have excused, but when the intruders from among the Volunteers were forthwith hooted out of the Club, there ensued an extraordinary amount of animosities which for a long time after this incident lacerated social life within and without the Club.

Sports flourished during this period. The Victoria Regatta Club, which had been virtually extinct, was revived (June 28, 1860), under the leadership of Mr. T. G. Linstead. The Racing Club was also re-animated by the interest that Sir H. Robinson took in the annual races which, in February 1861, closed with a Government House Ball in addition to the usual subscription Ball. In January, 1862, racing men were much stirred up by the question of excluding from the annual races all professional riders or jockeys. Renewed excitement was called forth, in October, 1864, by a request which Sir H. Robinson addressed to the Racing Club Committee, to rail off a box in the Grand Stand for his own use at the next meeting. After much discussion, this request was refused by the Committee as unusual and out of keeping with the democratic spirit and purpose underlying the national institution of horse racing. Athletic sports for sailors and soldiers were first held on a large scale on the race course on 16th March, 1860, and by the encouragement which Lady Robinson gave to this movement it became, like the Garrison Sports, a popular annual festival. At the instance of some members of the German Club, which, under the directorship of Mr. W. Nissen became a popular factor of social life, an international Gymnasium Committee was formed (November 24, 1862) and a matshed gymnasium was erected near the racket court on military ground. A novel and most singular sport was occasioned (February 1863) by the appearance in the harbour of a stray whale which was forthwith chased with improvised harpoons and pursued far out to sea by crowds of amateur whalers.

Dramatic and musical pursuits were not neglected. The Garrison Theatre was, as during the preceding period, frequently

utilized by the officers of the garrison for the entertainment of the community in general. But considerable irritation arose during the last few months of 1859 when it was found that the issue of season tickets, though offered to the public at fixed rates, was restricted to certain classes of society. The exclusion of Parsee merchants gave special offence and had to be withdrawn. The consequence was that the officers of the garrison, after making, during the next year's season, another attempt to discriminate between upper and lower strata of Hongkong society, entered, in December, 1862, into a sort of amalgamation with the civilian Amateur Dramatic Corps. This measure resulted later on (June 13, 1864) in the re-construction of the old Royal Theatre, a humble matshed structure which by this time had fallen into a hopeless state of dilapidation. A Choral Society, a revival of the old Madrigal Society, was formed, in 1862, at the impulse and under the directorship of Mr. C. F. A. Sangster and gave its first public concert (July 10, 1863) in aid of the fund then being raised for the building of a City Hall. A curiosity, if not a nuisance, in the musical line appeared in Hongkong in the form of a hurdy-gurdy worked by an Italian.

Among the public festivities of this period, the most noteworthy entertainment was a Ball which the Prussian Minister to China, Count Eulenburg, gave (November 28, 1861) to the Governor and the community of Hongkong. The Hon. A. Burlingame, U. S. Minister, was also present. The starting of the Messageries Maritimes line of mail steamers was celebrated (December 22, 1862) with considerable *éclat* by a magnificent public Ball given on board the S.S. *Impératrice*. As to other prominent incidents of the social life of this period, there may be mentioned the gloom cast over society by the premature death of the Prince Consort (December 14, 1861), the arrival of the widow of the famous Arctic explorer, Lady Franklin (April, 1862), the vote passed in Legislative Council (February 6, 1863) to congratulate H.M. the Queen on account of the approaching marriage of the Prince of Wales, the presentation of a farewell address on the occasion of the departure of Chief Justice Adams

(March 21, 1863), and the public rejoicing (February 29, 1864) which the news of the birth of the Prince of Wales' first son occasioned.

Chinese social life was, at the beginning of the year 1861, much agitated by a general mania for gambling, which occasioned grave dissensions. Clan fights even were indulged in, owing to gambling house quarrels. The evil was so widespread that the mass of local shopkeepers petitioned the Governor (June, 1861) to suppress the extensive gambling which, they said, was going on in every part of the town with the connivance of the Police. Chinese servants in European employ were likewise giving an unusual amount of trouble in connection with this gambling mania. Sir H. Robinson, shrinking from the idea of grappling with the source of the evil in the line proposed by Sir J. Bowring, and knowing no solution of this knotty social problem, publicly suggested (in 1862) that a remedy for the systematic dishonesty of native domestics be sought in the establishment of a registry of servants. An attempt was actually made in this direction, but, as on all subsequent occasions, registration was resisted by the natives and failed to gain the confidence of the public. An attempt made (March 31, 1864) to remove the general complaints against Chinese washermen by the establishment of a French laundry met unfortunately with persistent opposition on the part of Chinese dhobies and with insufficient encouragement on the part of the public.

One of the healthiest and most useful exhibitions of public spirit that Hongkong ever witnessed was the Volunteer movement of the year 1862. Two years before, the idea of starting a rifle corps had been suggested by a letter published in the *China Mail* (January 31, 1860). But it was not till January, 1862, that active steps were taken, resulting in a public meeting held at the Court House (March 1, 1862). This meeting resolved to establish a Volunteer Corps and moved the Government to sanction by Ordinance (2 of 1862) the enrolment of any resident of Hongkong, irrespective of nationality. Captain (subsequently Lieutenant-Colonel) F. Brine, R.E., was appointed

commandant and the first officers elected by the members of the Corps were W. Kane, R. B. Baker, J. M. Frazer, and J. Dodd. A battery of artillery was first organised. Later on (December, 1862) a band was formed. In spring, 1863, a rifle corps was added and in December, 1864, Volunteers were enrolled from among the foreign residents at Canton in a rifle company attached to the Hongkong Corps. The Government sanctioned (February 7, 1863) an annual outlay of £195 on condition of there being at least 75 effective Members of the Corps. The Volunteers made their first festive appearance in public on 16th February, 1863, on the occasion of the presentation of colours (by Mrs. W. T. Mercer) and of a silver bugle (by Mrs. Brine), when Bishop Smith acted as Honorary Chaplain of the Corps. The ceremony was followed by an inauguration dinner held at St. Andrew's school-room and presided over by the Administrator (W. T. Mercer). To keep up the enthusiasm, in spite of the discouragement arising from the apathy which the heads of mercantile firms displayed towards the movement, rifle competitions were organized (April 6 and 7, 1863), when the first medal of the British National Rifle Association was won by Mr. H. J. Holmes and testimonials were presented to the Honorary Musketry Instructor, Lieutenant K. D. Tanner, and to the Drill Instructor, Corporal Goodall, R.A. The Corps also took part in the Queen's Birthday Parade in May, 1863. The spirit of the Corps increased with its numbers throughout the years 1863 and 1864. Subscription cups were frequently shot for. A march-out to the Happy Valley, with firing practice in the presence of the Governor and a large assembly (March 8, 1864) and particularly an armed expedition to Macao (November 19 to 21, 1864) undertaken in response to a courteous invitation by the Portuguese Governor (Isidoro F. Guimaraes), infused fresh life into the Corps. On 5th December, 1864, Lady Robinson distributed at the Public Gardens the prizes won at a public rifle competition, including the National Rifle Association medal (won by Sergeant Moore). At the close of this period the strength of the Corps was as follows, viz. Band 25, Artillery

84, Rifles (including the Canton detachment) 91, honorary members 67, total 267 men. The officers of the Corps at this time were Major Scott (22nd Regiment), A. Coxon, H. J. Tripp, H. Cohen, H. J. Holmes, W. J. Henderson, F. I. Hazeland and T. G. Linstead.

The erection of a Clock Tower, a City Hall and a Sailors' Home constitutes another exhibition of the public spirit that animated the community at this time. At the suggestion of Mr. J. Dent, a public meeting (July 28, 1860) took into consideration the proposal to erect by public subscription a clock tower (80 feet high) with town clock and fire bell, the tower to be connected with a drinking fountain, and arrangements were also to be made for the dropping of a time ball. A Committee was appointed (J. Brodersen, J. H. Beckwith, D. Lapraik, G. Lyall, C. St. G. Cleverly) to collect subscriptions, which at first flowed in generously. Delay in the execution of the scheme soon caused the enthusiasm to cool down, subscriptions stopped, the scheme had to be curtailed, all the decorative features of the original pretty design had to be abandoned, and the result was an ugly tower obstructing the principal thoroughfare. Mr. D. Lapraik came generously to the rescue of the Committee and provided, at his own cost, the town clock, which sounded for the first time on new year's eve (December 31, 1862), ushering in the year 1863. Mr. J. Dent also stepped in and erected, apart from the Clock Tower, a drinking fountain (December 15, 1863) which now graces the front of the City Hall. The dropping of a time ball had to be indefinitely postponed. The Government, however, took over (May 22, 1863) the maintenance of the tower and its clock. At the close of the year 1861, the erection of a 'Theatre and Assembly Room' was publicly discussed, a provisional Committee was appointed to make all preliminary arrangements and plans were exhibited at the Club in October 1862, calculated on an expenditure of \$34,000. The name of the 'City Hall,' and the combination in one building of a theatre, a library and a suite of assembly rooms, having been agreed upon, the Government

made a free grant of the site (February 23, 1864). At a public meeting (May 19, 1864) it was stated that a sum of \$20,000 had been obtained by donations, subscriptions and concerts; that, a further sum of \$80,000 being required, shares had been offered at \$100 each; that Mr. Robert Jardine had generously taken up shares to the amount of \$50,000, and that there remained shares of the face value of \$30,000 to be taken up by the public. As in the case of this City Hall, so in the case of Sailors' Home, the heads of the firm of Jardine, Matheson & Co. distinguished themselves by their princely liberality. Recognizing the duty incumbent on those who mainly benefit by the sailor's industry and toil, to consider and care for his welfare, Mr. Joseph Jardine, seconded by his brother, Mr. Robert Jardine, started a scheme for the erection of a Sailors' Home and set aside for the purpose at first \$20,000. The community of Hongkong supplemented this sum by liberal donations and the Government eventually (July 5, 1861) gave a fine site at West Point. A public meeting, held at the Club (February 4, 1861), elected Trustees (A. Fletcher, C. W. Murray, J. D. Gibb, J. Heard, W. Walkinshaw, D. Lapraik, R. H. Reddie, H. T. Thomsett, Rev. W. R. Beach) and called for further subscriptions. After an attempt to obtain the site of the present Horse Repository had failed, building operations commenced in 1862 at West Point. Meanwhile, however, public interest slackened and subscriptions ceased flowing in. By the time the building was opened (January 31, 1863) by Sir H. Robinson and Mr. J. Whittall, the funds were exhausted. The Government refused (May 14, 1863) to give a grant and difficulties multiplied. In autumn, 1864, Mr. Robert Jardine gave a further donation of \$25,000 in aid of the fund and undertook to carry on the Home at his own expense for three years. It was hoped that by the end of that time the public would once more come forward and maintain the institution by annual public subscriptions.

The successful expansion of private and public enterprise by which this period is distinguished, and the extraordinary prosperity which the Colony in general enjoyed at this time,

resulted in a considerable extension of the city in size and beauty, Hongkong having now no equal in China with regard to health and comfort. Most of the vacant building lots within easy distance of the city were now built over and, though the city did not extend further to the eastward, the western suburbs were considerably expanded and numerous European residences were erected on the hill side near West Point. In 1860 and 1861 the Chinese settlement at Shaukiwan grew largely in importance as a depot for the exportation of salt fish. Owing to the delay in the settlement of the Kowloon land dispute, and in consequence of the doubts entertained as to the sanitary aspects of Peak residence, general attention was directed to Pokfulam where an ornamental villa settlement had been started by this time (1862) around Douglas Castle, in the vain hope of securing there a public health resort. Sir H. Robinson, however, had more faith in the Peak. He had a path cut (December, 1859) which led to the top of Victoria Peak and, after recovering from the Military Authorities the site of their abandoned Sanatorium, arrangements were made, in March 1860, for the erection on that site of a bungalow for the use of the Governor. The laying out of the Public Gardens, on the rising ground directly south of Government House, was undertaken by the Surveyor General's Department at the sole expense of the Government. Mr. Th. Donaldson was appointed (October 7, 1861) Curator, seeds and plants were procured from Australia and England and, on the completion of the work, the Gardens were thrown open to the public under certain regulations (August 6, 1864). In October, 1864, the military band commenced giving promenade concerts in the Public Gardens at stated intervals. It was noticed, in 1864, that a general increase had taken place in the vegetative surroundings of the town, and that the increased attention, given to the cultivation of trees along the public roads and around European dwellings on the hill side, had already done very much to displace the pristine barrenness of the site on which the city was built by patches of beautiful shrubbery.

The literary activities of the Colony were manifested by the publication, in Hongkong, of Sir T. Wade's Hsin-ching-lu, a work on the Mandarin Dialect (June, 1859), by the issue of a Chinese edition of the Daily Press (1860), and especially by the appearance, through the liberal patronage of the firm of Jardine, Matheson & Co., of the first volume of Dr. Legge's translation and commentary of the Chinese Classics (May, 1861). The botany of Hongkong was scientifically explored by Mr. G. Bentham, who published the results (in 1861) in a volume entitled *Flora Hongkongensis* and dedicated to Sir H. Robinson. A few years later (in 1865), Mr. T. W. Kingsmill published, in the Journal of the North China Branch of the Royal Asiatic Society, a detailed notice of the geological features of the Island.

The administration of Sir H. Robinson encountered a moderate number of public disasters. A typhoon which passed (August 15, 1859) to the S.E. of Hongkong, causing but slight damage in the Colony, was succeeded two months later (October 13, 1859) by another typhoon which destroyed most of the wharves and piers, caused some collisions in the harbour, and damaged the roofs of many houses, but it was not accompanied by loss of life. The disappearance, about this time, of the schooner *Mazeppa*, which was lost with every soul on board (October, 1859), led to a judicial inquiry, on the basis of an action for libel preferred by the owners, into the allegation that the vessel had left Hongkong in an unseaworthy condition. The allegation was proved to be false, though, owing to the contradictory nature of the evidence, not without causing social altercations which at the time convulsed a section of the community. A terrible rain storm broke over the Colony in the following year (August 18, 1860) and not only burst most of the drains, but caused the collapse of some houses in the Canton Bazaar (in Hawan) which involved the death of five persons. A typhoon, suddenly passing the Colony on 27th July, 1862, caused a considerable loss of life, and by an extraordinarily heavy rainfall, occurring on June 6, 1864, many lives were lost through

the collapse of houses, and property was destroyed to the value of \$500,000. Fires in town were comparatively rare during this period, which is, however, in respect of the European quarter, distinguished by the somewhat unusual occurrence of an extensive conflagration which destroyed (October 19, 1859) the Roman Catholic Church in Wellington Street and a number of European business establishments in Queen's Road and Stanley Street, viz. the stores of Mrs. Marsh, Mrs. Rickomartz, the Victoria Exchange, the Commercial Hotel and others. Among further disasters of this period may be mentioned the fire on board the S.S. *Cadiz* (January 10, 1863), the drowning of four deserters from the ship *Oasis* (May 1, 1863), the drowning (above referred to) of 38 Chinese convicts at Stonecutters' Island (July 23, 1863), and the death by suffocation (March 8, 1865) of three soldiers engaged in excavating the hillside at Scandal Point. The year 1860 was distinguished by the death of four public officers, viz. the Harbour Masters Newman and Günthorpe, the Assistant Surveyor General Walker, and the Crown Solicitor Cooper Turner. To this list may be added the name of Dr. Enscoe, Surgeon of Seamen's Hospital, who died a few years later (September 30, 1863).

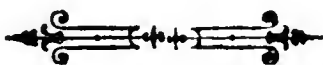
Sir H. Robinson left Hongkong on 15th March, 1865, having been promoted to the Governorship of Ceylon. His departure was marked by two complimentary public entertainments, viz. by a dinner given at the Club by the members of the Civil Service (March 11, 1865) and by a Ball given in the Theatre Royal by the community (March 13, 1865). Among the guests was the Duke of Brabant, then crown prince of Belgium, a first cousin to Queen Victoria.

The verdict of public opinion on the merits of Sir H. Robinson's administration, as expressed in the local papers, was to this effect,—that Sir Hercules was exceedingly favoured by fortune in respect of the all-important fact that his term of administration happened to coincide with a period of irrepressible prosperity (not at all of his making), such as was without a parallel in the history of the Colony; that the most remarkable

feature in this season of prosperity was the wonderful advance in the value of building land by which many individuals, as well as the Colony as a whole, found themselves rich in an unexpected manner; that Sir H. Robinson turned these adventitious circumstances to good account for the benefit of the public weal and of his own reputation; that nevertheless he left the residents heavily taxed, the town undrained, the sanitation of the place neglected, owing to his paying more attention to laboured balance sheets and the accumulation of a surplus than to public works and the most vital interests of the Colony; that his duties carried him to the extreme verge of his abilities and that he would certainly have been infinitely less successful as a Governor if he had not enjoyed the assistance of Mr. W. T. Mercer who, as Colonial Secretary, so ably assisted him in every respect and maintained his policy, as Administrator, during the long period of the Governor's absence; that Sir H. Robinson, while naturally affable and possessed of pleasing social manners, treated the Colony, especially during his first few years, with a certain amount of contempt; that he habitually displayed towards the unofficial Members of his Council much self-willed obstinacy, and affected towards his official subordinates a tone of dignified reserve and disciplinarian rigour which was rather humiliating to the officials at the head of the different departments; that the former bitterness between officials was kept quiet, and that the amount of social engineering required on the Governor's part to keep matters smooth, was perhaps the most creditable feature in his tenure of office; that Lady Robinson exercised in private society a most extensive and beneficial influence which went a long way to atone for the Governor's social shortcomings; but that, taking all in all, Sir H. Robinson had been the most fortunate and successful Governor the Colony was so far ever ruled by.

After leaving Hongkong, Sir H. Robinson served as Governor of Ceylon (1865 to 1872) and, whilst administering the government of New South Wales (1872 to 1879), arranged the cession to England of the Fiji Islands (1874). He next became Governor of New Zealand (1879 to 1880), Governor

of the Cape of Good Hope and Griqualand West and H. M. High Commissioner in South Africa (1880 to 1889), President of the Royal Commission for the settlement of the affairs of the Transvaal (1881), Governor of Bechuanaland (1885), was sent on a special mission to Mauritius (October, 1886), resigned office in 1889, and acted as a Director of the London and Westminster Bank (until March, 1895) when, though an octogenarian by this time, he resumed office in South Africa to rectify the confusion which had arisen there since his retirement.

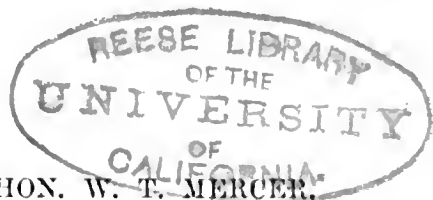


CHAPTER XIX.

THE INTERREGNUM OF THE HON. W. T. MERCER AND
THE ADMINISTRATION OF SIR RICHARD GRAVES MACDONNELL.

March 15, 1865, to April 22, 1872.

AFTER the departure of Sir H. Robinson (March 15, 1865) there ensued an interregnum, the government of the Colony being administered for a whole year by the former Colonial Secretary, the Hon. W. T. Mercer, who continued, with fidelity and ability, the policy of Sir H. Robinson. The work and events of this year, which was commercially and financially marked by a rapidly growing stagnation and depression, have been summarized by Mr. Mercer (May 30, 1866) in a dispatch published by Parliament. He stated,—that the Companies' Ordinance (1 of 1895) was the principal legal enactment of the year (1865), next to the series of Ordinances consolidating the criminal law for which the Colony was indebted to Judge Ball and Mr. Alexander; that the summer of 1865 was a specially unhealthy season, distinguished by much sickness and serious mortality, so much so that it attracted the attention of Parliament and occasioned the appointment of a Committee to inquire into the mortality of troops in China; that the water supply of the Colony, though materially improved, remained manifestly inadequate, requiring further provision to be made; that piracy was, in 1865, as rife as ever and likely to continue so until the Chinese Maritime Customs Service (under Sir R. Hart) could be induced to co-operate with the British Authorities for the suppression of piracy in Chinese waters; that the Indian contingent of the Hongkong Police Force had proved a failure but that the Superintendent of Police (Ch. May), who condemned the proposal of trying once more the Chinese Force, thought



that the Indian Police had not had a fair trial; and, finally, that a deputation of Chinese merchants had urged upon Sir Rutherford Alcock, H.M. Minister in China, when he passed through Hongkong in autumn 1865, that the support of H.M. Government should be given to Sir M. Stephenson's railway scheme (connecting Calcutta with Canton and Hongkong), but that the question, whether such a scheme would eventually benefit or injure the interests of Hongkong, was a knotty problem.

There is but one incident of this interregnum which requires detailed mention. A native of the Poon-yü District (E. of Canton city), carrying on business in Hongkong under the name How Hoi-low *alias* How Yu-teen, was claimed (April 21, 1865) by the Viceroy of Canton, in virtue of the Treaty of Tientsin, as having committed robberies in China. The Viceroy addressed the usual communication to the Governor (Mr. Mercer) and on 1st May, 1865, the accused was brought before the police magistrate (J. C. Whyte) under Ordinance 2, of 1852 (above mentioned), defended by counsel (E. H. Pollard) and committed to gaol pending reference to the Governor, a *prima-facie* case having been clearly made out. Under the advice of the Attorney General (H. J. Ball), Mr. Mercer directed (May 3, 1865) the rendition of the prisoner who was forthwith handed over to the Chinese Authorities and executed in Canton in the usual manner by decapitation. On May 30th, 1865, the editor of the *Daily Press*, by his overland issue (Trade Report), gave currency to the allegation which had not been made at the trial, neither by the prisoner nor by his counsel, that the unfortunate man was neither robber nor pirate, but a political refugee, the veritable Taiping prince known as Mow Wang, that he was unjustly surrendered by the British Government and executed by the Chinese in a manner involving actual cannibalism. Although it was known at the time, and stated by a Canton journalist, that the real Mow Wang had, according to General Gordon's testimony, been murdered by the other Taiping Wangs on November 29th, 1863, previous to the surrender of Soochow, this sensational fiction

found credence in England. The *London Standard* (July 22, 1865) took it up and the redoubtable Colonel Sykes, M.P., moved the House of Commons (February 8, 1866) to ask for the production of documents bearing on the subject, which were accordingly published (March 20, 1866). Although these documents clearly shewed the unfounded character of the allegations made against the Hongkong Government, the inquiry served a good purpose, as it directed the attention of H.M. Government to the fact that such renditions had all along been conducted by direct requests addressed by the Cantonese Authorities to the Hongkong Government and that the exclusion of any supervision, on the part of the British Consul at Canton, of the treatment accorded by the Chinese Mandarins to prisoners renditioned by the Hongkong Government, exposed them to inhuman barbarities. Orders were therefore made by the Colonial Office, that thenceforth all communications between the Hongkong Government and the Chinese Authorities must, in every case, be conducted through H.M. Diplomatic Agent in China or through H.M. Consul (August 19, 1865), and further that no prisoners should thenceforth be surrendered by the Government of Hongkong to the Chinese Authorities unless guarantee be given that the renditioned prisoner be not subjected to any torture (September 11, 1865).

But this interregnum was not merely a period of insignificant transition. Its real character was that of a woeful reaction and general disillusion. During Sir H. Robinson's administration, the Colony had taken a bound in advance, both in wealth and population, so sudden and so great, that now, in the face of an equally unexpected and extensive decline of its commerce, prosperity and finances, it was generally felt that Sir Hercules' system of administration required retrenchment and re-adaptation to vastly altered circumstances. As the financial sky became more and more overcast with clouds, even former admirers of Sir Hercules' policy admitted that he had taken too roseate a view of the resources of the Colony. Trade and commerce were now labouring under a heavy depression. The whole commercial

world was passing through a crisis. Great houses were falling on all sides. Hongkong, connected now with every great bourse in the world, was suffering likewise and property was seriously depreciated. Credit became instable. Men were everywhere suspicious, unsettled in mind, getting irritable and economically severe. Yet great public works, the Praya, the new Gaol, the Mint, the Water-Works, the sea wall at Kowloon, commenced or constructed in a period of unexampled prosperity, had now to be carried on, completed or maintained, from the scanty resources of an impoverished and well-nigh insolvent Treasury. New laws were clearly needed for the regulation of the Chinese whose gambling habits were filling the streets with riot and honey-combing the Police Force with corruption. Crime was rampant and the gaols overflowing with prisoners. Piracy, flourishing as ever before, was believed to have not only its secret lairs among the low class of marine-store dealers but the support of wealthy Chinese firms and to enjoy the connivance of men in the Police Force. A sense of insecurity as to life and property was again, as in days gone by, taking possession of the public mind. The cry among the colonists now was for a strong and resolute Governor, one who would give his undivided attention to the needs and interests of the Colony and govern it accordingly, undeterred by what the foreign community of Hongkong now called 'the vicious system of colonial administration in vogue at home.' Sir J. Bowring, they said, had attended to everything under the sun except the government of the Island. Sir H. Robinson, they opined, had governed the Colony to please his masters in Downing Street and with a view to advance himself to a better appointment. And as to Mr. Mercer, everybody agreed that he deliberately 'let well enough alone.' The sort of man the colonists now desired for their next Governor was a dictator rather, with a strong mind and will, than a weak faddist or an obsequious henchman of the machine public. The cry was for a Cæsar.

As Providence would have it, it so happened that it was just such a man, a Caesar every inch of him, that the Colonial Office,

casting about for a successor to Sir Hercules, selected. The choice of H. M. Government fell (October 4, 1865) on Sir Richard Graves MacDonnell, an Irishman who had a splendid record of varied and long services to recommend him. He had entered Trinity College (Dublin) in 1830, gained honours both in classics and in science, and graduated B.A. (1835) and M.A. (1838), to which honours was added, later on, the degree of Hon. LL.D. (1844). Having been called to the bar both in Ireland (1838) and at Lincoln's Inn (1840), he was appointed Chief Justice of the Gambia (1843 to 1847). As Governor of the Gambia (1847 to 1851) he conducted several exploring expeditions in the interior of Africa, for which services he was created C.B. (1852). Sir R. G. MacDonnell next served (1852) as Governor of St. Lucia and St. Vincent. In 1855 he was created Knight Bachelor and appointed Captain-General and Governor-in-chief of South Australia, which government he held till March, 1862. After serving two years (1864 and 1865) as Governor of Nova Scotia, Sir Richard was promoted to the Governorship of Hongkong where he took over, on 11th March, 1866, the reins of office from the Administrator, the Hon. W. T. Mercer.

Within a few days after his arrival in the Colony, Sir Richard found himself painfully disillusioned. By his interviews with the officials in Downing Street, he had been led to believe that he would find in Hongkong a full treasury, a steadily increasing revenue, public works of all sorts finished or so nearly completed that little remained to be done, a Mint ready to commence operations and sure to pay well, and a competent official staff, purged by the labours of Sir Hercules of every taint of corruption. To his intense surprise and disappointment, Sir Richard found the position of affairs well-nigh reversed. The interregnum, rapidly developing the mischief which had secretly been brewing during the closing year of Sir H. Robinson's administration, had wrought an astounding transformation scene, of which the Colonial Office was as yet blissfully ignorant. For several months after this crushing revelation which burst upon him immediately upon his arrival, Sir Richard stayed

his hand while he silently but deliberately went round, from one department to the other, probing by the most searching investigation the extent and nature of the mischief wrought. The colonists wondered and groaned owing to the Governor's seeming inactivity, whilst a wholesome fear was instilled in the minds of all officials by the Governor's repeated and most unexpected surprise visits, and by his minute questionings as to every financial, executive and administrative detail, such as had never been inquired into before. But when he once had satisfied himself as to the real position of affairs, he set to work as a determined reformer, launching one measure after the other, regardless of the hostile criticisms of local public opinion and impatient even of the restraints which successive Secretaries of State sought to put upon his dauntless energy. In the face of much opposition and suffering severe opprobrium on all sides, Sir Richard went on with his labours as a reformer, honestly and fearlessly striving to do right and content to be judged in the future when his measures would have produced their natural results. He had not to wait very long before the Hongkong public, abandoning their early prejudices, frankly recognized his worth. After four years' untiring exertions, reasons of health compelled him to ask for a furlough, intending to proceed only to Japan, where he had spent a few weeks in 1868 (October 29 to December 12) for a brief rest. But the Colonial Office thought it expedient that he should, by a visit to England, combine, with the object of recruiting his health, the pressing duty of explaining to the Secretary of State the grounds of his divergent policy, distasteful in some respects to the Colonial Office. When he was about to start on this trip to Japan and England (April 13, 1870), the community of Hongkong, having by this time taken the correct measure of their Governor's character and work, unanimously acknowledged that he had the true interests of the Colony at heart, according to his own views of what was best, and that he had, sincerely and in many respects most successfully, striven to administer the government and to legislate for the Colony's ultimate good

and advancement, without fear or favour of the Colonial Office or of local opinion. It was publicly stated (April 5, 1870) even at that time that 'the measures which proved the most beneficial were precisely those on which he met (on the part of the public) with most difficulty.' At the meeting of the Legislative Council (March 30, 1870) previous to his departure, the Chief Justice (J. Smale) expressed the sentiments of the whole community when he eulogized the Governor on the great success obtained by his able and vigorous policy and stated that Lady MacDonnell had, by her urbanity of manner and kindness of heart in extending gentle courtesies to all, filled her exalted station so that no lady, who had ever presided at Government House, left the Colony more or more generally regretted than Lady MacDonnell. On the same occasion, the Hon. H. B. Gibb, speaking also on behalf of the other non-official Members of Council, endorsed the eulogy pronounced by the Chief Justice. During the absence of the Governor, Major-General H. W. Whitfield, ably seconded by the Colonial Secretary (J. Gardiner Austin), administered the government of the Colony. Sir Richard returned to his post on 8th October, 1871, and remained at it to the close of his administration.

During his whole tenure of office, Sir Richard had no questions of a diplomatic nature to deal with, apart from those which grew out of Hongkong's relations with China. The first case of this class occurred immediately after the Governor's arrival, when the S.S. *Prince Albert*, owned by Kwok Acheung, the popular comprador of the P. & O. Company, was seized by the Chinese Customs officers (May 26, 1866) on the ground of her resorting to a port on the West Coast not opened by Treaty. Although Sir Richard, who considered the action of the Chinese officers to have been illegal, could do but little to obtain a modification of the sentence of confiscation, as H.M. Consul at Canton (D. B. Robertson) had acquiesced in that decision, yet he obtained the release of the vessel on payment of a fine of \$4000. But the spirit and energy which Sir Richard displayed on the occasion gained him considerable popularity. He was more

successful in the case of the attempt made, in October, 1867, by the Canton cotton-dealers' guild, to remove the whole cotton trade from Hongkong to Canton. As soon as he had the facts before him, shewing that the Canton guild had made regulations imposing a system of fines on any Chinese merchants who should violate their prohibitions by buying cotton or cotton yarn in Hongkong, Sir Richard addressed, through the Consul, such strong remonstrances to the Viceroy of Canton, that the latter yielded and issued a proclamation (November 29, 1867) absolutely prohibiting the measures contemplated by the guild. With the same promptness and energy Sir Richard interfered at the close of the year 1871, when the Administrator of Chinese Customs (Hoppo) at Canton openly made a rule, on which he had secretly been acting for years, that all foreign-laden Chinese junks in South China, intending to sail for Hongkong from any Chinese port, must first report at Pakhoi or Canton before proceeding to Hongkong. This hostile attempt to confine the whole native coast trade between South China and Hongkong to dealings between Treaty ports and Hongkong was energetically taken up and seemingly defeated for the time by Sir Richard, before the Chamber of Commerce made any move in the matter.

But the principal tussle Sir Richard had with the Chinese Authorities was connected with a much more serious attempt made by the Mandarins to ruin the native junk trade of Hongkong. About October 15th, 1867, the steam-cruizers of the Canton Customs, aided by native gun-boats employed by the holders of Chinese monopolies at Canton (especially the salt and saltpetre farmers), commenced what was thenceforth known as the Blockade of Hongkong. These steam-cruizers and gun-boats patrolled day and night every outlet of the harbour and waters of Hongkong, boarded and searched every native junk leaving or entering, arrested every junk that had no proper papers and levied double duty in the case of goods shipped at Pakhoi or Canton for other Treaty ports by junks which *en route* touched at Hongkong. It was a movement which pretended to aim only at suppressing smuggling but which, in reality, operated as an

extra tax on the legitimate junk trade of Hongkong. It served, indeed, to induce Chinese merchants in Hongkong to conduct their shipping business in foreign bottoms (exempt from this blockade) rather than by native junks, but, as foreign vessels were excluded from all but Treaty ports, this blockade tended to nullify the right of Chinese subjects residing in Hongkong to trade, by native junks, with the non-Treaty ports of their own country. In fact, this blockade served not only as an efficient check on smuggling, but as a simple means of compelling the junk trade of the Colony to pay double duty unless conducted *viâ* the two principal ports of South-China, Pakhoi and Canton. And this was the real purport of the measure: to effectually subordinate the native commerce of Hongkong to that of Canton for the injury of the former and the benefit of the latter port, and permanently to neutralise, so far as the junk trade of Hongkong was concerned, the freedom of the port.

It was a clever scheme, this blockade of Hongkong. And the credit (or discredit) of having devised and suggested it, and demonstrated its justification on the basis of international law, to the great delectation of Viceroy Jui, belongs to the British Consul of Canton, Mr. D. B. Robertson, on whom, as the irony of fate would have it, H.M. Government bestowed the honour of the knighthood. This was meant as a reward for his subservience to the short-sighted pro-Chinese policy of the Foreign Office, which Sir Rutherford Alcock initiated in China but which in this case served to give to the prestige and prosperity of Hongkong the heaviest blow it has ever received at the hand of its enemies.

In the face of the support thus given, by H.M. representatives in China, to the blockade of the port, Sir Richard could not do much beyond protesting against a measure which, at best, combined *summum jus* with *summa injuria*. He ascertained, however, that the measure, as originally formulated (July 1, 1868), aimed at levying, on Chinese shipping resorting to Hongkong, a special war-tax, called Li-kin, which amounted in the case of opium to taels 16 per chest, and that this Li-kin

tax was to be collected outside the harbour of Hongkong, at Kapshuimoon in the west, at Kowloon city in the north, and at Fattauchau, just outside the Lyceemoo in the East. When Sir Richard discovered that these blockade stations levied, in addition to the fixed tax on opium which he did not object to, also undefined duties on goods of all sort (food stuffs excluded) when carried by native junks, he pressed the Chinese Authorities for a copy of their tariff. But they neither could nor would fix a tariff, as various monopolies farmed out and sublet to individuals were mixed up in the matter with provincial and Imperial interests, and as it suited the interests of a corrupt system of irregular levies better not to be tied down to a fixed tariff. Sir Richard then strengthened his water police force and obtained a steam launch, *Blanche*, to assist the Colonial junk or gun-boat, *Victoria*, in patrolling the waters of Hongkong to prevent trespass. Moreover, he refused to allow any Chinese gun-boat or cruizer to anchor in the harbour unless flying a recognized official flag. The Chinese Authorities yielded this point and adopted first a triangular flag (October, 1868), then provisionally a square (March 19, 1869), and finally a yellow triangular flag with the emblem of a flying dragon.

The interference with the legitimate native trade in foreign goods, resulting from the Customs Blockade of Hongkong, aroused a considerable commotion in the Colony. A universally signed protest, in form of a Memorial to the Secretary of State, was presented to the Governor (July 20, 1868). Fresh excitement arose when it became known (July 24, 1868) that the Viceroy of Canton had opened in Hongkong an opium tax station in charge of a well-known resident (Ho A-loi) and when a salt revenue station and other offices, opened in town by the officers of the Li-kin stations, were discovered, disclosing a regular organisation intended to collect in Hongkong all the various taxes demanded at those stations and to issue passes in Hongkong under the seal of the Chinese Government. Sir Richard immediately suppressed every such office that was discovered. On February 15th, 1869, the Assistant-Harbourmaster (A. Lister)

reported that 'certain branches of commerce had not yet recovered from the panic into which they were thrown by the attempt, in October and November (1868), on the part of the Canton Customs to stop the whole trade in foreign goods by Chinese bottoms to any other place than Canton.' The Harbour-master's report for 1869 shewed a falling off of 2,222 junks, equal to 113,252 tons, owing to the blockade. But after a few years the Chinese merchants, recognizing the helplessness of the case, and the retribution awaiting them if they made any complaints, submitted to these oppressive exactions and found it to be to their own interest and convenience to obtain passes in town, at the secret taxing offices which continued to flourish on the sly, rather than risk the delay and uncertainty of payments made at the outside stations.

That this blockade scheme aimed at destroying the freedom of the port as well as the junk-trade of the Colony, appeared very clearly from a proposal, which originated with one of the Commissioners of the Chinese Customs Service (Th. Dick), but which was sternly rejected by Sir Richard. It was proposed, that an export duty should be levied in Hongkong, by a Branch of the Chinese Customs Service, upon the opium (and in course of time, no doubt, upon all other goods) re-shipped in Hongkong by junks, the Colony retaining a certain portion of the revenue as commission for so collecting it. The strongest opponent of the blockade was the Hon. Ph. Ryrie who, as chairman of the Chamber of Commerce (September 12, 1871), stated that there could be no question as to the illegality of the action taken by the Chinese officials which, in point of fact, almost amounted to an act of armed hostility against the Colony. Mr. Ryrie strongly protested against the inaction of the Home Authorities in this Imperial question. He also caused the publication of a letter addressed to the Chamber by Baron de Meritens, formerly a Commissioner of the Chinese Customs, stating—that arresting, on the high seas, vessels leaving Hongkong was contrary to the law of nations, that the Viceroy was acting with reluctance under orders sent him from Peking, that Sir Richard's objections

continued in all their force, and that the appointment of a Chinese Customs Collector (or Consul) in Hongkong, who would certainly act as a spy, would be subversive of the independence of the Colony. But in spite of the Governor's opposition to the blockade, and notwithstanding repeated Memorials presented to H. M. Government by the community and the Chamber of Commerce, the working of those Chinese blockade stations continued and constituted thenceforth a chronic source of discontent ever wrangling in the minds of both native and foreign merchants.

Another important diplomatic question arose in connection with those Li-kin stations. In passing through Hongkong (December, 1869, and January, 1870), Sir Rutherford Alcock, then H.M. Minister in China, urged the members of the Chamber of Commerce to submit to the appointment of a Chinese Consul in Hongkong. This measure he declared to be the only satisfactory solution of the difficulties standing in the way of a fulfilment of the popular desire for an abolition of the Li-kin stations in the immediate vicinity of Hongkong, and the only means of bringing about a permanent arrangement of commercial relations, between the Hongkong Authorities and the Chinese Government, such as would rest on a solid basis of mutual respect and reciprocal advantage. Sir R. Alcock, who was in this matter the innocent dupe of the cunning Viceroy, and who did not disguise his monstrous opinion that 'Hongkong is confessedly a great smuggling depot,' failed to convince the colonists that 'the appointment of a Chinese Consul in Hongkong would simply protect that commerce in the Colony which is legitimate and discourage that which is contraband.' The subsequent history of the blockade shewed that Sir R. Alcock had entirely misconceived the policy of the Chinese Authorities, who had no intention of withdrawing their Customs stations in response to any concession whatsoever. Sir R. Alcock's suggestion, made by him after several interviews with the Viceroy (December 27 and 29, 1869), and with the approval of the latter, that at first a foreign officer of Sir R. Hart's staff should be appointed Consul in Hongkong,

until Chinese officers could be educated in the duties and extent of Consular power, did not remove the radical objections which the colonists almost unanimously entertained against the proposed measure. These objections, which Sir R. Alcock denominated 'fears more or less chimerical and exaggerated,' were embodied by the Hongkong community in a Memorial addressed to Earl Clarendon (January, 1870), and consisted principally in the solemn conviction, entertained by Europeans and Chinese alike, that under existing circumstances the power which a Chinese Consul would gain over the local Chinese population would constitute a veritable *imperium in imperio* and subject the native community to an intolerable system of official espionage and to the insatiable rapacity of a corrupt mandarindom. Although Earl Clarendon sided with Sir R. Alcock on the main points of the dispute, and sanctioned his concluding with the Chinese Government a Convention providing for a Chinese Consulate in Hongkong, Sir Richard, who strongly supported the Memorial of the community, succeeded in convincing H. M. Government that the fears of the community were anything but chimerical and rested on a solid foundation. Although the blockade was never abated, the question of a Chinese Consulate in Hongkong remained shelved.

Another diplomatic question agitated for some time (1867 to 1870) the mind of the mercantile community. But Sir Richard had comparatively little to do with it, as it concerned Sir R. Alcock (and since 1870 Sir Th. Wade) and the Foreign Office rather than the Government of Hongkong or the Colonial Office. This was the question of Treaty Revision which arose from a provision contained in Article XXVII. of the Tientsin Treaty making the tariff and commercial articles of this Treaty (confirmed by the Peking Convention of October 24, 1860) subject, after the lapse of ten years, to further revision at the request of either of the two contracting parties. Sir R. Alcock accordingly issued, in spring 1867, to the British communities of the Treaty ports in China, an invitation to forward to him, through their respective Consuls, suggestions as

to the proposed rectification of any deficiencies of the Tientsin Treaty. The Hongkong Chamber of Commerce, having received a similar invitation, resolved (July 16, 1867) to proceed by memorializing the Governor rather than Sir R. Alcock whom, at that time already, they knew to be as unfriendly to the interests of the Colony as Lord Elgin had been. A Committee, appointed by the Chamber, presented accordingly to Sir Richard a Memorial on the illegal transit duties and other exactions imposed by the Chinese Authorities, in contravention of the Treaty, on British goods *en route* in the interior of China. In addition to this public Memorial, the firm of Jardine, Matheson & Co. presented (December, 1869) a separate Memorial dealing very frankly with the regulations of the opium traffic and other grievances. When it became known, at the close of the year 1869, that the Chinese Authorities proposed to include in the revised Treaty Regulations a provision to the effect that native produce shipped from Hongkong to a Treaty port should not be protected by the clause which protected goods, sent inland from Treaty ports, against inland taxation, the Chamber of Commerce once more (January, 1870) memorialized H.M. Government, representing that this measure placed Hongkong at a great disadvantage compared with Chinese Treaty ports. However, the whole project of Treaty Revision had eventually to be dropped.

In spite of the hostile attitude which the Chinese Government during this period assumed towards the Colony, the Chinese Tartar General (Chang Shan), when visiting Hongkong (October 27, 1871) in one of the blockade cruizers (*Ping-chau-hoi*), accompanied by two Commissioners of Customs (E. C. Bowra and Viscomte d'Arnaux de Limoges) was most honourably received and most hospitably entertained, in the absence of the Governor, by the Lieutenant-Governor (W. Whitfield). For the first time a Chinese gun-vessel saluted, in due foreign style, the port, the British flag and the Vice-Admiral (Sir H. Kellett) and received the corresponding salutes in Hongkong.

In May, 1868, Sir Richard, who had no diplomatic connection with any other foreign power, received at the hands of

special Annamese ambassadors, sent to Hongkong for the purpose, the thanks of the native Government of Cochin-China for his humane intervention, made on their behalf with the Government of Macao. In May, 1867, it had become known in Hongkong that a number of Cochin-Chinese junks, conveying tribute to Annam, had been captured by Chinese pirates who sold the tribute bearers, with their escort and junk crews, to Macao coolie barracoons. Thanks to the intervention of Sir Richard, these people were forthwith liberated by the Portuguese Governor (Admiral de Souza) and the Hongkong community readily subscribed the funds required to send the unfortunate captives back to their native country.

Sir R. MacDonnell did not materially modify or augment the organisation of the Civil Service. But, with a view to retrenchment, he repeatedly applied, when suitable vacancies occurred, the principle of plurality of offices. One characteristic of his regime was the preference he invariably gave to those Cadets whom he found serviceable for the aims of his vigorous policy and amenable to his austere discipline which required, however, much patience on the part of his subordinates as he ruthlessly sent back official reports, to be amended, again and again, till they agreed with his views. Another feature of his administration was the increased authority and importance with which he invested the Registrar General's office, so long as the first of the Cadets (C. C. Smith), who in most things was his right-hand man, held that office. The number of Cadets had, before his arrival, been increased (August 9, 1865), by the appointment of Mr. A. Lister and Mr. J. Russell, and they were without much delay employed by him to fill important offices, the former being sent to the Harbour Office and the latter, who also acted as his Private Secretary, to the Magistracy.

The first popular measure introduced by the Governor was a revision of the constitution of the Legislative Council. The need for such a revision had made itself felt both by the Colonial Office and by the community when the Colonial Treasurer (F. H. Forth) had to be censured (March, 1866) under the

then already existing rules, for having seconded (September 23, 1865) a motion of an unofficial Member (Th. Sutherland) to the effect that the item of \$92,000 for the Military Contribution be struck out of the Estimates until the profits of the Mint are in excess of the amount required. There being only three unofficial against seven official Members in the Council, the community argued that, as official Members were thenceforth compelled either to resign or to vote in favour of every Government measure, the unofficial Members were virtually powerless unless the constitution of the Council was modified to suit the new rules. On the first opportunity (August 27, 1869), Sir Richard gave to Mr. Rowett a seat vacated by Judge Ball, so that there were then on the Council six officials and four members of the community (H. B. Gibb, W. Keswick, J. B. Taylor, R. Rowett) beside the Governor who had, however, both an ordinary and a casting vote.

Sir Richard was at all times well able to keep his Council in hand, and the Registrar General (being on the Council in some acting capacity or other) ably seconded him in the task. Sir Richard was an excellent speaker and keen debater, always terribly in earnest and thoroughly master of whatever subject he took up, and to this was added the weight of his stern personality and a fixed determination to conquer every obstacle. He had but one encounter with the unofficial Members when they, led by the Hon. W. Keswick (September 30, 1869), boldly attacked the Governor's creation of a special savings and excess account. They protested against a manipulation of the public accounts, seemingly intended to enable the Governor to expend public money without the knowledge and consent of the Legislature. The Hon. C. C. Smith, then Acting Colonial Secretary, argued, however, that so long as money voted by the Council was applied to the same kind of object as that for which it was originally intended, it was immaterial whether the particular object on which it was spent had been mentioned in the vote or not. A few years later, during the absence of the Governor, the Hon. Ph. Ryrie entered into a positive

conflict with the Government. Having heard that an important document, bearing on the blockade question, had found its way from the office of the unpopular Registrar General (C. C. Smith) into the hands of the Chinese Customs officers, Mr. Ryrie (September 22, 1871) asked in Council for information on the subject. Mr. C. C. Smith, then sitting as Acting Colonial Treasurer, treated Mr. Ryrie's remarks as involving a charge against himself and retorted with some vehemence. Mr. Keswick supported his colleague by criticizing the plurality of the Registrar General's functions and demanded that the duties of his office should be defined. At the next meeting (October 18, 1871) the discussion was renewed and some days later the Colonial Secretary (J. Gardiner Austin) wrote to Mr. Ryrie, formally calling upon him to substantiate his charge against the Registrar General. In reply, Mr. Ryrie, who had all along contended that he preferred no charge but merely asked for information, now demanded that at next Council meeting a protest should be heard against the invasion of privilege involved in requesting him to explain out of the Council room what he had said in it. At the next meeting Mr. Ryrie gave notice of his protest but no discussion was allowed. Seeing in the whole affair an illustration of the old grievance of defective representation in Council, the public now stigmatized the action of the Lieutenant-Governor (W. Whitfield) in deferring the debate, as an unwarrantable attempt to burke free discussion. On November 15, 1871, Mr. Ryrie's protest, concerning the breach of privilege of which he complained, was read in Council and recorded in the minutes. Mr. Ryrie justly contended that freedom of speech in Council was absolutely necessary.

Sir Richard's financial measures were the source of both the greatest trouble and the greatest triumph of his administration. For some time before his arrival, the Colony had been steadily dropping from a state of comparative affluence into a condition of growing insolvency. At the beginning of the year 1865, the Treasury accounts shewed a surplus of assets (over liabilities) amounting to \$298,000. At the commencement

of the next year (1866) this surplus was reduced to \$184,000, and in January, 1867, there was but an imaginary surplus of \$24,000 made up in part by a stock of \$60,000 in unavailable coins (bronze cents and mills) which no creditor could have been compelled to accept. The Colony was therefore practically insolvent. Moreover, the expenditure had for some time gone on increasing in proportion as the revenues continued to diminish. In the year 1865, during the interregnum of Mr. Mercer, the expenditure exceeded the revenue by \$94,361, and in 1866, when Sir Richard had just stepped in, by \$167,877. But now a change came. Sir Richard at once reduced the expenditure from \$936,954 in the previous year (1866) to \$730,916, though not without leaving for a while the Military Contribution in arrear. At the same time (1867) the revenue was permanently raised, by means of Sir Richard's Stamp Ordinance, which came into operation at the close of the year (October 9, 1867). Therewith the finances of the Colony began to right themselves slowly, though at this very time the commercial depression, which had made itself felt in 1866; had been much aggravated and the tradal interests of the Colony were passing through a crisis such as had never before occurred in the history of the Colony. The expenditure of the year 1867 was kept within the limits of the revenue to the extent of \$128,584 and next year (1868) to the extent of \$142,794, though in the latter year all the arrears of the Military Contribution were paid off. The revenue of the year 1868 amounted to the astounding sum of \$1,134,105 and yielded, as the expenditure stood at \$991,811, a surplus of \$140,000. Instead of rejoicing over this result, the mercantile community, engulfed at the time in a slough of despond, expressed great dissatisfaction at the heaviness of the taxation and pointed with groans to the yield of the Stamp Ordinance which had taken \$101,000 out of the pockets of the merchants in that one year. The revenue of 1869 shewed an apparent decrease of £43,811 as compared with 1868, but in reality there was some increase, as credit was erroneously taken in 1868 for £55,660 gambling

revenue which had to be refunded. In 1870 the revenue decreased slightly (by £1,791) and somewhat more in 1871 (by £14,711). But Sir Richard could boast of having so regulated the finances, that, during a period of unexampled commercial disasters in China, the Colony emerged from a state of insolvency to one of assured financial stability, without leaving a single claim unsatisfied or borrowing a fraction from the Special Fund which had unavoidably accrued from the gambling licences.

It has already been shewn that this financial success was achieved principally by means of the Stamp Ordinance (12 of 1866). When Sir Richard first announced (August, 1866) his intention of introducing a Stamp Act, the foreign community seemed to be rather at a loss, at first, what to think of the measure. But when the second reading of the Bill was carried in Council (September, 1866), one local paper (*China Mail*) boldly supported the principle of the Bill, whilst another paper (*Daily Press*) opposed it and complained that the Bill was hurried through whilst the unofficial Members of Council were ignorant of its contents and bearings. A public meeting was held (September, 1866) and, in pursuance of the resolutions passed, a Memorial protesting against the confirmation of the proposed Ordinance was accordingly signed by almost every firm in the Colony. The principal objections which the foreign community had against the Bill consisted in the following allegations. (1) that stamps would seriously obstruct commerce, a surmise which subsequently proved unfounded; (2) that the measure was of such an expansive character as to encourage extravagance on the part of the Government, an imputation born of distrust which subsequent events contradicted; (3) that the incidence of this form of taxation would fall principally on foreign commerce, whilst the Chinese would manage to evade it. The force of this latter allegation, which appears to have been a correct forecast of the subsequent working of the Stamp Ordinance, was enhanced by the statement, which was made in a public paper at the time, that, as things then stood, the

Chinese community were taxed \$4 per head, and the British and foreign community \$250 per head. Although Sir Richard willingly modified details of the Bill to meet minor objections of the community, he failed to give satisfaction, as a strong majority of the public objected to the Bill *in toto*. A second public meeting was held, resulting in the presentation of another Memorial condemnatory of the whole measure. When it was announced (early in March, 1867) that H. M. Government had ratified the Bill, the temper of the community was aroused and Sir Richard was publicly accused (March 15, 1867) of having induced Lord Carnarvon to believe that the Governor's arguments had reconciled the community to an impost which, in reality, was all but unanimously felt to be deeply injurious to the true interests of the Colony. However, by the time the Stamp Ordinance came into operation (October 9, 1867), the feeling of the community, though maintaining strong objections to the measure and subsequently re-iterating its condemnation of it by another public meeting (March 17, 1868), had changed, so far as the Governor's connection with the Ordinance was concerned. It was then generally believed that the Stamp Ordinance would never have been brought into operation if the Governor had been allowed free hand in his dealing with the gambling problem, and that the determination of H. M. Government to insist, in spite of all arguments and remonstrances, upon the payment of the Military Contribution, had made the enforcement of the Stamp Ordinance a matter of sheer necessity. By order of Sir Richard, several prosecutions were instituted with a view to compel the Chinese population to comply, in some measure, with the provisions of the Stamp Ordinance. These prosecutions, however, served only to invigorate the general dissatisfaction felt with the working of this measure. With the exception of receipts to be given to foreigners, Chinese tradesmen and merchants disregarded the Ordinance and stamped commercial documents only in cases in which they apprehended the possibility of litigation. Anxious to improve the working of the Ordinance, Sir Richard appointed

(March, 1868) a Commission and invited the public to bring before that Commission their complaints against the operation of the Ordinance and suggestions for its improvement. The Chamber of Commerce accordingly passed (April, 1868) a series of resolutions which were forwarded to the Commissioners. In pursuance of their recommendations, the Stamp Ordinance was subsequently amended (May 23, and November 21, 1868) and the community, finding eventually that the Ordinance did not materially injure the prosperity of the trade of the Colony, became in course of time reconciled with this measure which has ever since proved to be one of the most important sources of revenue.

It is necessary in this connection to refer to the measures adopted by Sir Richard for the regulation of Chinese gambling houses, as these measures, though originally projected rather as a solution of an intricate social problem and as a preventive of corruption in the Police Force, resulted in a considerable augmentation of the Colony's temporary and special revenues. The administration of Sir R. MacDonnell is, indeed, specially distinguished by the fearless attempt he made, in bold defiance of public opinion and official restraints, to solve the problem, which had troubled all his predecessors in office, connected with the well-known Chinese mania for gambling. This national vice, like opium smoking and prostitution, but more widespread and powerful than either, is rooted in an ineradicable, because congenital, disease of the Chinese social organism. Sir Richard was quite right in stating that the passion for gambling, as observed in European nations, is nothing compared with the same craving as it appears among all classes of Chinese, and that in Hongkong it presents, through the corruption of the Police Force, necessarily resulting from a legal prohibition of it, a problem which it is easy to ignore but, for a Governor, imperative to solve in some form or other. It has been mentioned above that Sir J. Bowring, the first Governor who recognized the importance of the problem, proposed to deal with it by licensing; as in Macao, a few gaming houses, and

enlisting thereby the interests of the licensees in the suppression of all unlicensed houses. From a remark in one of Sir Richard's dispatches, it would seem that Sir H. Robinson shared the views of Sir J. Bowring. But neither of them succeeded in obtaining the sanction of H. M. Government for so daring an innovation. Sir R. MacDonnell, before resorting to this policy which he knew to be not only repugnant to the feelings of H. M. Government and condemned by several successive Secretaries of State, but likely to arouse strong opposition on the part of public opinion in England, did his very best, while sounding the Colonial Office on the subject of licensing, to purify the police and to suppress all gambling houses by the strongest measures of discipline and legislation. As soon as he had, by personal investigation, ascertained the seriousness and extent of the evil, and the nature of the difficulties which stood in the way of its abatement, he set to work to weed the Police Force of its suspects and to inspire the remainder with a wholesome terror of his determination to bring to book every defaulter. For a time the corrupt members of the Force dared not take bribes and the keepers of gambling houses curtailed their operations and redoubled their precautions. Sir Richard soon added legislative to his executive and detective measures. He had not been many months in the Colony, before he introduced an amended Registration Ordinance (7 of 1866) with many novel and important provisions. Amongst them was the application of the principle of vicarious responsibility, making registered householders responsible for the payment of fines incurred by residents or lodgers in houses for certain offences, more especially gambling, but giving householders a remedy over against the original offenders if they could catch them. The Chinese householders considered this essentially Chinese principle a great hardship, and the managers of gambling associations were so driven into a corner that they offered the Governor first \$200,000 and then \$365,000 *per annum* for a licence to open a limited number of gaming houses. They shewed thereby what an immense sum they could afford to

spend on bribing the Police if measures of repression were continued. Sir Richard, however, continued his policy of repression which at first seemed so effective that, on January 7, 1867, he reported to the Earl of Carnarvon, that the Police Force was greatly improved, that crime was more rare than it had ever been, that a prospect was beginning to open of almost suppressing gambling, that gambling was already diminished to less than one-fifth of the amount at which he had found it, that for many weeks past none of the Police had received any regular allowances from the gambling societies, but that street gambling still continued, and that, unless the Police continued their vigilance, the evil would again break out as before. But hardly had a week passed, after this roseate report was dispatched, when circumstances came to his knowledge which caused him to report (January 14, 1867) that the progress made by the Police in suppressing gambling was not so great as he had thought. Three months later (April 29, 1867), he had further to report that circumstances had led to a partial renewal of the old demoralisation among the Police. On May 9, 1867, Sir Richard found that he had come to the end of his resources and that he had failed. On that day he informed the Duke of Buckingham and Chandos, that he now saw no reasonable grounds for expecting that the Government could ever succeed in suppressing gambling in Hongkong and that the present mode of dealing with it (by prohibition) is destructive of the morals of the Police and ineffective for the purpose sought.

Sir Richard now determined to try the system of licensing a small number of gaming houses with a view to control gambling and suppress it by degrees. He had thought of it before. As early as August, 1866, he had privately sounded the Members of Council with regard to the draft of an Ordinance (8 of 1866) entitled 'for the maintenance of order and cleanliness' but containing provisions for the regulation (i.e. 'licensing') of gaming houses, which, he hoped, would obviate the necessity of resorting to the Stamp Ordinance then under discussion. This was the bait offered to the unofficial Members of Council. By their

taking it, they were deprived of their freedom of action in relation to both Ordinances. On 28th August, 1866, Sir Richard, in forwarding to the Earl of Carnarvon the draft of Ordinance 8 of 1866 (for the maintenance of order and cleanliness), proposed that the Governor in Council should be authorized 'to adopt a system hitherto discountenanced by H.M. Government and derive a large revenue from the alteration.' He added that 'the Members of Council all advocate such change of system both as a police and a revenue measure.' Instead of sending to the Governor the reply which had been given to Sir J. Bowring when he made the same proposal, the Earl of Carnarvon, admitting that the case of Hongkong was peculiar and justified exceptional measures, approved of Sir Richard's proposal of bringing a limited number of gaming houses under the control of the police, by licensing them, with a view to the eventual suppression of all gambling. He added, however, one all-important, and to Sir Richard disastrous, condition, viz. that the licence fees must not be farmed out but treated as matters of police and by no means as revenue. Sir Richard forthwith set to work to remove or circumvent this condition, not because revenue was his real object but because the Chinese farmers of the gaming licence would, if paying a heavy fee, be compelled by their own interests to form a detective police for the suppression of all unlicensed gambling, and these detectives would then co-operate with the Police Force for the arrest and detention of dangerous characters who flock to gambling houses as moths to the light. Accordingly he informed the Earl of Carnarvon (January 14, 1867) that it would be impossible to proceed by any other mode than farming the licence for establishing gaming houses, because in no other way could the Government secure Chinese co-operation, and he suggested to leave to the Governor in Council a discretion to exercise his powers under the Ordinance as circumstances might render expedient. As regards the financial aspects of the measure, which were so distasteful to H. M. Government, he further stated (May 9, 1867) that any pecuniary advantage, which the

Colony might derive from the change, ought not for a moment be regarded as his motive for introducing it, but that a sum exceeding \$200,000 *per annum* could easily be derived from that source, and, if the Mint were closed, the Colony would then be able to resume payment of its Military Contribution and also to dispense with the Stamp Act.

Meanwhile, however, the Duke of Buckingham and Chandos had succeeded to the Earl of Carnarvon, and he, while fully concurring in his predecessor's instructions, abstained from entering into any discussion of the Governor's arguments, gave no discretionary power to the Governor such as he sought, and expressly declined (April 1, 1867) to sanction the farming system. Subsequently he specified (July 18, 1867) that the licence fees should be limited to an amount covering police arrangements connected with the system. It was on this basis that the Duke informed Sir Richard (August 28, 1867) that Her Majesty had graciously confirmed and allowed the proposed Ordinance (8 of 1866, now re-enacted as 9 of 1867) for the maintenance of order and cleanliness.

Now it must be pointed out that, up to July, 1867, the Hongkong community, though well aware that the Governor had energetically attempted to suppress gambling and to purge out corruption in the Police Force and that he had failed, knew nothing of the Governor's secret discussions with his Council nor of the sanction given by the Earl of Carnarvon and by the Duke of Buckingham to the proposed licensing of gaming houses. Moreover, those paragraphs of Ordinance 9 of 1867 which gave the Governor power to make regulations for 'the better limitation and control of gambling' were so worded that the uninitiated reader would not suspect, what the Council and the Secretary of State well knew, viz., that gambling was to be regulated and suppressed, by licensing it, under this Ordinance.

As soon as Sir Richard learned by telegraph that Ordinance 9 of 1867 would be confirmed, he disclosed his scheme (July 10, 1867) to the public, arranged forthwith the licensing of eleven gaming houses (afterwards increased to sixteen) and opened

them on 15th September, 1867. The revenue from the licences, distasteful to the Governor himself but an indispensable concomitant of his scheme, had to be segregated, by order of H.M. Government, in a distinct Special Fund, which amounted to \$155,000 on 23rd May, 1868, to \$221,733 on 28th June, 1869, and to \$277,334 on 31st December, 1869. The Government gaming houses were at first open to all except women, but foreigners were not allowed to play. After some time, none but Chinese and Malays were admitted (July 27, 1868). Then it became expedient to exclude Chinese servants, shroffs, cashiers and bill collectors (September 16, 1868). Sir Richard closely watched the returns of crime and honestly believed that his system, of providing a vent for the irrepressible Chinese passion for gambling, was steadily reducing crime in the Colony. Numbers of dangerous characters, long wanted by the police or released from gaol and deported on condition of their never returning to the Colony, were arrested at the gaming houses. He reported (March 6, 1869) that the good results of the licensing system included complete extinction of improper relations between the police and the gambling societies, extraordinary diminution of theft among servants, and effectual aid given by the licensees in apprehending dangerous characters. He also demonstrated by statistics that a general diminution of crime had taken place in the Colony since the opening of the gaming houses.

The first disclosure of this remarkable scheme (July 10, 1867) took the whole Colony by surprise. The few Members of Council, who had been initiated into the secret, had kept the secret faithfully from the public whom they were supposed to represent. Sir Richard reported (July 29, 1867) that the new arrangement had met with the general if not unanimous concurrence of the community, with the exception of 'a few gentlemen of the clerical profession who felt it their duty to protest.' As to the unofficial Members of Council, Sir Richard stated (October 15, 1867) that 'the testimony of every one of them had from the first been in favour of the measure with the exception of one

acting Member' (F. Parry). The principal opponent of the measure was the Rev. F. S. Turner, of the London Mission, who wrote some stirring letters to the papers, published a pamphlet for distribution in England, and induced four other missionaries (Ch. J. Warren, J. Piper, R. Lechler, J. Loercher) and the Minister of Union Church (D. B. Morris) to join in the crusade. These objectors, thenceforth known as 'the moral six,' presented to the Governor (July 24, 1867) a brief Memorial, complaining that the measure had been introduced in an underhand and un-English way, and that it was calculated to lead to a large increase of gambling. The Memorialists further alleged that the measure was objectionable to a large section of the Chinese community, and illegal by both British and Chinese law. They finally averred that the Government had no right to countenance and sanction vice. The Registrar General (C. C. Smith) had to do his best, by means of a contemptuous reply he sent to the missionaries in the Governor's name, to refute their arguments. He also wrote reports supporting the Governor's contention that the system had produced good results and gained the approval of the Chinese community. Sir Richard attributed at first no importance to the opposition of the missionaries, and the Duke of Buckingham also declined (September 26, 1867) to express any opinion on their Memorial, merely asking the Governor to report more fully. But the moral six, undismayed by the apathy of the community and the Secretary of State, appealed to the home country in a manner which speedily influenced the British press, re-echoed in Parliament and caused Sir Richard to complain (January 30, 1868) that those clerical gentlemen had elsewhere gone the length of enforcing their reasoning by designating him Anti-Christ and accusing him of wilful untruthfulness. Subsequently, when public opinion in Hongkong also commenced to turn against his scheme (May 23, 1868), Sir Richard at last combatted the position of the moral six as that of a lazy and easily satisfied morality which folds its arms and, while doing nothing to repress acknowledged evils and nurseries of crime, cries out against the Government

attempting at least to control the evil which cannot be repressed, arguing that the Government is bound rather to ignore the existence of the vice than to control what is irrepressible. There was much truth in this remark.

Meanwhile, however, the protest of the moral six had aroused public opinion at home, stirred up the Social Science Association and made itself heard in the only place where Colonial protests, if based on a genuine grievance, produce a tangible effect, viz. in Parliament. As to the action of the Social Science Association little need be said. That Society disgraced itself in the matter by becoming the unconscious tool of the two men who, in Sir J. Bowring's time, had poisoned the social life of the Colony, viz. the former Attorney General and the former editor of the *Daily Press*. These two men, having learned that the victim of their animosities, the Registrar General of Sir J. Bowring's time, was the officially recognized agent and adviser of the licensees in Hongkong, receiving from them a handsome salary (\$20,000 during the first year), managed to renew their persecution by assailing Sir Richard's policy under the aegis of the Social Science Association. At an interview which Earl Granville granted (March 27, 1869) to a deputation of that Society, the former Attorney General, who actually introduced the deputation, and the former editor of the *Daily Press* were the principal speakers. They suggested, as if Sir Richard had not tried this very principle and failed, that the only way to enforce any laws against gambling houses was by enforcing the Chinese laws of collective and mutual responsibility by means of the tithing (Kap) and the hundred (Pao), institutions which had been recognized by the Hongkong Legislature in Ordinances passed between the years 1844 and 1857, but never put into execution. However, this interview and the several Memorials presented by the Secretaries of the Association (August 1, 1868, and January 14, 1869), as also Sir Richard's official reply (October 20, 1868) which the Secretary of State declined to forward, as immaterial, had no effect whatever. The remarks of the Duke of Buckingham on the subject are rather

instructive as to the importance which the Colonial Office generally attaches to Memorials. He told Sir Richard (December 8, 1868) that, though he might properly defend himself and his Government from accusations made in Parliament, or which have been officially made, it was hardly necessary for him to do so in the case of a private Society.

As to the parliamentary debates on the subject of the Hongkong gambling houses, they did not contribute any real help towards a better solution of the important social problem involved. For a general understanding of Sir Richard's disinterested effort to seek a solution of it, even at the risk of the bitterest obloquy, it was rather helpful that the official documents, bearing on the whole question, from the time of Sir J. Bowring down to Sir Richard's latest dispatch, were printed and published (June 15, 1868 and August 9, 1869) at the request of Parliament.

The only serious difficulties which Sir Richard encountered arose out of his relations with the successive Secretaries of State. Shortly after Sir Richard had opened licensed gaming houses, the Duke of Buckingham expressed his surprise (October 14, 1867) that reports were reaching him from several quarters to the effect that the licence fees were being made a source of revenue. That the Duke had imperfectly understood Sir Richard's policy, appeared clearly from a statement which he made in the House of Lords when he said (December 3, 1867) that 'Sir Richard did not propose to put gambling houses down but to obtain a large revenue from them and to extirpate the evil in a very short time.' Sir Richard had to explain his aims more fully, but when the Duke, who was about to vacate his office, at last grasped the real drift of Sir Richard's policy, he used rather strong language (December 2, 1868), expressed his 'entire disapproval of the proceedings' and threatened 'to stop the licensing altogether.' Sir Richard naturally considered himself unfairly treated and, in writing to the Duke's successor (Earl Granville), referred (March 6, 1869) to the Duke's dispatch as containing 'sweeping comments which implied a general censure on the Hongkong Government.' But this made matters worse. Earl Granville

now, standing up for his predecessor, censured Sir Richard (May 1, 1869) for the peculiarly unbecoming tone of his remarks. The embroglio became intensified when Earl Granville complained (October 7, 1869), in view of Sir Richard's independence of action, that the clearest instructions addressed to him seemed insufficient to prevent misunderstanding, and actually threatened Sir Richard by saying (October 8, 1869) that he would view very seriously any further attempt to escape from a strict execution of his instructions. Later on (January 7, 1870) Earl Granville again censured Sir Richard for unwarrantably assuming that he (the Secretary of State) would sanction the proposal to charge against the Special Fund all expenditure of the Colony on police and education in excess of a fixed normal standard. The Governor was sternly ordered to repay into the Special Fund all unauthorized appropriations, amounting to \$129,701, and was compelled thereby to sell the Colonial gun-boat and to devise other forms of retrenchment to the great dismay of the Colony.

The differences between Sir Richard and his superiors in Downing Street admitted of no compromise and his whole scheme was wrecked thereby. He had thought only of securing the co-operation of the Chinese licensees to suppress crime and to prevent the corruption of the police. They had been thinking only of their inability to defend in Parliament the raising of any revenue from vice. What Sir Richard fought for, was the farming system. What they objected to, was the raising of a revenue. 'Let the money be thrown into the sea as soon as it is paid, but do not let the hold which it gives the Government over the licensees be abandoned.' These words, addressed by Sir Richard to the Duke of Buckingham (January 30, 1868), contain the true key to an understanding of his policy. But, although in truth the raising of a revenue and not the use of it was the backbone of his scheme, yet the mere raising of a revenue from vice was the exact point in which the Earl of Carnarvon, the Duke of Buckingham and Earl Granville saw the real gravamen of the charges brought against Sir Richard by the opponents of his scheme. Moreover, having once raised a revenue from the

gaming houses, Sir Richard did not throw the money into the sea, nor would he meekly submit, when ordered to segregate it in the Special Fund, and keep his hands off it. On the contrary, having deliberately deviated from his instructions by farming out the licences, he persistently sought to wring from the Authorities in Downing Street admissions which, when read in the light of his suggestions, which often were left uncontradicted, seemed to sanction the application of the gambling revenue to all sorts of purposes such as served to ameliorate the condition of the Chinese population. It was this persistent determination, to have his own way in dealing with the Special Fund, that irritated his superiors and produced the above mentioned mutual misunderstanding.

When his relations with the Colonial Office became thus positively strained, Sir Richard's one desire was 'finality and positive explicitness of instructions' (March 7, 1870). His health was worn out by the struggle. Accordingly he decided to avail himself of the sick-leave he had obtained and returned, by way of Japan and San Francisco, to Europe in order to make, in personal conference with the Secretary of State, a final effort to save his measure from failure (April 12, 1870).

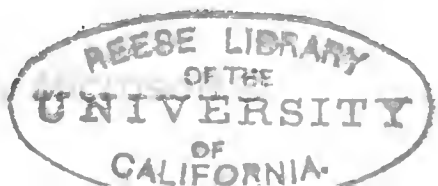
As soon as he had left the Colony, the revulsion of public feeling which, since 1868, had gradually turned against Sir Richard's policy, gathered strength for a general condemnation of it. As early as April 2, 1868, some of the leading merchants (Ph. Ryrie, J. B. Taylor, E. A. Hitchcock, R. Rowett, J. Lapraik), who had originally favoured the Governor's scheme, publicly stated, at a meeting of the Chamber of Commerce, that the system was working an incalculable amount of harm, and that the principal Chinese merchants were of the same opinion. Nothing further, however, came of this movement. But when the Governor had departed, the Chief Justice (J. Smale) commenced to denounce the Governor's policy from the Bench. He finally formulated his complaints in communications addressed to the Colonial Secretary (August 8, 1870, and February 10, 1871), alleging that the severe enactments passed by Parliament

since 1843 had never been made law in the Colony; that within the years 1867 and 1868 over \$10,674,740 had been staked and lost at the Government gaming houses; that, instead of decreasing gambling, the Government measure had greatly increased the vice; that it caused and fostered very serious crimes and that suicides had been traced to it; that a tone of dishonesty had been engendered by the gaming houses in petty tradesmen and that this tone had demoralised the police; that as gambling is a crime in China as well as in England, the actual licensing of it lowers the prestige of the British Government in China. The Chief Justice submitted* also a draft Bill for the repression of gambling, but the Attorney General (J. Pouncefote) considered it so severe that no person in the Colony would be safe from its terrible pains and penalties. The Lieutenant-Governor (H. W. Whitfield) also took sides with the opponents of Sir Richard's measure. He was anxious to close the gambling houses and frankly told Earl Kimberley so (August 29, 1870). He explained that, as their maintenance failed, in his opinion, to check crime, he saw no reason why the Colony should have all the odium of a pernicious system attached to it, whilst it was debarred from the application of the accruing funds which would be of lasting benefit to public institutions generally and more especially to those connected with the Chinese. Inferring from the tenor of the entire correspondence with the Colonial Office, that no more acceptable action could be taken in the Colony than to put a stop to the legalisation of public gambling, Major-General Whitfield took it upon himself, with the approval of the Executive Council, to give notice (August 17, 1870) to the licensees of his intention to close the gaming houses on 1st January, 1871. In Hongkong every one thought the matter settled. But the Earl of Kimberley telegraphically countermanded this measure and informed the gallant General that an officer in temporary administration of the Government should not take upon himself to depart, without express directions from the Secretary of State, from the policy of the Governor whose place he occupies. Accordingly, the licensing system continued for another year, the monopoly being

sold by auction (January 12, 1871) for \$15,000 a month. But this roused the community to make a new effort. Believing that licensed gambling was affecting the Colony injuriously, that none of the boasted decrease of crime was attributable to the licensing system, and that the Police Force was quite competent to repress gambling so far that it could only be carried on in secret haunts, but ignoring the corruption of the police arising from such action, the Chamber of Commerce sent in a Memorial to the Secretary of State (January 10, 1871) praying that the licensing system be discontinued. In addition to this official document, signed by the Chairman (Ph. Ryrie), Vice-Chairman (A. Limeneen) and Secretary (N. Blakeman) and endorsed by 40 Members, Dr. Legge and Mr. David Welsh presented a further Memorial, bearing 316 signatures and representing every class of society, to express the community's protest against Sir Richard's scheme. Even the Chinese community, well knowing that the Registrar General (C. C. Smith) was the strongest supporter and defender of the system, presented him with a Memorial strongly condemning it. These popular demonstrations were immediately followed up by the Chief Justice with a judicial declaration (February, 1871) to the effect that, in the absence of a special Ordinance, the licensing of gaming houses in the Colony was illegal. More effectual was a renewal of the agitation in England, when the House of Commons, at the motion of Mr. Bowring, asked (March 31, 1871) for the production of further documents on the gambling house licensing system, which were accordingly published (July 24, 1871). To all the Memorials of the people of Hongkong the Earl of Kimberley returned the laconic reply that, on the return of Sir R. MacDonnell to the Colony, instructions would be given him to consider the whole matter with a view to the termination of the system of licensing gaming houses. Sir Richard's fight was over. The battle was lost. But, though the system was abandoned immediately after the Governor's return (December 8, 1871), no positive gain resulted from the abolition of the gaming houses. Gambling and police corruption continued thenceforth unchecked.

The Government thereafter simply ignored the problem which is still waiting for a master hand to solve it.

Allusion has already been made to another, exclusively financial, question which also troubled Sir Richard's administration as a legacy of the past, viz. the Mint established by his predecessor, Sir H. Robinson. When the Mint was first opened (April 7, 1866), it had already cost \$400,000, and an additional annual expenditure of \$70,000 was required for its maintenance, at a time when the Colony was virtually insolvent. An unusually low rate of exchange told at once unfavourably against the Mint's prospects. The Chinese were prejudiced against the new dollar by the false rumour that chopping the Queen's coin would involve liability to criminal procedure. Hence the local demand for minting operations was so small that it appeared to the Governor to be incommensurate with the working expenditure of the establishment. The Mint actually earned from May, 1866, to February, 1868, only about \$20,000 in seignorage. Sir Richard, foreseeing this unsatisfactory result and pressed by financial difficulties, appointed a Commission (October, 1866) to inquire into the working of the Mint. The report presented by the Commissioners (January 1, 1867) was greatly discouraging, as they merely recommended to keep the Mint open for twelve months longer on the ground that the arrangements made with the Mint staff, regarding compensation in the event of the establishment being broken up, would anyhow make it just as expensive for the Colony to close the Mint at once as to keep it at work for another year. Six months later (August, 1867) when the Legislative Council considered the estimates of the Colony, it was considered necessary to reduce the estimate of seignorage, likely to accrue from the Mint in 1868, from \$40,000 to \$15,000. The Lords of the Treasury were consulted as to the advisability of continuing the working of the Mint under these circumstances, and in February, 1868, Sir Richard received, by telegram, authority to close it. All the Bank managers were invited to attend a meeting of the Executive Council and to advise the Government as to the



continuance of the Mint under some arrangement or other. But they had neither encouragement nor advice to offer. Sir Richard then (March, 1868) sought to move the local Banks to take over the Mint and to work it for their own profit under Government supervision. The terms proposed by one Bank, which alone made an offer, did not come up to the Governor's expectations. Accordingly the Mint was closed, the machinery sold (June, 1868) for \$60,000 to the Japanese Government, and the buildings and ground were disposed of, for the purposes of a sugar refinery, to Jardine, Matheson & Co., for \$65,000. The Colony realized thus a total of \$125,000 as the result of an outlay which, even three years before, amounted to half a million dollars.

It could not be expected that an administration so crippled in respect of funds would do much in the sphere of public works. Sir Richard displayed in this respect also his energy and readiness of resource and did what was possible under the circumstances. He secured the erection of several new police stations and had all police establishments on the Island connected by telegraph lines. He had hoped to be allowed to draw on the Special Fund for this expenditure as well as for the fitting out of a steam-gunboat, but permission was refused, and the cost of these undertakings had to be provided from the ordinary revenue. He had been anxious to erect a new Hospital and a new Court House, but the funds at his disposal, over-strained by the Military Contribution, had to be husbanded to supply the most pressing needs of repairs of public buildings, roads and bridges, and water-works. During the year 1869, the Governor spent £39,959 on public works, and nearly half of that sum was devoted to water-works. On 17th September, 1869, he stated that a further sum of £19,600 was required for the extension of the Pokfulam reservoir and for repairs of the dam, but that the work was only half completed. He explained, that the original estimate of the work was \$100,000, whereas it would now cost double, and that the history of these water-works shewed how heavily the Colony may lose, when attempting the most necessary public works, by the incompetence of its employees, and how seldom the

most obvious deficiencies of such persons can restrain them from projecting schemes beyond their strength. For these reasons, Sir Richard had obtained from England the services of a specially competent engineer (T. Kydd) who acted as Superintendent of Water-works and would have re-constructed also the Praya wall, if the marine-lot holders had not proved so obstreperous. A typhoon having demolished the frail Praya wall (August 8, 1867), Sir Richard determined to rebuild the whole Praya in a substantial manner. But unfortunately he encountered, on the part of the lot-holders, the same unflinching opposition which defeated the efforts of his predecessors, Sir J. Bowring and Sir H. Robinson. Sir Richard nevertheless renewed the combat. As the Military Contribution absorbed available funds, he informed the lot-holders concerned in the ruins of the Praya, that they must contribute a fair and reasonable proportion towards the cost of rebuilding the sea-wall of their respective lots. When they refused this request, he invited them to a conference with the Colonial Secretary (C. C. Smith), who informed them (November 2, 1867) that the Attorney General had given an opinion to the effect that each lot-holder was, by virtue of the wording of his lease, under a legal liability to provide for the maintenance of the sea-wall. The lot-holders, who previous to the conference had agreed (October 29, 1867) to resist the demand and came armed with legal opinions, contended that the clause in question had reference to roads, drains, &c. within their respective lots and not to the Praya wall; that, when the first sea-wall was built, they had paid the expenses on the distinct understanding that the subsequent maintenance was to be a burden on the Colony; that they were not answerable for the defective condition of the wall nor bound to repair it. The conference broke up in confusion. Sir Richard sent the lot-holders a letter (November 19, 1867) arguing that it was their fault that the former wall was badly built and that the construction of an insufficient wall had not relieved them of their original obligation. When this proved fruitless, he ordered legal proceedings to be instituted. A test case was selected and a marine-lot holder (R. G. Webster) was

sued in Court for the cost of rebuilding his part of the Praya wall. 'The great Praya case,' as it was called, was tried before a special jury (R. Lyall, G. F. Weller, A. Coxon, E. Mellish, J. Arnold, J. M. Vickers, C. Mackintosh) and the verdict was given for the defendant (February 7, 1868) to the great discomfiture of the Governor. The decision was based on the view taken by the Chief Justice that, under the terms of his lease, the defendant was bound to repair all public quays piers and roadways in or 'requisite to the premises,' but that the sea-wall was not requisite to the defendant's premises.

The legislative work of this period was largely occupied with matters affecting police and crime, commerce and emigration, and the government of the Chinese population, all of which are referred to elsewhere. A few ordinances of general interest were introduced by Sir Richard such as regulated the Fire Brigade (4 of 1868), the preservation of birds (1 of 1870), and the Public Gardens (8 of 1870). Improvements in the administration of justice received a large share of Sir Richard's attention. Ordinances were passed modifying the law of jurors and juries (7 of 1868), criminal law procedure (2 of 1869 and 3 of 1872), promissory oaths (4 of 1869), the administration of the estates of deceased persons (9 of 1870), the enrolment of barristers and attornies (3 of 1871), Court vacation (1 of 1869), and so forth. But the most important measure, yet one that was two years later repealed by Sir Richard's successor, was Ordinance 1 of 1871, which regulated the procedure of the Summary Jurisdiction Court by providing that cases, involving sums over \$500 and under \$2000, might be heard, with a jury, by the Chief Justice sitting in Supreme Court in Summary Jurisdiction. Two interesting decisions were given during this period. In the case *Regina v. Souza*, Sir J. Smale laid it down (July, 1869) that no criminal action can be instituted in Hong-kong for the publication of a libel against an undistinguished foreigner resident out of the Colony. And in the case of the *Nouvelle Penelope*, a French coolie ship which, having sailed from Macao, was seized by the coolies under the leadership

of one Kwok Asing, who murdered the captain and crew and fled to Hongkong, Sir J. Smale ruled that the offence was committed against France, that the ship was a slave ship, and that the murders committed with the object of regaining liberty were no crime. The administration of justice was, during this period, frequently disfigured by unseemly disputes between the Chief Justice (J. Smale) and the senior Queen's Counsel (E. H. Pollard). These disputes culminated in a painful scene (July 2, 1867) when Mr. Pollard was lectured and pronounced guilty of six distinct contempts of court, fined \$200 and suspended from practice for fourteen days. The tone and manner in which the Chief Justice on this occasion addressed the troublesome but highly popular barrister, whom he kept standing before him while he lectured him, aroused the indignation of the whole community. The fine was forthwith provided for by a public subscription list, signed by more than a hundred persons of all classes of local society. Mr. Pollard appealed to the Governor who declined to interfere and advised him to petition Her Majesty the Queen. In August, 1868, the decision of the Privy Council was received, indicating a complete defeat of the Chief Justice, as not one of the six acts charged against Mr. Pollard was held to amount to contempt of court. The fine was remitted and the sentence reversed, but the Chief Justice was not silenced but continued the legal warfare in a more subdued form.

The Police Force was during this period subjected to the closest scrutiny it ever received and to severe criticisms on the part of both the Governor and Chief Justice, and by the community. It has been mentioned above that Sir Richard, after satisfying himself by personal investigations of the inefficiency and corrupt character of the Force, attempted, in 1866 and 1867, to purify and reform the corps by disciplinarian measures and failed. On 29th October, 1867, he assured the Secretary of State that he did not remember to have seen in any Colony a body of men so ineffective in proportion to the number, or so corrupt generally, as the Police Force which he found in Hongkong, and which then consisted of 89 Europeans,

377 Indians (chiefly Bombay sepoy) and 132 Chinese. But, after introducing the system of licensing gaming houses, Sir Richard reported, in 1869, that the Police Force had been greatly reformed by virtue of this measure. No doubt, there was a marked improvement, noticeable in 1868 and 1869. But it seems probable that this improvement was not so much due to the licensing of gaming houses, which of course vastly diminished bribery, as to Sir Richard's searching surveillance of the personal affairs of the police officers and his daily vigilance in ascertaining the steps taken in all special cases for the detection of crime, and in the second instance to the several measures he introduced with a view to police reform. These measures consisted of the substitution of Scotch for English and Sikh for Bombay constables: the appointment of a Deputy Superintendent of Police conversant with Hindostanee (C. V. Creagh); the allowance, out of the Special Fund, of \$20,000 *per annum* for good conduct pay; the classification of the Chinese contingent, opening up to Chinese constables the prospect of promotion (March 1, 1870); the increase of police stations and their interconnection by telegraph; the establishment of the Police School (1869) and the encouragement thereby given to Sikhs and Chinese to learn English. The establishment of a separate Naval Yard Police under the exclusive control of the Admiralty (by Ordinances 2 and 13 of 1867) was also an improvement. Up to March 30, 1870, when Sir Richard produced statistics shewing increased efficiency of the Police Force, the public were satisfied that great improvements had been made, and sided with the Captain Superintendent of Police (W. M. Deane) when he energetically rebutted (September 15, 1869), as wanton distortion of statistics, the disparaging remarks, as to the inferiority of the Hongkong Police to that of Shanghai, made by the Secretary of the Municipal Council of Shanghai (A. J. Johnston) in a letter to the *London & China Express* (July 8, 1869). But that the reform of the Hongkong Police was principally due to Sir Richard's personal vigilance, may be inferred from the fact

that as soon as he left the Colony on furlough (April 12, 1870) complaints of the demoralisation of the police recommenced, both on the part of the Chief Justice and on the part of the public. When the Police Report for 1869 was published (April 11, 1870), declaring the establishment of a detective force to be impracticable, public opinion read it as indicating that bribery rather than any other difficulty stood in the way of detecting crime. The action of the Chief Justice also incited public dissatisfaction with the organisation of the police. By his remonstrances, addressed to the Government, he secured the offer of substantial encouragement to police officers willing to acquire a knowledge of the Chinese language (May, 1870), but he failed in his crusade against the separate control exercised by the Registrar General over a distinct force of 69 district watchmen. The unofficial Members of Council also expressed their dissatisfaction with the police and asked that a Commission of Inquiry be appointed, whereupon the Chief Justice laid on the table of the Legislative Council (November, 1870) a memorandum inveighing against the inefficiency and corruption of the Force and suggesting that, to avoid the constant friction between the Superintendent of Police and the Registrar General, the district watchmen be embodied in the Police Force under one head. The Chief Justice continued his adverse criticisms of the Police in 1871, and the community sided with him in the matter. The general dissatisfaction with the organisation of the Police Force rose to the highest pitch when a greatly popular public officer (G. L. Tomlin) was robbed and knocked down on a public road close to the Central Police Station (August 28, 1871). A deputation of unofficial Justices of the Peace waited forthwith on the Lieutenant-Governor (H. W. Whitfield) and urged him to take immediate steps to improve the Police Force. Major-General Whitfield's reply, referring to 40 additional constables having been ordered from Glasgow and promising that Sir Richard would, on his return, deal with the question of police reforms, was viewed by the public as a mere evasion of the points insisted on by the whole community, viz. that an

efficient head should be provided for the Police Force which they considered to be in a disorganized state and that a Commission should be appointed without delay to inquire into the real causes of the defective state of the Force. A public meeting (September, 1871), attended by upwards of 350 residents, gave expression to the general sense of insecurity under which the community laboured, and to their strong disapprobation of the neglect which, it was alleged, had characterized the action of the Executive with regard to the police. A Memorial was forwarded to the Colonial Office, praying for the appointment of a Commission of Inquiry. Before Earl Kimberley's reply, negating this request, reached the Colony, Sir Richard had, immediately upon his return, appointed (December, 1871) a Commission according to the wishes of the community (T. C. Hayllar, W. Keswick, F. W. Mitchell, F. Stewart, H. Lowcock, W. Lemann, George Falconer, and A. Lister). One of the principal subjects of inquiry was the question whether the plan of divided authority, by leaving the district watchmen under the separate control of the Registrar General, should be continued. It was principally on this point that the views of the Commission and of the Governor were divided, and the bifurcation had to continue. Whilst leaving a reform of the police to his successor, Sir Richard started, before leaving the Colony, what was virtually a new department for the suppression of gambling, by relieving the Police Force from this duty and handing it over to personal efforts to be made by two former Cadets, the Registrar General and the Superintendent of Police. This appointment of two gentlemen detectives, with which was connected a handsome remuneration, was viewed by the community as a mere excuse for filling the pockets of the Governor's 'boys.'

Sir Richard's energy and severity as a disciplinarian was bound to exercise a deterrent influence as regards crime. There never was any Governor in Hongkong who inspired the criminal classes with such a genuine dread of his personal vigilance and of his measures. They soon found that the licensed gaming houses

were a trap set to catch them and it became quickly known that confinement in gaol was now a real punishment. But the most marked effect attached to those measures of Sir Richard's administration by which he applied whipping and solitary confinement to cases of armed or violent assault, kidnapping and child-stealing (Ordinances 12 of 1865 and 3 of 1868) and to criminals returning from deportation (Ordinance 7 of 1870). Compelled by financial considerations to abandon the newly built gaol on Stonecutters' Island, he brought all prisoners under a uniformly rigorous system of discipline in Victoria Gaol, reduced the dietary scale, made gaol labour more severe, and ordered gaol offences to be punished with the cat instead of the rattan. By these measures he made imprisonment a real deterrent. He was so determined to keep the number of prisoners within the limits of the accommodation afforded by the old gaol, that he resorted to and, when checked by the Colonial Office, persevered in the application of other measures which were evidently illegal. In autumn 1866, he introduced a system under which prisoners were induced to petition, that they might be liberated on condition of their voluntarily submitting to be branded and deported with the understanding that, if they were thereafter again found in the Colony, they would be liable to be flogged by order of a Magistrate and remitted to their original sentence. He sought to give to this system a colour of legality by that Ordinance 8 of 1866 (for the maintenance of order and cleanliness) which has been referred to above, in connection with the equally illegal system of licensing gaming houses. When this Ordinance (in its original form) was disapproved by H.M. Government, Sir Richard abandoned the system of bringing branded and deported criminals, who returned to the Colony, before a Magistrate, but continued the original system of branding and deporting prisoners, before the expiration of their sentences, in accordance with those illegal engagements voluntarily entered into by prisoners and ratified in each case by the Executive Council. Criminals thus liberated and deported were, on being found again in the Colony, remitted to their original sentences

and then flogged in gaol as a matter of gaol discipline. This system was continued until 25th May, 1870. It has been alleged that this rigorous system of branding, deporting and flogging was applied also to hundreds of prisoners convicted merely of being suspicious characters, rogues and vagabonds, and that the Colony was thus delivered of the very class of men whose habitual occupation, as professional touts, trainers, aidors and abettors of criminals, formed the hotbed of prospective crime.

This severely deterrent treatment of Chinese criminals met with the unqualified approval of the community. The Chinese and European residents as well as the unofficial Members of Council (September 11, 1871) gave at sundry times expression to their conviction of the absolute necessity of such measures in order to make Hongkong and its humane gaol less attractive and comfortable for the gaol birds of Canton. That experienced police officer and magistrate, Ch. May, gave it as his opinion that 'corporal punishment is absolutely requisite for the well-being of the Colony.'

That these measures, initiated by Sir Richard, served to diminish crime for the time, seems incontrovertible. An immediate decrease in kidnapping offences was specially noticeable, as 68 such cases occurred in 1867, 53 cases in 1868 and only 7 cases in 1869. Comparing the six months ending on December 31st, 1865, with the six months ending December 31st, 1869, it is seen that serious offences decreased by 51 per cent. and minor offences by 45 per cent. during these four years. In comparison with the year 1868, the criminal statistics of 1869 show a decrease of 22.6 per cent. in serious and of 18.4 per cent. in minor offences, or a decrease altogether of 1,104 cases, the total having been 5,705 cases in 1868, and 4,601 cases in 1869. The number of prisoners committed to gaol was steadily reduced, year by year, from 6,246 in 1865, to 3,059 in 1869. The Chief Justice (J. Smale) who did not approve of the Governor's illegal measures, made, on 19th March, 1870, the following remarks in addressing a jury. 'Some years since, the calendar was on an average very large. Life and property were insecure.

Robbery with violence on land, piracies on the sea, were frequent. They are now more rare. Something is due to the firmness and good sense of juries; but more is due to the energy of the Executive of which, constituted as the Colony is, the Governor is the life and the soul.'

With regard to the repression of piracy, also, Sir Richard scored an undoubted success. By the time of his arrival in the Colony, piracy was a matter of almost weekly occurrence, not only interfering with the native junk trade and small European coasting vessels, but frequently also causing the loss of many lives. The measures taken by the British Naval Authorities, for whom Sir Richard secured the co-operation of the steam-cruizers of the Chinese Customs, were viewed by the public as inefficient or, when successful, as suspicious. Individual naval officers, as for instance the commander of H.M.S. *Bouncer* who captured, with the assistance of Chinese revenue cruizers, over 30 piratical junks in the gulf of Tungking (June 9 to July 27, 1869), were much applauded. Nevertheless the impression gained ground, that frequently British gunboats were induced by Chinese officials to treat, as pirates, vessels and men whose guilt amounted at the worst only to attempts at smuggling or resisting the illegal exactions of the rapacious revenue officers of China. This allegation was particularly made, but without clear proof, with regard to the proceedings of H.M.S. *Algerine* (June, 1868). The most effective measure that was ever launched against piracy in South-China was that (Ordinance 9 of 1866 and 12 of 1867) by which Sir Richard brought under surveillance and severe restrictions the haunts and stores established in the Colony by the aidors and abettors of piracy, and particularly the native dealers in marine stores. Next in effectiveness ranks Sir Richard's Junk Ordinance (1 of 1868) which amalgamated, with the preceding measure, some stringent regulations providing that all native vessels (junks) should report arrival at the Harbour Office, take out an anchorage permit by payment of a fee (subsequently remitted) and obtain clearance papers before sailing. For the same purpose

of repressing piracy, measures were taken by the Governor (Ordinance 2 of 1868 and 2 of 1870), to provide, in conjunction with similar measures to be enacted in Canton by the Chinese Authorities, the disarmament of all Chinese trading and fishing junks. But as the Viceroy of Canton, who at first had promised to issue the same order, failed to do so and, when questioned, declared it impossible to enforce such a law, the measure was abandoned. Another measure devised by Sir Richard proved a great help towards suppressing piracy, viz. the establishment of a combination of Harbour Office and Police Office duties, entrusted to the Police Inspectors at Yaumati, Aberdeen, Stanley, Shankiwan and at East Point (Whitfield Station).

The good results of the foregoing measures were obvious. From September, 1866, to October 1867 not one piratical attack on European vessels occurred and out of 18 cases of piracy reported by Chinese junk owners, most were comparatively trivial. During the two years immediately preceding 1st January, 1867, no fewer than 92 men were tried for piracy, attended in most cases with violence or murder, whereas during the two years (1867 and 1868), immediately following, only 15 men were tried for that crime, and not one single trial for piracy took place during the years 1869 and 1870.

Commerce in the Far East had, at the beginning of this period, received an extraordinary impetus through the opening of the Suez Canal (April 19, 1865), which filled the godowns of Hongkong and the Treaty ports to overflowing, increased the volume and revolutionized the methods of trade, without however increasing its profitableness. In the year 1866, the foreign trade with China amounted to nearly £95,000,000. The share of Great Britain in that trade amounted to no less than £71,518,723 or nearly 63 per cent. of the whole, and for this colossal trade, to which must be added the Colony's trade with Japan, amounting in 1867 to £6,000,000, Hongkong now served as the principal emporium.

The history of local commerce during this period commenced indeed with good omens for the future. The spirit of enterprise

and competition was still lively and inapprehensive of the approaching commercial depression. The formation of the Union Dock Company, the first that was registered (July 31, 1865) under the new Companies' Ordinance, with a capital of \$500,000, consisting of 500 shares of \$1,000 each, was speedily followed up (October 11, 1866) by the formation of the Hongkong and Whampoa Dock Company, which purchased the dock properties of Messrs. Douglas Lapraik and Th. Sutherland, with a capital of \$750,000 in 1,500 shares of \$500 each, the Hon. J. Whittall acting as chairman of the directors and Mr. J. Lapraik as secretary. The new dock at Aberdeen, named after Admiral Hope, was opened on June 15th, 1867. A third new enterprise was started by the formation (October 19, 1865) of the Hongkong, Canton and Macao Steamboat Company, with a capital of \$750,000 divided into 7,500 shares of \$100 each. The principal promoter of this association, which purchased the popular American river-steamers *Kinshan*, *White Cloud* and *Fire Dart*, was Mr. Douglas Lapraik by his attorney J. Lapraik. The other directors of the new Company were Messrs. J. J. dos Remedios, A. E. Vaucher, A. Sassoon, R. Solomon, D. Ruttunjee, and Bapoorjee Pallunjee Ranjee. The new Company met indeed with competitors but succeeded (August, 1866) in buying them out, and as the river-steamers had been allowed (since April, 1866) by the Chinese Authorities to land and take in cargo and passengers at Chuenpi (below Whampoa), it was thought that a new important outlet for trade had been secured. The shareholders of the Hongkong and Shanghai Bank felt confident of coming prosperity when they resolved (February, 1866) to convert the new Bank into a corporation by charter. The new Royal Mint of Hongkong was also opened with some hope of success (May 1, 1866). Trade with Japan received a real and permanent stimulus by the establishment in Japan of bonded warehouses and a liberal tariff (July, 1866). The old Californian trade likewise expanded through arrangements made about this time by the Pacific Mail Steamship Company in San Francisco to connect that port with Hongkong by a regular line of large

and fast steamers, the first of which, the *Colorado*, arrived in Hongkong on January 31st, 1867. A Hotel Company was formed in January and commenced operations in July, 1867.

On the other hand, at the beginning of the year 1866, complaints were heard of increasing commercial depression in some branches of business. It was felt by many, that a serious financial crisis was approaching from abroad. In April, 1866, it was further stated that British vessels sailing from Hongkong had practically lost their hold on the trade along the coast of China, as among 20 European vessels engaged in this trade only 3 were British. The general gloom was intensified when the Agra Bank and the Commercial Bank suspended payment (June, 1866). In November, 1866, dulness was reported to reign in most branches of local trade and in December great anxiety prevailed in the Colony as to the stability of a number of local firms. The old and popular firm of Dent & Co. suspended payment on 1st January, 1867. The failure of Lyall, Still & Co. and some smaller firms followed soon after. In March, 1867, a panic seemed to be impending. There was a general lack of confidence in all mercantile branches. Even the scrip of the prosperous Hongkong & Shanghai Bank began and continued for some time to droop, although the directors denied (March 15, 1867) under threat of prosecution the reports current as to the cause of it, and declared (August 28, 1867), after providing for the losses entailed by the failure of Dent & Co., a dividend of 6 per cent. for the half year. This period of commercial stagnation was extraordinarily prolonged as it continued from 1866 until the fall of the year 1869.

Meanwhile the temper of the community vented itself in complaints. In 1867 people commenced to lay the blame for the depression of trade on Sir Richard's legislative measures, ignoring the fact that a contemporaneous depression existed elsewhere and in places which were not in any way affected by local legislation. Various causes, however, added fuel to the irritation which naturally increased as the commercial atmosphere became more and more enveloped in gloom.

Complaints were made as to the mode of levying local rates and taxes in advance and on the tenants themselves instead of the landlords (January, 1867). The Formosan camphor trade was seriously interfered with by illegal exactions and by monopolies claimed by the Chinese Mandarins, and Sir Richard's remonstrances proved fruitless. The Canton Customs Blockade was hampering many branches of local trade (since October, 1867) and Sir Richard appeared to be powerless to do anything more than writing protests. The Stamp Ordinance was considered to press unfairly on the European merchants and the doubts entertained at first, owing to the intricacies of its provisions and penalties, as to the question what stamps were to be affixed to or impressed upon certain documents, operated as a source of frequent perplexity and worry (November, 1867). As things went from bad to worse in 1868, merchants began to talk of the impending ruin of Hongkong and to blame Sir Richard for it. It was seriously proposed to demand the appointment of a Commission to inquire into the working of certain Ordinances injurious to the commerce of Hongkong. In the piece goods trade there were also special complaints of that mildew in cotton goods which, for many years thereafter, caused much trouble and irritation, and which was believed to be caused by fraudulent sizing (March, 1869). Sir Richard himself also had as much to worry him, as the merchants. The covert hostility of the Cantonese Authorities, encouraged by H. M. Minister in Peking, the growing displeasure with which successive Secretaries of State in Downing Street viewed his attempt at solving the gambling problem, and the local unpopularity of all his best measures, must have had a depressing effect upon Sir Richard's nervous temperament. It was tantalizing to have in the Special Fund a remedy at hand for the distressed state of the Colonial finances and yet to be forbidden to touch it. On 7th July, 1869, seeing no signs yet of the better times that were coming for Hongkong, he wrote to Earl Granville saying that 'the circumstances of the Colony in the present decline of commercial prosperity; following on the serious depression which had prevailed for

several years, rendered it extremely unlikely that the Executive, without aid from some unusual source, could increase or maintain an increased expenditure.'

However, towards the close of the year 1869, a gradual improvement, which had set in for some time, became visible. That the shipping trade of the Colony greatly increased in 1869, is clear from the excess, over 1868, of 45 British ships, measuring 41,615 tons and of 135 foreign vessels (Chinese excepted) measuring 95,230 tons. This large increase of shipping business was evidently due to extended traffic between the Colony and Australia, the United States, the Philippine Islands and Japan, while trade with British India remained about the same as before. Of a daily average of 107 vessels in port in 1869, fully 18 per cent. were steamers. The doubling of the number of the steamers of the Messageries Impériales and the Pacific Mail Company, and the formation of two additional local Steamship Companies, left no doubt of the undiminished importance of the Colony in connection with the trade of China and Japan.

With the commencement of the year 1870, the long continued commercial crisis was felt to be over, and the pent up energies of local enterprise burst forth anew. The Chamber of Commerce interested itself in Baron von Richthofen's exploration of Western China (December, 1869) and sent (February, 1870) a commercial explorer of their own (M. Moss) to ascertain the commercial capabilities of the West River (Canton to Nanningfu). Mr. Moss travelled through Kwangtung and Kwangsi into Yunnan, but his report was not encouraging. The Hongkong and Whampoa Dock Company, under the direction of Mr. W. Keswick, amalgamated with itself the older Union Dock Company under the direction of Captain J. B. Endicott (March 8, 1870), and increased its capital to one million dollars. The Indo-Chinese Sugar Company was formed (April 28, 1870) to purchase a crushing factory at Saigon and to erect mills at various places in Cochin-China and in China. Two new Insurance Companies having been started in February, 1870, Chinese merchants established, in April, 1870, an Insurance

Company of their own, the shares of which could be held only by Chinese. The shipping returns of the year 1870 shewed an increase of 2,433 vessels with a carrying capacity of 311,025 tons. Nevertheless there were, at the close of the year 1870, many who took a despondent view of the future of Hongkong as compared with that of Shanghai. The general China trade, it was said, was now developing in magnitude corresponding to the diminution of profits in the case of individuals. Having no power of expansion, the Hongkong trade was more keenly affected by this reduction in profitableness, caused by the natural working of increased competition. With so few outlets to trade and these obstructed, as to the junk trade, by the Chinese Customs Blockade, Hongkong now possessed but small opportunities of extending its trade with regard to imports into China. Hence the inference was drawn that the commercial importance of the Colony must thereafter decline very materially in comparison with that of Shanghai.

Commercial enterprise, however, continued to develop. The Hongkong, Canton & Macao Steamboat Company once more bought out competing interlopers in the river trade by the purchase of the steamships *Spec* and *Spark* (June 1, 1871). Great improvements were made in telegraphic communication with other countries. Direct communication was established with Shanghai (May 26, 1871), with New York and London (June 9, 1871), and with Saigon and Singapore (August 1, 1871). To utilize pier and godown properties at Wantsai, the Hongkong Wharf and Godown Company was formed (August 1, 1871) ignoring the fact that the increased facilities of telegraphic communication with Europe tended to diminish the need for godown storage.

The emigration question, viewed in the light of the Macao coolie trade, occupied the minds of the residents off and on throughout the term of this administration. This question took a definite shape on the passing of the Hongkong Emigration Ordinance (6 of 1867), when the Chief Justice (J. Smale) conjointly with one of the unofficial Members of Council (J. Whittall) pleaded

in Council and memorialized the Secretary of State (July 27, 1867) to the effect that contract emigration from Hongkong should be entirely prohibited, on the ground that the Macao coolie trade, conducted under emigration laws similar to those of Hongkong, had developed into a veritable slave trade. Sir Richard opposed the two enthusiasts, and stated that the Hongkong Council could not run counter to Imperial legislation (18 & 19 Vict. ch. 104) under which the local Chinese Passengers Act of 1855 had been framed. The whole mercantile community considered this agitation against the local coolie trade extremely ill-judged, as no one pretended that coolie emigration from Hongkong was conducted in any sense on slave-trading principles. Fresh discussions arose when Sir Richard published (July 4, 1867) a refutation of the arguments advanced by those two Members of Council, and especially when the horrors connected with numerous mutinies on Macao coolie ships filled the public papers and engaged, in a few instances, also the attention of the Government and the Supreme Court of Hongkong in connection with the ships *Marie Therese* (March 21, 1868), *Frederic* (October 19, 1869), and especially in connection with the above mentioned Kwok Asing case (February 15, to April 5, 1871). The net result of all these discussions was the general conviction that the methods by which coolies are collected in the interior and brought to Hongkong for shipment, though free from the evils attaching to the crimping system of the Macao coolie trade, necessitated the strictest surveillance of all contract emigration, and some thought that even the new Hongkong Emigration Ordinance (12 of 1868) was insufficient, though it provided for the punishment of persons improperly obtaining emigrants, as long as contract emigration to non-British ports was allowed. More stringent regulations were made by the Governor in Council (July 6, 1869), but on 19th October, 1859, Earl Granville informed the Governor that he concurred with Earl Clarendon and the Emigration Commissioners, that contract emigration from Hongkong should be strictly confined to emigration to British Colonies. Sir Richard

accordingly passed through Legislative Council (March 30, 1870) a Bill giving the Governor power to make such regulations with regard to emigration as he may think proper under instructions from the Colonial Office. Sir Richard stated on this occasion that he personally deprecated the entire abolition of contract emigration to foreign countries which under existing instructions he would be obliged to effect, but that his instructions were peremptory. Later on, difficulties were made by the Colonial Secretary (in the absence of Sir Richard) even as to shipping coolies by the Pacific mail steamers, as it was stated (October 15, 1871) that the Colonial Office instructions prohibited emigration, whether under actual or merely implied contract, to any non-British country. The U.S. Minister, the Hon. W. H. Seward, passing through Hongkong in January, 1871, held a reception at the U.S. Consulate, when he gave it as his opinion that Chinese emigration to the United States is desirable as tending to the advancement of western civilization in China, and that by this means enterprises, such as railways and mining operations, will be introduced into China, and excessive emigration to America stopped, so soon as the Chinese labourers will be able to find in their own country that employment which now induces them to go abroad. Mr. Seward's influence caused emigration from Hongkong to California to expand considerably during the next few years.

The Chinese commerce of Hongkong rapidly expanded at the beginning (1865 to 1868) of this period at the expense of the Canton trade which then laboured under illegal exactions, made by the Mandarins and their favoured monopolists, which caused even the manufacture of vermilion and the clarifying of ginseng to be removed from Canton to Hongkong. Even in the piece goods trade, a very large business was now done in Hongkong, particularly in cotton fabrics, the goods being sent into the interior of the Canton Province without passing through or near Canton, and at Canton itself the import of piece goods fell entirely into the hands of Chinese who came down to Hongkong to buy. The rice trade also was driven

away from Canton by the exaction of tonnage dues and thenceforth entirely conducted in Hongkong whence the rice was sent to Canton in junks. Opium was at this time shipped less to Canton, and chiefly to Kongmoon, Samshui and Sheklung, where lower duties were levied than in Canton. Likewise also the numerous small ports between Swatow and Hongkong were supplied from Hongkong with opium by junks which had to pay a duty of 20 taels at those intermediate ports, whilst at Swatow 30 taels import duty and 10 taels Li-kin had to be paid. This was not a smuggling trade but a judicious avoidance of a port (Canton) where extra charges were made. But it was the resultant expansion of the Hongkong junk trade, coupled with the simultaneous decline of the Canton trade, that induced the Cantonese Authorities to establish the Customs Blockade of Hongkong in order to levy here those extra charges and thus to force the junk trade back into its former channel for the benefit of Canton.

The result was striking. At the close of the year 1868, a sudden depression, which reached its height in 1869, came over the native trade of Hongkong. The cotton dealers of Hongkong exported in 1869 only 110,000 bales in place of 200,000 exported in 1868. No more than 335,000 piculs of rice passed through the Colony in 1869. The sugar trade also shewed a considerable decline. The market compradors reported sales amounting, in 1869, to \$146,000 against \$165,000 in the previous year. The salt fish trade continued on the decline which had set in from the moment when the Customs Blockade commenced. The rent of Chinese houses fell in 1869 about 25 per cent. and some 250 business houses in the principal streets stood empty and unoccupied. Nevertheless the reviving energies of foreign commerce in 1870 appeared to stimulate also the native trade of Hongkong, which recovered slowly from the injuries inflicted upon it by the Chinese Customs Blockade.

In the government of the Chinese population, Sir Richard systematically gave to the Registrar General the most extensive powers. But he took a personal interest in every detail, probed

the correctness of translations of petitions and notifications, watched with eagle's eye the editing of the Chinese issue of the Government Gazette and inquired into the ins and outs of every complaint made by the Chinese. He occasionally, but sparingly, received Chinese deputations, argued with them in a stately way and took infinite pains in controverting their arguments, both orally and in print, and repeatedly made semi-mutinous deputations confess that their objections to his measures were based on misunderstanding or imperfect translation and invariably sent them away crestfallen. It was by these methods that he averted serious impending strikes in connection with the new Registration and Junk Ordinances (6 and 7 of 1866) in September, 1866 and in January, 1867. It has been mentioned above that the Junk Ordinance did excellent service towards the repression of piracy. The Registration Ordinance also worked satisfactorily and 663 householders were speedily registered under it, but the provisions regarding the registration of Chinese servants were viewed by European employers as useless and irksome and soon became a dead letter. In 1869, the Chinese inhabitants of several districts in town, acting on the provisions of the Registration Ordinance, recommended a body of men as district watchmen to be paid for by themselves. The duties of these special Chinese constables, under the sole direction of the Registrar General, were connected exclusively with the Chinese portion of the city. The Registrar General reported, year by year, favourably on the working of this special body of police. But the system caused friction between the Registrar General and the Superintendent of Police, particularly in connection with the permits issued for religious ceremonies, which, by their accompanying noise, created a nuisance, at night-time, to European residents and caused objections disregarded by the district watchmen but upheld by the police.

The absence of a mortuary for Chinese and of a hospital conducted in consonance with Chinese ideas of therapeutics, caused the local compradors, merchants and shopkeepers to establish (in 1867) what they called the I-tsze. Their aim was

not charitable, but rather to have a place where dying business-employees might be deposited, to avoid the troublous rites and ceremonies connected with death, and where encoffined bodies might be stored awaiting removal to the mainland. This institution was established, in the centre of Taipingshan, unbeknown to the Government. In May, 1869, accident led to the discovery that sick persons were dumped there and left to die like dogs, untended and uncared for; except that there were coffins ready for them. When the foreign community raised an outcry, the Chinese came forward with liberal subscriptions towards the erection of a Chinese Hospital, and, as it was a clear case for the application of the Special Fund, Sir Richard at once offered a grant of \$15,000 in addition to a free site near Possession Point. The I-tsze was forthwith converted into a temporary hospital conducted on Chinese principles, as nearly all Chinese in the Colony would rather die like dogs than enter the Government Civil Hospital. It was originally proposed that the piece of land granted by Government should be vested in trustees and that the permanent hospital, to be built there, should be carried on under a trustdeed. But the Attorney General (J. Pauncefote) wisely suggested to form a corporation which would build and manage the hospital through a board of Chinese directors under proper supervision by the Government. Thus the Tungwa Hospital was established by Ordinance (3 of 1870) as an eleemosynary corporation. By the special order of Sir Richard, a provision was included in this Ordinance to make sure that, if the corporation should fail to carry out in a satisfactory manner the objects and purposes of the Ordinance, the incorporation should be repealed and the property of the hospital, subject to the payment of debts, should then vest in the Crown. The new hospital was speedily erected and opened by Sir Richard on February 14, 1872, when he announced that the Government had voted (out of the Special Fund) a further sum of \$115,000 for the purposes of the hospital. He also praised the Chinese for their liberality in guaranteeing annual subscriptions to the extent of \$7,000, but warned them that, if any abuses should

creep in, the Government would take the management of the hospital out of their hands. This was a fair specimen of Sir Richard's way of dealing with the Chinese community. He invariably treated them with unwearied consideration but with rigid strictness. The result was that, by the time of Sir Richard's departure, his administration left upon the Chinese people rather a favourable impression. Though they dreaded him at first as a stern disciplinarian, they always respected him and finally he became rather a popular hero in their eyes.

The population of Hongkong increased, during this administration, from 117,471 souls in the year 1866 to 124,198 in the year 1871. But this is no progress when it is compared with the state of the population (125,504) in the year 1865, and indicates that the general influence of Sir Richard's administration did not tend to encourage Chinese to settle in Hongkong.

The sanitation of the Colony was at a low ebb in January, 1866, when the mortality among the troops reached an extraordinary rate, supposed to be caused by the severe night duties thrown upon European soldiers in consequence of the withdrawal of Indian regiments. Hongkong, once more, gained an unenviable notoriety through exaggerative descriptions of the insalubrity of its climate published in home papers in 1866 and 1867, and particularly in the *Times* and in the *Army & Navy Gazette*. In April, 1869, it was locally reported that the sanitary conditions had been steadily improving and that, with the exception of the case of the troops, the rate of mortality among European residents had steadily decreased since 1863. Indeed a table of the mortality of Hongkong inhabitants from 1858 to 1868 shewed that in no year registered had the mortality been so low (2 per cent.) among Europeans as during the year 1869. The Colonial Surgeon, in his report for 1869, reported a rise in the death rate, which he ascribed to the longer duration of the summer heat, but declared Hongkong to be remarkably healthy for the tropics. Great importance was now attached to the extension of afforestation coupled with the unsparing removal

of all undergrowth. Carbolic acid was freely used to disinfect drains. The sudden and startling death of a number of prominent members of the foreign community, gave to the year 1870 the aspect of a specially unhealthy year. It was pointed out that in the early part of summer and up to 3rd August, 1870, there was an unusually small rainfall, and an unusual increase of fever, accompanied by a tendency to relapse which caused great prostration and in some cases assumed the character of typhus. Most practitioners attributed the cause to earth cutting on the hill sides. Dr. J. I. Murray, however, persisted in tracing the disease to the paucity of rain but he also complained that the drains of the town remained what they ever had been (in the absence of rain), the source of disease, and urged that they be run out into deep water and frequently flushed. An epidemic of smallpox having broken out in December 1870, and the temporary matsheds erected near the Civil Hospital being overcrowded (January, 1871), the deserted Gaol-buildings on Stonecutters' Island were converted into a smallpox hospital which answered all expectations. Among 101 cases treated (73 civilians and 28 soldiers), there were only 9 deaths.

The subject of contagious disease engaged Sir Richard's attention soon after his arrival. He found fault with the C.D. Ordinance of 1858, as its penal provisions were directed exclusively against indoor prostitution, also against the keepers of illicit establishments only and not against the inmates. Believing that the existing system failed to check disease, Sir Richard forthwith inaugurated a more vigorous policy. A new Ordinance, passed on 23rd July, 1867, subjected accordingly both the keepers and the inmates of unlicensed houses to fine and imprisonment, prohibited solicitation in the streets, extended the application of medical examination and detention in the Lock Hospital, gave the Police power to break into suspected houses without a warrant, and conferred upon the Registrar General judicial as well as executive powers, in order to remove prosecutions under the Ordinance from the publicity of the

Police Court. It was, however, again found impracticable to bring the inmates, of establishments intended for the use of Chinese only, under periodical medical examination. Moreover, it was now found impossible to carry out this vigorous policy effectively without extensive employment of paid informers, and this proved in after years to be a serious flaw in the system. Public feeling on the subject of C. D. Acts was by this time undergoing a change in England, where the conviction of the necessity of extending the powers of the Imperial Act, on which the Hongkong Ordinance of 1867 had been founded, was steadily gaining ground. In Hongkong there was at this time, amongst those who interested themselves in public affairs, no general feeling for or against the working of Sir Richard's new Ordinance, but the magisterial functions now exercised, as it were in secret, by the Registrar General, were looked upon by some of the unofficial Members of Council as a source of mischief. Dr. R. Young, in charge of the Lock Hospital with a daily average of 34 in-patients, reported favourably on the working of the Ordinance (10 of 1867). That the type of disease had gradually become more amenable to treatment, appeared from the fact that the average number of days, during which patients were detained in hospital, was reduced in 1871 to a shorter period than had ever been reached during the 14 years of the hospital's existence. Surgeons, well qualified to give an opinion, testified in 1871 that at this time there was no place in the East so free from syphilitic disease as Hongkong.

During the interregnum of the Hon. W. T. Mercer some important events took place in the sphere of education. The premature death of Miss Baxter (June 30, 1865) was a great loss for Hongkong, but the Baxter Schools were continued, first by Miss Oxlad and then by Miss Johnstone, on whom Miss Baxter's mantle had evidently fallen. The establishment, by Bishop Raimondi, of a large and distinctly commercial School (St. Saviour's College) brought into play a healthy emulation between the principal local schools, and this competition acted thenceforth as a prominent factor in the educational movement

of the Colony. Another important event of the interregnum was the extinction of the Board of Education and the appointment (June 24, 1865), at the suggestion of Dr. Legge, of Dr. Stewart as Head of the Education Department, having under his direction both the Central School and the outside Government Schools, then 14 in number but increased to 25 schools by the end of this period. Dr. Stewart urged upon the Government (in 1865 and in 1871) the introduction of an education tax and a compulsory school-attendance law, but neither Mr. Mercer nor Sir Richard would consent to such a measure. The Central School, which had hitherto received only Chinese boys, was thrown open by Sir Richard (in 1866) to boys of all nationalities. The new Bishop, Dr. Alford, engaged in a controversy with Dr. Stewart by opposing the system of secular or, as he called it, godless education in Government Schools, but without avail. St. Paul's College, having lost its funds by the failure of Dent & Co., had to be closed in 1867, and, when an attempt to re-open it in 1868 failed, the College was absorbed (in 1869) in the Diocesan Orphanage. The Morrison Education Society was also deprived of its funds by the failure of Dent & Co. and handed over its library, together with a painting of Chinnery's (representing Dr. Morrison) and a bust of the Hon. H. R. Morrison, to the City Hall Library as a free gift for the use of the public (March 30, 1869).

Bishop Smith having resigned, the Rev. Ch. R. Alford, M.A., was appointed by Letters Patent (January 14, 1867) Lord Bishop of the See of Victoria and Warden (for the Church Missionary Society) of St. Paul's College. The new Bishop appointed the Colonial Chaplain (W. R. Beach) as residentiary Canon of St. John's Cathedral. Bishop Alford did much to cement good understanding between the clergy and the missionaries of all persuasions and exercised upon the general community a powerful influence for good. For the benefit of the funds of the British and Foreign Bible Society, he organised a local Auxiliary (H. Laurence, Hon. Secretary). Sir Richard MacDonnell, who

withal was a religious character, repeatedly presided at the meetings of this Society and occasionally gave, as for instance on 1st February, 1869, a powerful address in support of its aims. On the other hand, the Bishop, though in friendly relations with Sir Richard, did not shrink from passing the very next day (February 2, 1869) the strongest public condemnation on the Governor's system of licensing gaming houses and on the provisions of his Contagious Diseases Ordinance. The principal relic of Bishop Alford's work in the Colony is St. Peter's Church. At the suggestion of one of the Trustees of Sailors' Home (Captain Thomsett), weekly services for seamen had been organized at the Home in 1866. Soon after his arrival, Bishop Alford proposed the erection of a church for seamen, and secured from the Trustees the grant of a portion of their ground for the purpose. During a visit to England in 1870, Bishop Alford further secured from some Society a donation of £500 and the promise of an annual contribution towards the salary of a seamen's chaplain. On his return to Hongkong (March, 1871), he appealed to the public for subscriptions. The family of the late Mr. Margesson (lost at sea) donated £300, the Governor made a grant of \$2,500, the community subscribed liberally, the Trustees of St. John's Cathedral gave a spare bell, and the building was rapidly pushed on. On 22nd March, 1871, the foundation stone was laid by Bishop Alford and on 14th January, 1872, the new church, dedicated to St. Peter, was opened (in the absence of the Bishop) by the Rev. J. Piper. Bishop Alford was equally successful in his efforts to arouse public interest in the improvement of St. John's Cathedral. The Hon. F. Parry donated a peal of bells which were rung for the first time on the new-year's eve of 31st December, 1869. By a public subscription, yielding \$3,500 and forthwith doubled by the Government, Bishop Alford secured also the erection of a new chancel (November 29, 1870), which was enriched by the erection of a memorial window by the executors of the late Douglas Lapraik. But the tower of St. John's Cathedral was left as before waiting for its spire. Sir

Richard made, shortly before he left the Colony, an order (February, 1872) to the effect that no fees whatever should be charged for any ecclesiastical service connected with St. John's Cathedral.

The principal events of the social life of this period were the festivities connected with the visit to Hongkong of H.R.H. Prince Alfred, Duke of Edinburgh, and particularly the opening of the new City Hall, the foundation stone of which had been laid on 23rd February, 1867, by Sir R. MacDonnell. For weeks, preparations had been made for the Duke's reception, on the basis of a programme devised by Sir Richard and published in the Government Gazette. From the moment when H.M.S. *Galatea* arrived (October 31, 1869) with the Duke on board, until 16th November, when he finally left the Colony, Hongkong society, both foreign and Chinese, was revelling in incessant festivities. Immediately on his arrival, the Duke landed privately and dined at Government House with the Governor and Admiral Keppel, his former chief. Next evening he privately attended a dinner given by the Hon. W. Keswick at the mansion of Jardine, Matheson & Co., and then inspected incognito the illuminations, fire works and dragon processions, which kept the whole town in a blaze of light till the early morning. On 2nd November, three hours before the time fixed for the official landing of the Duke, Admiral the Hon. Sir H. Keppel, K.C.B., whom the Colony had honoured with a farewell-banquet as the embodiment of the true British policy in China, having to leave for England, came down at 8 a.m. to embark at Murray Pier, when, to his surprise, he found there a barge manned by the officers of the *Galatea* who rowed him to the mail steamer, the Duke himself at the stroke oar and Commodore Oliver J. Jones acting as coxswain. At 11 a.m. the Duke landed with due ceremony at Pedder's Wharf, attended by Sir H. Kellett and his two equerries. Sir Richard, having formally bid him welcome, conducted him in great state to the City Hall which the Duke opened and inspected. Some 300 gentlemen were then introduced to the Duke, who graciously replied also to four addresses presented to him, viz. by

Mr. Th. Pyke for the general community, by Mr. D. Ruttunjee for the Parsee merchants, and by Chinese deputies of the native merchants and Government schoolmasters, whose gorgeous uniforms and elaborate *kotows* gave to the scene a picturesque Oriental colouring. In the evening the Duke was present at a banquet given at Government House and followed by a reception held by Lady MacDonnell. On 3rd November, the Duke drove out with the Governor to the Happy Valley, and attended in the evening the first performances given, at the new City Hall Theatre, by the Amateur Dramatic Corps and by the members of the German Club Concordia. A grand ball held next day at the City Hall, and a magnificent performance given, on the following day, by Chinese actors at the Tunghing theatre and followed by a Chinese dinner, concluded the first part of the programme. Whilst the Duke paid a visit to Canton and Macao, by means of the river-steamer *Kinshan* which the H. C. & M. Steamboat Company had placed at his disposal, the Chinese festivities and dragon processions continued in Hongkong. After his return (9th November), the Duke visited Major-General Whitfield who was laid up with sickness, dined with Colonel Milles and the officers of the 75th Regiment and subsequently with Commodore Jones. He further attended two more banquets and public receptions at Government House, received two additional addresses (by the clergy and the masters of the mercantile marine), attended a cricket match, took part in a game at bowls at the Oriental Bowling Alley, acted as conductor of the orchestra at a theatrical performance given by the officers of the *Galatea* in the City Hall Theatre, entertained the Governor and Lady MacDonnell on board his ship, and finally laid, immediately before his departure, the first stone of the new chancel of St. John's Cathedral (November, 16th). The Duke's courtesy and gracious bearing on every occasion won for him the greatest popularity, whilst the success which attended all the festivities given in his honour was a source of much pride and pleasure to the whole community.

Among the many signs of healthy social life and progress manifested during this period stands out prominently the

formation (November 12, 1867) of the Association for securing parliamentary influence on behalf of the Colony. It was hoped that relief might by this means, rather than by appeals to the Colonial Office, be obtained for the most pressing grievances under which the community laboured. Mr. A. P. Sinnett acted as secretary for the society until July, 1868. On 23rd December, 1867, a meeting of the Association adopted a Memorial to be presented to the House of Commons. It was a forcible protest against the levy of the Military Contribution. During the following year the influence of the Association was strengthened by the formation in London (April, 1868) of a corresponding Association of former colonists, and the Hongkong Association received some recognition by a Committee of the Legislative Council, consulting the Association in the matter of the Building Ordinance then under discussion. However, the Petition to the House of Commons fell to the ground owing to the inaction of the London branch of the Association. Moreover, the action of the local Association was paralysed for the time (July 8, 1869) by internal dissensions as to the question whether the scope of the Association was confined to local grievances or included the general tenor of British policy in China and Japan. Another semi-political but less aspiring association was that formed by Mr. W. N. Middleton, and supported by other talented local artists (Mr. J. B. Coughtrie and Mr. E. Beart), who humorously but most effectively criticized and caricatured, to the intense amusement of the community, local politics and manners, celebrities and oddities, by means of the *China Punch*, published at irregular intervals from 28th May, 1867, until 28th May, 1868. In the Public Gardens, where the Parsee community erected a handsome Bandstand, great improvements were made by the new Curator (Ch. Ford) and public interest was enlisted for the time in the management of the Gardens (January 19, 1872) by withdrawing the Gardens and Afforestation Department from the supervision of the Surveyor General and placing it under a representative Advisory Committee. The re-opening of the Seamen's Hospital which Jardine, Matheson & Co.,

(May, 1866) had rebuilt at a cost of \$30,000, the transformation of the old Victoria Library and Reading Rooms into a Club (August 15, 1871); thenceforth known as Victoria Club, and the short-lived attempt to establish a public refuge for the destitute and for discharged prisoners (May, 1871), were also indications of a healthy public spirit. On the other hand, the collapse of the Volunteer Corps, which had to be disbanded (June 1, 1866) owing to the non-attendance of its members, has also to be recorded, but had perhaps a deeper source in the commercial crisis which just then paralysed local activities.

The establishment of a Swimming Bath (June, 1866), of ocean yacht races (December, 1868) and of bicycle races (February 15, 1870), provided new incentives and facilities for public recreation. Complaints were made at the Wongnaichung races of March, 1869, that the Americans present forsook the Grand Stand for the superior attractions of a private shed belonging to the leading American firms (Russell & Co. and A. Heard & Co.). But harmony was soon restored. On 28th February, 1870, an address signed by the entire community was presented to Admiral Rowan in command of the U. S. Asiatic Squadron, to express the sympathy universally felt in the Colony with the sufferers from the shipwreck of the U. S. Corvette *Oneida* in the gulf of Yeddo, caused by collision with the P. & O. S. S. *Bombay* on 24th January, 1870. The departure of the U. S. flagship *Delaware* (June 19, 1870), the officers of which had been general favourites in local society, was much regretted. The anniversary of Washington's birthday was celebrated (March, 1871) by the whole foreign community as the guests of the officers of the U. S. S. *Colorado* who enlivened their entertainment by an improvised regatta.

The German community was, in 1870 and 1871, much exercised by the successive events of the Franco-German war. Large sums were collected in Hongkong and forwarded for the relief of the sick and wounded of both belligerents. At one single concert (December, 1870) a sum of \$2,000 was raised. The *China Mail* was for some time ostracized by the German

residents who saw unfairness in the unfriendly criticisms which the editor passed on the measures taken by Germany after the battle of Sedan. The restoration of peace was celebrated (March, 1871) by a public banquet. In November, 1871, the German Club raised, by a concert, a considerable sum in aid of the relief fund which was organized in Hongkong as soon as the news of the great conflagration at Chicago was received. The new building erected for the German Club in Wyndham Street, a fine structure of Gothic design, was opened on 2nd February, 1872. About the same time, a collection was organized for the foundation of a new library at Strassburg (February 8, 1872) and a considerable number of Chinese works, including some rare manuscripts from Formosa, were secured for the new library.

Among the minor events of the social life of this period may be chronicled the dedication of the new Masonic Hall (December 27, 1865), a public farewell dinner given to Dr. Kane (May, 1867), the opening of the new Hongkong Hotel building (February 29, 1868), the arrival of the Austro-Hungarian expedition under Admiral Baron Petz, with Professor Scherzer (June, 1869), the public dinner given to Commodore Jones (April, 1870), the arrival of Mr. George Francis Train (September 3, 1870), a series of public lectures given by Dr. Legge on Confucianism and by Dr. Eitel on Buddhism (December, 1870 to February, 1871), the celebration of Beethoven's centenary by a concert given in the City Hall (December 20, 1870), the arrival of the Hon. Mrs. Yelverton (Lady Avonmore) from San Francisco (September 15, 1871), and a public lecture on Knox by Dr. Legge (December, 1871).

Fifteen different countries were by this time represented in Hongkong by officially recognized Consuls, viz.: Austria by G. von Overbeck (March 19, 1867); Belgium by H. Nicaise (August 29, 1871); Denmark, Sweden and Norway by G. J. Helland (December 26, 1865); France by H. du Chesne (January 14, 1865); Germany by A. Eimbke (August 7, 1869); Italy and Hawaii by W. Keswick (April 28, 1868, and April 10, 1869);

the Netherlands by L. Beyer (June 4, 1870); Portugal by J. J. dos Remedios (January 19, 1872); Russia by J. Heard (April 16, 1862); Siam by J. Fraser (May 26, 1868); Spain by F. Ortuño (February 11, 1867); the United States by Lieutenant-Colonel Goulding, succeeded by D. H. Bailey (October 21, 1870).

As regards public calamities, the period of Sir Richard's administration is characterized by an extraordinary frequency of serious typhoons. On 30th June, 1865, a typhoon, which did comparatively little damage in the Colony, engulfed two Hongkong steamers, *Corea* and *Chanticleer*, which had left Swatow on that day for Hongkong in company and disappeared, leaving no trace behind. The edge of a typhoon touched Hongkong on 7th July, 1866, and did considerable damage. During the next year (1867), three successive typhoons (8th August, 8th September, and 1st October) caused serious disasters both ashore and afloat, particularly the first of them, by which four large vessels in harbour were driven on shore, two sunk, and innumerable junks wrecked. On 26th September, 1870, great damage to life and property was occasioned by a typhoon, the Praya Wall was broken up in places, the S.S. *Walter* and a yacht were sunk, and on board the junks whose wrecks covered the Praya hundreds of lives were lost. The same scenes were enacted on 2nd September, 1871, when, beside the injuries caused to houses in town, many vessels in harbour were damaged or stranded, and the French barque *Nancy* and the German barque *Hans* became total wrecks. Few conflagrations occurred during this period, but one of them (November 28, 1867) was of extraordinary magnitude, as nearly 500 houses were destroyed. The year (1867) in which this disaster occurred, and which is also marked by the occurrence of three serious typhoons, is further distinguished by a gunpowder explosion and by two serious landslips. On 17th January, 1867, the barque *Themis* was lying near Stonecutters' Island alongside the powder-hulk *Zephyr*, which had 200,000 pounds of gunpowder on board, and a gang of coolies was at work moving barrels of powder, when suddenly an explosion occurred which blew both vessels to pieces, caused the death

of some forty persons, and shook most houses in town. In the month of October, two landslips took place, one destroying the gas mains at Westpoint and leaving the whole Colony in darkness for one night, while the other converted a row of eight Chinese houses at Taipingshan into a heap of ruins, involving also the loss of some lives, whereupon a jury blamed the Surveyor General for not having foreseen the accident. On 8th May, 1870, the singular spectacle occurred of a vessel, the *Dunmail*, sailing into harbour and being wrecked in the act of anchoring within a few hundred yards from the Docks, on the rocks near Hungom.

The obituary of this period is particularly distinguished by the death, at Headquarter House, of Mrs. Brunker (July 1, 1868) and Major-General Brunker (March 23, 1869), and further includes the names of Mrs. Smale (October, 1868), Assistant Surveyor-General Clark (October, 1868), Mr. Margesson (July, 1869); G. J. Barber, R.N. (December 28, 1869), Dr. A Cochran (March 7, 1870), H. P. Austin (September 14, 1870), Mrs. Kresser (September, 1870), Captain J. B. Endicott (November 6, 1870), Th. Donaldson (November, 1870), J. Donoval, Electrician of the Telegraph Company (February 9, 1871), F. T. Hazeland, Crown Solicitor (February 21, 1871), Bishop Smith, who died in England (December 14, 1871), and Mrs. Hugh Hughes (January 5, 1872).

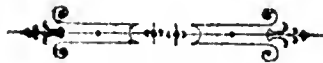
By the time when Sir Richard's term of administration came to an end, in April 1872, the whole community of Hongkong sincerely regretted his departure. Besides a farewell-dinner given in his honour by the members of the Civil Service (April 5), the foreign community gave him a magnificent banquet (April 9), and the Chinese merchants presented a grandiloquent but genuine laudatory address (April 11) together with a Memorial against the coolie trade. Sir Richard left the Colony on 11th April, 1872, by French mail-steamer, having for his fellow-passengers the Portuguese Governor of Macao and the Spanish Governor-General of the Philippine Islands. After his return to England, he retired from the service, occupied himself

for some years with various literary studies and died on 5th February, 1881.

That Sir R. MacDonnell had understood the real position and needs of the Colony better than most of its Governors, appears clearly from the following extracts taken from one of his published dispatches (October 29, 1867). 'The circumstances of the Colony of Hongkong are so entirely exceptional and peculiar, that it is difficult for the Executive to derive from the experience of other Colonies, or the precedents established by the practice and traditions of Europe, any adequate system for its government and legislation...I would advocate the policy of leaving the Colony as far as possible the liberty to expend, on local improvements and works, all the available public income that can be raised from the community for these purposes, because the prestige and the preference given to it, as a depot, depends greatly on the advantages, as a residence and as a convenient depot, which it may continue to offer...I should gladly see more activity in making sanitary improvements and in rendering the loading and discharge of vessels more easy and less expensive than at present.'

The general feeling of the community, at the time of Sir Richard's final departure, was—that he was an emphatically sincere and, though a stern character, by no means an acrid man; that he was an able ruler, one of the most able, if not the best, of Hongkong's Governors; that he failed to please everybody because he, on principle, strove to do only what he himself thought best in the interests of the Colony, without fear or favour of any man; that he improved the police, the roads and the water-works of the Colony; that he was not only careful in the management of the Colonial finances but established prosperity in place of positive insolvency; that he succeeded where every preceding Governor had failed, viz., in suppressing the local haunts and resources of piracy; that he knew how to govern the Chinese and gave them their proper subordinate place; that the best and most popular trait of his administration was the true English jealousy with which he guarded the honour and position

of the Colony, the freedom of the port and its tradal interests, against Hongkong's enemies, both Chinese and British. In short, the verdict of the community on the value of Sir R. MacDonnell's administration may be summed up in the words of Shakespeare : *Here goes a Caesar! When comes such an other?*



CHAPTER XX.

THE ADMINISTRATION OF SIR ARTHUR E. KENNEDY.

April 16, 1872, to March 1, 1877.

SIR Arthur E. Kennedy, K.C.M.G., C.B., who had previously acted as Governor of several Colonial Possessions (West-coast of Africa, Western Australia, Vancouver's Island, and West African Settlements), arrived in Hongkong, as Governor and Commander-in-chief of the Colony and its Dependencies, on 16th April, 1872. During his tenure of office, Sir Arthur was absent from the Colony but twice. On 15th October, 1874, he left for England but, hearing in Singapore of Lady Kennedy's death, he immediately returned to Hongkong (November 5, 1874). Again, on 11th March, 1875, Sir Arthur left the Colony on furlough and returned on 2nd December, 1875. On both occasions the Government was administered during his absence by the Colonial Secretary, the Hon. J. Gardiner Austin.

When Sir Arthur was sworn in as Governor and Commander-in-chief, an error was made in the oath tendered to him by the Acting Chief Justice (H. J. Ball) and consequently he had to be sworn in again as to the part in which the wrong oath had before been administered. Major-General Whitfield, who had administered the Government previous to Sir Arthur's arrival, remained in command of Her Majesty's Forces in China and the Straits until April 1874. A public address was presented to him, on his departure from the Colony, testifying to the respect in which he was held among the community, on account of the conscientiousness and the unassuming geniality he displayed in the discharge of his several offices.

Sir A. Kennedy had hardly anything to do in the way of diplomatic negotiations with foreign Governments, but a great

deal by way of hospitable entertainment of the representatives of foreign Powers. The only diplomatic note the Governor was called upon to write was a mild remonstrance addressed to the Governor of Macao when Mr. W. H. Forbes' yacht had been fired upon (April 27, 1876) by Portuguese soldiers. The Macao Government forthwith tendered a satisfactory apology. Another Macao Governor, Senhor C. C. da Silva, visited Hongkong (December 29, 1876) and received quite an ovation from the local Portuguese residents and the friendliest reception from the Governor.

As regards the Imperial Government of China, Sir Arthur was indeed for many years occupied with an international diplomatic question, in the shape of the Hongkong Customs Blockade, but he discussed it exclusively with the Colonial Office in Downing Street and not with the Authorities at Peking. The Governor's communications with Chinese officials were therefore confined to visits he received from the Canton Hoppo, Tsun Kai (August 11, 1876) and from Kwoh Sung-tao (December 6, 1876), China's first Ambassador to London, and to the publication in the Government Gazette (May 24, 1872) of a Dispatch from the Tsungli Yamen at Peking to the Viceroy of Canton, requesting the latter to order the issue of proclamations calling upon the Chinese people to treat foreigners with politeness because it was necessary for China that the friendly relations with foreigners should be firmly and closely knit. When the Emperor of China, reigning under the style Tungchi, died of smallpox (January 12, 1875) and was succeeded by the infant Tsai Tien, placed under a regency formed by the two Empresses under the style Kwongsui (February 23, 1875), Sir Arthur took no official notice of either of these events, although H. M. Minister at Peking sent him telegraphic information on both occasions. The Chinese population of Hongkong likewise evinced no interest whatever in those events, although they consider themselves to be still subjects of the Empire of China, whilst enjoying in Hongkong all the essential privileges of British subjects.

Among the representatives of foreign Powers to whom Sir Arthur had the honour of shewing hospitality on behalf of the

Colony, there was the King of Cambodia, who arrived (July 16, 1872) in the French Corvette *Bourayne* and was entertained by the Governor with royal honours. There was further H.I.H. the Grand Duke Alexis, third son of the Czar, who arrived (September 13, 1872) as an officer of the Russian Corvette *Svetlana*. He held a levée on board (September 16, 1872), followed by a reception given in his honour, on the same evening, at Government House. After a visit to Japan, he returned to Hongkong (January 15, 1873) and attended various entertainments given in his honour, visiting also the race-course on every race day (20th to 22nd February, 1873). Finally there were two German Princes, Philip and Augustus of Sachse-Coburg Gotha, cousins of Her Majesty, who stayed at Government House for some days (21st to 25th December, 1872) *en route* to Shanghai.

The constitution of the Colonial Government was amended during Sir Arthur's administration by the issue of Letters Patent (June 8, 1875) granting a Supplementary Charter, by which the administration of the Government, in the case of the Governor's death, incapacity or absence, was vested in the Lieutenant-Governor or Colonial Secretary for the time being. The same document enlarged also the Governor's power of granting pardons to criminals.

Sir Arthur continued the work of his predecessors in perfecting the organisation of the various Departments of the Civil Service. In the Colonial Secretary's Department he amalgamated the office of Auditor General with that of Colonial Secretary (December 10, 1872), a measure against which the Hon. Ph. Ryrie made a protest in Legislative Council, but, as the motion was left unsupported, it fell to the ground. Sir Arthur created also the post of Assistant Colonial Secretary (February 10, 1875), appointing Mr. A. Lister to the post, but when the latter was soon after removed to another office, this new post was not continued. The Supreme Court organization was modified during this period (Ordinance 12 of 1873). A code of civil procedure was established (Ordinance 13 of 1873)

and the Summary Court was abolished by conferring upon the Supreme Court, under a Judge and Puisne Judge, a summary jurisdiction at law and in equity (Ordinance 14 of 1873). The effect of this reconstitution of the Hongkong Supreme Court was to assimilate it to that which had been established in Shanghai for British subjects in China and Japan under an Order in Council. The Registrar General's Department also underwent some changes. The establishment of a system of registering all births and deaths (Ordinance 7 of 1872) necessitated the addition of a new registration branch, whilst by another measure (Ordinance 2 of 1876) the Registrar General was divested of the judicial functions he had hitherto exercised in connection with the working of the Contagious Diseases Ordinance. But the powers of the Registrar General to order persons to undergo periodical medical examinations and to be subsequently detained in hospital were still reserved to that officer. The Survey Department was not considered to work satisfactorily for some time previous to the resignation of Mr. L. H. Moorsom (October 5, 1872), provisionally succeeded by Lieutenant McHardy, R.E., who was succeeded (July 21, 1873) by Mr. J. M. Price, as Surveyor General. This Department was now enlarged by constituting the Public Gardens and Afforestation office as a Sub-Department (December 15, 1873) under the Surveyor General, assisted by that Advisory Committee (thenceforth known as the Public Gardens Committee) which had been appointed in January, 1872, and by the appointment of an Assistant Surveyor General (September 9, 1874) in the person of Mr. E. Bowdler. The office of the Head of the Survey Department, the principal spending branch of the Civil Service, was enhanced in importance by appointing the Surveyor General (by warrant of 17th February, 1877) a member of both the Legislative and Executive Councils. In the Medical Department under Dr. R. W. McCoy (since May 30, 1872), succeeded, after his death, by Dr. G. Dods (April 10, 1873) and subsequently by Dr. Ph. Ayres (since November 4, 1873), there was at first some friction which culminated in the

resignation (September 6, 1872) of the Superintendent of the Civil Hospital, Dr. R. Young, whose place was temporarily taken by Dr. Scanlan and Dr. Drew and permanently (February 22, 1873) by Dr. C. J. Wharry. When the Hon. Ph. Ryrie asked, according to previous notice, a question in Legislative Council concerning that resignation, the reasons for which had been stated in a pamphlet circulated by Dr. Young among his friends in the Colony, the question was ruled out of order on the ground that it was not within the functions of the Legislative Council to constitute itself a Court of Appeal. To encourage and direct the study of the Chinese Language on the part of Government officers, Sir Arthur established (in 1872) a Board of Examiners, charged with the duty of examining Government officers drawing Chinese teachers' allowance, and issuing certificates of proficiency in Chinese Colloquial to European or Indian police constables. Sir Arthur connected also with this Board an office of Superintendent of Chinese Studies (A. Lister, succeeded by E. J. Eitel), but the names of the members of this Board (F. Stewart, E. J. Eitel, J. Kussell, Wong Shing, A. Lister) were not published till four years after its establishment (March 17, 1876). At the suggestion of this Board, proper Chinese titles were fixed for all the various Government offices and buildings and published in Government Gazette (December 28, 1874), and the Regulations for Cadetships were also revised (September 3, 1872). Even questions of precedence and etiquette occupied the Governor's attention occasionally and it was formally decided that the Commodore on the Station should take precedence next after the Chief Justice (September 3, 1872), the Puisne Judge immediately after the Colonial Secretary (October 10, 1873), and that official Members of Council only are entitled to wear the civil uniform (April 16, 1873).

The constitution of the Legislative Council was not modified by this administration, during which the unofficial element in the Council was represented by the Hon. Ph. Ryrie, R. Rowett, W. Keswick, H. Lowcock, J. Greig and J. Whittall, of whom,

however, no more than three officiated at any one time. The Governor amended, however, the standing orders and rules for the guidance of the Council (July 2, 1873), which had not been revised since 12th July, 1858. An important rule was also made, in connection with a protest which the Hon. Ph. Ryrie had made (August 26, 1873), complaining of the short time allowed to Members of Council to consider the Estimates before they were to be discussed in Council, when it was stated (April 16, 1874), that the Secretary of State had acknowledged that protest as reasonable.

One of the features of this administration was the attention bestowed on legislative measures. Among the many new Ordinances passed during this period, the following deserve special mention, as dealing with Relief for Trustees (7 of 1873), Dangerous Goods (8 of 1873), Emigration (5 of 1874 and 5 of 1876), Steam Launches (8 of 1875), Rates (12 of 1875), Magistrates (16 of 1875), Contagious Diseases (2 of 1876), Gambling (9 of 1876), Post Office (10 of 1876) and River-Steamers (11 of 1876). But whilst thus multiplying legislative enactments, Sir Arthur aimed also at reducing the chaos of local Ordinances by several efforts at consolidation and especially by the appointment of a Commission (September 11, 1876) for the purpose of preparing a new edition of the Ordinances of Hongkong.

In this quiet legislative activity the unofficial Members of Council, though generally in a minority, took an active share. In June 1873, the Chief Justice, Mr. (subsequently, since March 17, 1874, Sir) John Smale, having appointed the Judge of the Summary Court, who was in feeble health, to try some criminal cases, the unofficial Members of Council, together with other leading residents and lawyers, addressed to the Governor a request that the power of appointing persons to preside at the Supreme Court should be taken out of the hands of the Chief Justice and placed in the hands of the Governor. This was accordingly done in connection with the reconstitution of the Supreme Court, which was then under consideration. On 19th August, 1873,

the Hon. R. Rowett, supported by the Hon. Ph. Ryrie, and by a letter (August 7, 1873) signed by various merchants and bankers, moved, that for the convenience and in the interest of the public, it was desirable that all Barristers at Law, admitted to practise as Advocates of the Supreme Court in this Colony, should be permitted to take business from clients personally without the intervention of attorneys in all cases except those in which litigation has actually commenced in the Supreme Court. The Attorney General, however, supported by the Hon. J. Whittall and all the official Members of Council, objected to this revival of the old amalgamation question. Accordingly a compromise was resorted to in the shape of Ordinance 15 of 1873 (confirmed January 31, 1874), which slightly modified the existing practice but did not go far enough to satisfy the community. In November 1873, the Coroner took to selecting three out of five jurors instead of leaving the selection to be decided by ballot. This measure caused the burden of Coroner's juries to fall on the more intelligent portion of them. The unofficial Members of Council took the matter up and in consequence of their representations (made privately) the ballot was thenceforth resorted to, but doubts were freely and generally expressed as to the utility of Coroner's juries altogether. There is yet another case on record in which the influence of unofficial Members of Council manifested itself. On 22nd April, 1876, a Bill, to allow the China Traders' Insurance Company to subdivide its shares, was under the discussion of the Council. The three unofficial Members (Ryrie, Keswick and Lowcock) strongly objected to the principle of the Bill. But the Bill was passed and all they could do was to lodge a formal protest against the confirmation of this Ordinance (4 of 1876). The result was that the Secretary of State disallowed the Ordinance (July 25, 1876) on the ground that it would be better that any measure dealing with the question of subdivision of shares should have a general application. As the Secretary of State, however, approved of the general principle of the Ordinance which he disallowed, the Legislative Council (September 21, 1876) substituted for it an amendment

of the Companies' Ordinance of 1865 by introducing into it the principle of allowing subdivision of shares. But now the Chief Justice joined with the unofficial Members in their opposition to the Bill, and it was accordingly withdrawn by the Government.

Among the cases tried in Court, during the period under review, there are a few which call for record. On 4th April, 1872, the French mail-steamer *Ava*, having collided with the British S.S. *Rona*, was detained under a warrant, issued by the Registrar of the Vice-Admiralty Court, and executed by an armed detachment of police. The French Consul forthwith protested against the arrest, which he declared to be a violation of the Postal Treaty concluded between Great Britain and France. The matter was brought before the Acting Chief Justice Ball, who heard the case at his own residence at 9 o'clock at night and ordered the warrant to be cancelled. The following year, when the same ship was sued for damages caused by collision, the Admiralty Court (February, 1873) decided that the ship was not amenable to the jurisdiction of the Court, because she had the status of a man-of-war. Previous to this case, the local Agents of the French mail-steamers had always waived their privileges as mail-steamers under such circumstances. In October, 1872, the Judge of the Summary Court refused to allow the managing Clerks of Solicitors to plead, although it had been the practice of the Court for over six years, and refused to give leave to appeal. Application was made to the Supreme Court, when the Acting Chief Justice, the Hon. (subsequently Sir) Julian Pauncefote, who had lately been appointed to the post by order of the Secretary of State (October 7, 1872), refused to grant a formal judgment but expressed an opinion adverse to the ruling of the Court below. About the same time the French Consul (October, 1872) charged the Superintendent of Sailors' Home, in the Police Court, with harbouring deserters. The case was dismissed by the Magistrate, but it called attention to the fact that the Government claims a right to prohibit the commanders of foreign vessels, whilst in Hongkong waters, from putting men in irons for breaches of ship's discipline.

In November, 1874, the question was raised, in connection with the finding of the Marine Court in the case of the S.S. *White Cloud*, lost in the typhoon of 1874 by negligence of the Master, whether the Governor has power to alter or add to the finding of the Marine Court of Inquiry. No decision was however obtained to solve the question.

Turning now to the subject of the local population, it appears that, during the first year of Sir Arthur's administration, there was a slight falling off, as the population of Hongkong decreased, from 124,198 people in 1871, to 121,985 people in 1872. During the next four years, however, the population increased by 17,159 people, as the Census of 1876, proved the population to amount to 139,144 souls. It is noteworthy that the foreign population received proportionately the greatest increase, as, after the typhoon of 1874, which destroyed so many houses at Macao, hundreds of Portuguese families removed from Macao to Hongkong.

The revenues of the Colony did not advance during this period. The revenue of 1872 rose indeed to £192,714, constituting an increase of £16,752 as compared with the revenue of the preceding year, but during the following years it fell off again and amounted in 1876 to no more than £184,405. Nor did the expenditure vary much from year to year, that of 1871 being £186,675, while that of 1876 amounted to £187,569. In fact a small deficit in any one year was succeeded during this administration by a small surplus in the next year. The same sluggishness is observed in the annual produce of the stamp tax and of rates, the former decreasing from £24,574 in 1872 to £21,634 in 1876, and the latter increasing from £38,002 in 1872, to no more than £38,439 in 1876. Special pains were taken by Sir Arthur to stimulate the revenue from opium. He appointed (June 8, 1872) a Commission (Ph. Ryrie and Ch. May) to inquire into the working of the opium monopoly, because there was very good reason to suppose that the amount received from this farm was far short of what it ought to have realized. The Commissioners, however, failed to ascertain the real value of the

monopoly, as they could not obtain satisfactory information; but they recommended (November 9, 1872), that the farm should thenceforth be let by public auction for three years at a time. This was done, but, owing to combinations among the competitors for the farm, the opium revenue, which stood at £25,500 in 1872, increased but slightly, as it amounted in 1876 to £27,708. The same standstill occurred in the yield of the land leases, which realized £24,602 in 1872 and £24,512 in 1876. Land sales were frequent during this period, and the value of land gradually increased in the central districts, especially since 1876. But while the value of land was steadily rising in the most populous parts of the town, most suburban lots, and especially those in the neighbourhood of Eastpoint, had become so reduced in value that many lease-holders could not afford to pay the crown rents, and consequently wholesale re-entries by the Crown took place from time to time. Land at Kowloon began to rise steadily into importance since 1874, and by the year 1876 great plans were entertained for creating a new town, with public park, churches and schools, at Tsimshatsui. The limitation of Kowloon garden leaseholds to 14 years (August 9, 1873), and of the compensation for lots built upon and then resumed, before expiry of the lease, for public purposes, at \$1,000 per lot, caused much dissatisfaction among the holders of Kowloon garden lots. As to marine lots, a special Commission (Ch. May, E. Sharp, M. S. Tonnochy) was appointed (November 1, 1873) to investigate the title of all claimants to foreshore reclamations and to define the boundaries. Eighteen months later another Commission (J. Bramston, Ch. May, Ph. Ryrie, H. Lowcock, J. M. Price) was appointed (May 31, 1875) to inquire into complaints made that crown rents on lands, situated in the less populous parts of the Colony, were out of proportion to the real value of such lands, and to investigate the scale of rents properly chargeable. The report of this Commission (published November 27, 1875) stated that at Wantsai and Bowrington the tenants of the Crown were suffering from a general depreciation of property, that from 1865 to 1875 rents had fallen there 40 or 50 per cent., that this

depreciation was caused by the withdrawal of business houses from the east, and by their concentration in the central and western parts of the town, and by the silting up of the harbour to the eastward. But, owing to the great and constant fluctuation of Colonial values, the Commissioners did not see their way to recommend any general remission of rents either there or in the case of numerous speculative purchases of land made on Robinson Road and other high levels.

With the exception of the completion of the works connected with the Pokfulam reservoir and dam (commenced in 1871), the new Harbour Master's Office (1872) and the new Civil Hospital (commenced in 1874), no public works of any magnitude were undertaken during this administration. Sir Arthur had under consideration two great projects, the Taitam Reservoir and the re-construction of the Praya, both of which he left to his successors to undertake. On 1st November 1873, the Surveyor General (J. M. Price) proposed to secure, at the cost of £300,000, an efficient supply of water (18 to 30 gallons per head) to be brought into the city by an aqueduct (with a tunnel) from a large reservoir to be constructed at Taitam. As objections were raised to the costliness of this plan, a reduced scheme was proposed (March 4, 1874) to supply daily 15 gallons per head at a cost of £230,000. This reduced plan was considered in Legislative Council (March 5, 1874), when a sum of \$5,000 was voted to make a detailed survey and borings which were entrusted to Mr. W. Danby. On the basis of this survey, Mr. Price proposed a new plan (July 10, 1875), consisting of an alternative scheme, viz. a high level project to cost £39,085, and a low level project at an estimated cost of £122,596. But nothing further was done in this matter for the present. Another great undertaking, the proposal to substitute a new and more durable Praya wall for the one destroyed by the typhoon of 1874, was reported upon (May 20, 1875) by a Commission (C. C. Smith, Ch. May, Ph. Ryrie, H. Lowcock, J. M. Price), which recommended that the Government should, at an outlay of \$212,000, build a new and stronger wall from White's Lane

(near Fire Brigade Station) to Murray Pier, repair the old wall from the Gasworks to White's Lane and from the Arsenal to East Point, but increase the width of the Praya all along. This work was also left to the next administration to consider. But the minor typhoon repairs were executed in 1874 and 1875 at a total cost of £15,625.

As regards crime, the annual Police Reports of this period give proof positive that from 1872 down to 1875 (inclusive) there was a steady annual decrease in crime, and especially as regards burglaries and piracies. It is specially pointed out that, since the cessation of coolie emigration from Macao (1874), even kidnapping diminished sensibly. But in the year 1876 crime commenced again to increase slightly, and piracies began to multiply. A change in the law was suggested so as to bring marine hawkers under it, and the transfer, from the Registrar General's office to the Police Department, of the licensing of hawkers and chair-coolies, was also suggested. At the criminal session of 18th January, 1877, the Chief Justice was presented with a pair of white gloves, emblem of a session, the first since 1866, free from crime. On this occasion the Chief Justice stated that during the past ten years crime had wonderfully decreased; that in 1866 there were 384 persons convicted of highway robbery, and in 1876 only 24; that in 1866 there were 24 murders and in 1876 only 3; that in 1866 there were 26 piracies and in 1876 only 5.

The Gaol Department, which (since August 4, 1863) was for so many years under the management of Mr. F. Douglas, was, after the death of the latter, entrusted (June 8, 1874) to Mr. M. S. Tonnochy and subsequently (March 11, 1875) to Mr. G. L. Tomlin. Now in 1872 there was re-introduced Sir R. MacDonnell's system of legalizing the branding and deportation to China of Chinese criminals, on their applying for conditional pardons with the understanding that if they returned to Hong-kong, after being branded and deported, they should be flogged. The new Ordinance (4 of 1872) stated in its preamble that crime had been found to increase after the discontinuance of the



practice of branding, deporting, and flogging (on return to the Colony). At the same time when this Ordinance became law, the rules and regulations of the Gaol were made more severe (September, 1872). It is noteworthy that the above-mentioned steady decrease in crime from 1872 to 1876 commenced when severer measures, calculated to make prison discipline strongly deterrent, were introduced. It is only to be regretted that another measure, largely discussed in December, 1874, was not attended to, viz. the segregation in Gaol of youthful offenders. It was urged at the time that influences of hardened professional criminals on youthful offenders was greater in China than in Europe.

The condition and proper organization of the Police Force had been a burning public question even before Sir A. Kennedy's arrival. The Commission appointed (December 22, 1871) by Sir R. McDonnell, advised Sir A. Kennedy in their report (July, 1872), to increase the pay of the men, to form a detective staff, and to give due encouragement to European and Indian constables to study the Cantonese dialect, but as to the question of largely increasing the number of Chinese constables, the members of the Commission were equally divided. Sir Arthur at once telegraphed (August, 1872) for an additional relay of Edinburgh constables and altogether 45 Scotch policemen were enlisted in 1872. No attention was paid to the strange suggestion, made by the Assistant Superintendent of Police, Mr. Th. F. Rice (who soon after resigned, 30th September, 1872, and joined the Japanese Police Department), to fuse all nationalities in the Police Force, even if such a measure should occasionally place Westindians or Chinese in command of Europeans. The Governor resolved, contrary to the views of unofficial Members of Council, to increase the Chinese contingent of the Police Force, and when the Hon. Ph. Ryrie protested against this measure (September 5, 1872), the Governor took the occasion to state that he was satisfied with the general results of the Police administration and contended that the Colony was in as good a condition of peace and order as any of Her Majesty's dominions. After the resignation

of Mr. Rice, the office of Assistant Superintendent was abolished and replaced (1873) by the post of Chief Inspector (G. Horspool) who acted under the orders of the Deputy Superintendent (C. V. Creagh) and Captain Superintendent (W. M. Deane), whilst the Chinese portion of the Force was placed (January 14, 1873) under a special Superintendent (H. E. Wodehouse). The action taken by Captain Deane during the height of the typhoon of 1874, in keeping those of the men, who were to go on duty next morning, indoors during the night, and in not repeating the alarm of fire which had been raised, aroused a strong feeling among a section of the community. A petition for an inquiry was addressed to the Governor, and when he refused the request, the three unofficial Members of Council (Ph. Ryrie, R. Rowett, and J. Whittall) went so far as to protest at the next Estimates Meeting (November 13, 1874) against any provision being made in the Estimates for the salary of the Captain Superintendent. Referring to these proceedings, Lord Carnarvon stated in a dispatch (published in July, 1875) that the action of the Superintendent constituted a case which only local experience could decide, and that the Superintendent had evidently adopted, from the best motives, that course which to him seemed most expedient.

The most flourishing corporation in Hongkong, the Hongkong and Shanghai Bank, acted like a thermometer indicating the periodic condition of the commercial atmosphere of Hongkong throughout Sir Arthur's administration. In February, 1872, the Bank declared a dividend equal to 12 per cent. for the year upon the paid up capital, and so also, with a little hesitation, in February, 1873, but in August, 1874, the Directors declared themselves unable to pay any dividend at all, and complained of heavy losses and failures all round, and in March, 1875, the Bank, though carefully managed in the face of adverse surroundings, was still in the same position, so much so that a Commission of Inquiry was suggested. But in September, 1876, the Bank had fully recovered lost ground, changed its Manager, rid itself of encumbered estates, and paid £1 dividend per share.

and on 15th February, 1877, whilst continuing to pay the same dividend, the Bank increased its reserve fund to half a million dollars, which called forth, in favour of the Chairman of the Directors (E. Belilios) and the new Manager (Th. Jackson), votes of thanks, with acclamation by the very men who stated at the time that, 18 months previous, they had thought very hard things about the prospects of the Bank. The history of most local mercantile houses, and even of joint-stock enterprises like the H. & W. Dock Company and the H. C. & M. Steamboat Company, would be found, if examined, to run parallel with the experiences of the Hongkong and Shanghai Bank, and to furnish the same report concerning commercial affairs during this period, viz. that a change, amounting to a complete subversion of former conditions, came over the commerce of Hongkong from 1872 down to the spring of 1876, when the general depression had passed its nadir, and commerce began to emerge out of the gloom that had enveloped it for years and to enter upon a sunny period of prosperity under altered conditions. The collapse of the Indo-Chinese Sugar Company, the failure of Norton and Lyall (August 8, 1873), the liquidation of the Distillery Company (August 3, 1873), the closing of the Pier and Godown Company (September 17, 1873), the failure of Augustine Heard & Co. (April, 1875), the winding up of the Victoria Fire Insurance Company (May 25, 1875), form the most conspicuous milestones of the period of commercial decline which commenced in 1872, but reigned particularly from 1873 to 1875. The annual amounts of liabilities set forth in Bankrupts' Schedules filed in Supreme Court tell the same tale, for in the successive years from 1873 to 1876 these amounts were respectively as follows, in 1873 \$108,396, in 1874 \$121,707, in 1875 \$1,996,391, and in 1876 \$75,676. The only puzzle is that in 1872 the respective amount was \$110,743, which would indicate that the depression had already commenced in 1872.

Proceeding now to mention particular questions which agitated commercial circles during the period under review, precedence is claimed by the brokers who came largely to the

front all through the year 1872. The system of doing business through foreign brokers had for many years quietly made its way, cutting out the Chinese compradors who formerly were the only medium of settling transactions between foreign houses and native buyers. Yet, even in 1872, there were still influential foreign merchants in Hongkong who saw no need for European brokers except for billion and exchange operations, and who stubbornly adhered to the comprador system. In January, 1872, it was publicly urged that the system of foreign brokers, having now obtained a recognized footing, should be subjected to Government control, or that the brokers should themselves establish an exchange and frame their own regulations. As nothing was done in the matter, the Chamber of Commerce (April 25, 1872) fixed a scale of brokerage charges, but the brokers, not having been consulted, defiantly resolved to adhere to their former rates. At last a Bill was framed, which met the views of the leading foreign brokers, and it was read a first time in Legislative Council (July 9, 1872). The Bill was then referred to a Select Committee (Th. C. Hayllar, H. Lowcock, J. Greig), published in Government Gazette (July 13, 1872), and the brokers received an invitation to communicate their views to the Committee. This Bill proposed to enact a rule that no person should act as a broker without having obtained a licence; that licences, subject to an annual fee, be granted by the Governor in Council; that brokers, in taking out a licence, should file a declaration not to trade, buy or sell, on their own account, and that any one committing a fraud or acting in contravention of that declaration, should be disqualified acting as broker. Whilst the Bill was under the consideration of the Committee, the brokers held a meeting (August, 1872), condemned the Government measure, resolved to incorporate themselves as a Brokers' Association, and appointed a Committee to frame by-laws. When the Bill came up in Council for its second reading, the Select Committee reported that there was a difficulty in applying the Ordinance to Chinese brokers (who in most of their transactions are both principals and partners), that the

Ordinance was favourably regarded by a majority of bill and bullion brokers, but that the proposed Ordinance would not affect exchange brokers in any way, and that therefore the object of the Government would be better fulfilled by means of an Association invested with certain powers of regulation over its members. Legislation was accordingly postponed, in order to give the brokers time and opportunity to form such an Association, and the Bill was withdrawn. This was virtually the end of the whole movement, for the proposed Association was not formed, and although a spasmodic effort was made a year later (December 18, 1873) to start an open stock exchange, where shares were to be sold by public auction, the attempt was a conspicuous failure.

Another set of questions, which troubled the mind of the commercial community off and on, from 1872 down to 1876, was connected with the systematic adulteration of grey shirtings in England and of tea leaves in China and in England. What, in the history of British manufactures, is known as the sizing question, troubled the minds of Hongkong merchants, particularly since 1872, under the name of the mildew question, sizing and mildew being related as cause and effect. During the American War, the British manufacturers of cotton goods had to use bad and short-fibred cotton, which required proportionately more sizing with flour and tallow. But when the Russian War raised the price of tallow, the practice arose of substituting, for tallow, the cheaper China clay which increased the weight of the fabrics considerably. Now to counteract the destructive effects of the clay on the fibre of the cotton stuffs, it became necessary to use certain deliquescent salts which, while invisible in the fabrics before shipment in England, developed mildew whilst in the hold of steamers in transit through the Suez Canal. But what irritated Hongkong merchants in the matter was further this, that, whilst they looked upon this system of sizing as a fraud practiced by the manufacturers, the advocates of the latter represented sizing as a practice resorted to by order of British merchants in China, who asked for cheap and inferior goods, necessarily

requiring more sizing than superior qualities. The use of steam in the manufacture of the yarns and the imperfect ventilation of steamers' holds and of godowns in China were also named as subordinate causes of mildew. Mr. (subsequently Sir) John Pender, of Manchester, recommended (October 30, 1872) a formal investigation and a Committee, representing both China merchants and Manchester manufacturers, was appointed to inquire into the matter with a view to remove all cause of complaint. The problem was, however, too complicated to admit of a ready solution. Strange to say, it was also found (February, 1873) that goods which, on arrival in Hongkong, were found, by official inspection, to be badly mildewed, condemned and returned to England, were, on arrival there, when inspected by official surveyors, found perfectly free of mildew. The mildew had evidently been developed by the tropical temperature and re-absorbed on return to a temperate climate. On 27th January, 1873, the Hongkong Chamber of Commerce resolved to co-operate with the Shanghai Chamber in making representations to Mr. Pender's Committee, both Chambers being convinced that the remedy must be found at Manchester. No tangible solution of the difficulty was, however, found and it appeared to all concerned, that the evil had to be left to work its own cure. Oversizing and dressing was continued by Lancashire manufacturers with little abatement, and in consequence Hongkong merchants encountered occasionally losses which kept up the irritation, whilst Chinese buyers began to take up Indian cotton goods in place of the Manchester fabrics. The same process went on in the tea trade, especially since 1874, when the import duties on tea were reduced in England by about one half, and when increased exports from China were accompanied by increasing complaints of the admixture of strange leaves and other materials and an undue proportion of tea dust. It was the mildew question over again, only in another form. The complaints were the same and the evidence equally conflicting, the blame being laid by one party upon the other, by the consumers in England on the retail dealers, by the retail dealers on the merchants, and by the

merchants on the Chinese packers who in turn blamed all the others. But the results of this practice of adulterating tea were curiously like the consequences of oversizing. As the mildew in Manchester goods caused the Chinese buyers to take up with Indian fabrics, so the systematic adulteration of Chinese tea leaves induced the English consumer to give the preference to Indian teas. India reaped the advantage in both cases.

Two minor questions were much discussed during the year 1873, viz. different forms of bills of lading and ocean racing. On 27th January, 1873, the Chamber of Commerce adopted the homeward bill of lading known as No. 4, drawn up, after much public discussion, by a Committee of London merchants, and resolved that shippers should, whenever practicable, give preference to steamers agreeing to make use of this form. Subsequently, however, much discussion and dissension arose in the Colony as to the comparative position of shippers under the so-called eastern bill of lading and that of Holt's line of steamers which at the time (April, 1873) commenced running on the Yangtze also. Another subject, connected with rates of freight rather than bills of lading, but equally the subject of public attention in 1872 and 1873, was the practice of ocean racing, frequently indulged in between fast tea steamers. The loss of the S.S. *Drummond Castle* (May 31, 1873) having been attributed to this previously rather popular practice, the Hongkong Insurance Company addressed (July, 1873) a letter to Lloyds, pointing out the tendency which the system of graduating rates of freight, in proportion to the speed of the vessel, had towards encouraging ocean racing at dangerous speed, and thus needlessly adding to the risks of the underwriters. In consequence of this action, the P. & O. Company gave up the system of a differential scale of rates for freight, in order to avoid even the appearance of encouraging the practice of preferring speed to safety.

The currency question engaged the attention of the mercantile community and of the Government frequently during this period. The dollar had practically been the unit of value for the European community from the earliest days of the Colony and

the Mexican dollar had been made (January 9, 1869) a legal tender. But, side by side with the dollar, the local Chinese community had all along employed the national Chinese tael standard (0.717 taels' weight of sycee silver being counted equal to one dollar), and European merchants, in dealing with Chinese in Hongkong or with any merchants in the open ports of China, had likewise to use the tael standard, side by side with the dollar standard in which they kept their own accounts. The Chinese, having no faith in foreign dollars, bored and cut them for purposes of testing and stamped or, as it is locally called, chopped them for purposes of identification. Every dollar became thus after a short time terribly defaced and mutilated or, as it was called, a chopped or chop dollar. Moreover, as the Chinese looked upon every coin, even when known to be genuine, only as so much sycee silver, they took dollars, clean or chopped, only by weight, broke chopped dollars into pieces, and used broken particles of dollars in place of small coins. Chop dollars, in different stages of laceration, and broken pieces of silver, weighed out from hand to hand and re-assayed (shroffed) by experts in every transaction, were thus the medium of business. Undefaced dollars, fancied for special purposes, were always at a premium. For small transactions, the Chinese used their national copper cash, but these cash had likewise a fluctuating value and the proportion of clean and defaced, whole and broken cash, intermixed in every hundred, also affected the value of every string of cash. At the beginning of this period there was thus, apart from banknotes, virtually no fixed money currency in the Colony, and it is one of the merits of his administration that it partially remedied this defect.

The annual circulation of local banknotes (from five dollars upwards) averaged, from 1864 down to 1872, about two and a half million dollars. But although these notes were popular among the Chinese, the experience of the past had shewn that the Chinese mercantile community are liable to sudden panics. For twelve months after the collapse of the Agra and Commercial Banks, which was followed by a run upon the Oriental and

Chartered Banks, the circulation of banknotes in Hongkong averaged only one and a half million dollars. Now in June 1872, the Hongkong and Shanghai Bank obtained the Governor's permission to issue one dollar notes and thus to supply a much felt want. The Bank accordingly issued (October, 1872) such notes, of which there were, twelve months later, about \$175,000 in circulation. This raised the total of banknotes in circulation in 1873 to three and one fourth million dollars, and in 1874 the circulation of banknotes reached three and a half millions. But in December, 1873, the Governor received an intimation that the Lords Commissioners of Her Majesty's Treasury disapproved of the issue of one dollar notes on the ground that these notes would be largely in the hands of the poorest Chinese who might be even more subject to panics than the mercantile classes. The Governor was instructed to order the withdrawal of these notes unless serious public inconvenience should result from such a course. When the Governor accordingly called upon the Bank (February, 1874) to show cause why the one dollar notes should not be called in, the whole community took up the matter and a numerous signed Memorial, supported by a special resolution of the Chamber of Commerce, was forwarded to H.M. Government (March, 1874) in favour of the retention of these one dollar notes.

There were, at the beginning of this period, three new silver dollars competing for public favour, viz., a new Mexican dollar, the American trade dollar and a Japanese dollar (yen). The Chinese shroffs and traders of Hongkong and Canton having formed a combination, with a view to reject the new Mexican dollar, the Viceroy of Canton had it assayed (March 13, 1872) and issued (November 30, 1872) a proclamation which was published in the Hongkong Government Gazette (December 7, 1872). It was thus officially announced, that the new Mexican dollar consisted of 9 parts pure silver and 1 part alloy; that to pay 100 taels' weight of pure sycee, it would be necessary to pay 111.11 in new Mexican dollars; that 100 new Mexican dollars are equal to 101.41 old Mexican dollars, the new Mexican dollar

being, within a fraction of 1.5 per cent., better than the old. Next year the Chinese Government likewise had the American trade dollar assayed (September 27, 1873), when it was found to consist of 8,961 parts of pure silver and 1,039 alloy, and it was stated that to pay 100 taels' weight of pure sycee, it would be necessary to pay 111.6 taels' weight of American trade dollars, and that 100 American trade dollars are worth 100.07 new Mexican dollars or 101.48 old Mexican dollars, the American trade dollar being, within a fraction of 1.5 per cent., better than the old Mexican dollar. In consequence of the publication of these assays, the new Mexican dollar passed into favour with the Chinese of Hongkong. The foreign mercantile community, though practically accepting the new Mexican dollar, was anxious to obtain an English dollar which should be guarded, by special prohibition, against defacement by stamping. At a meeting of the Chamber of Commerce (January 16, 1874) a strong feeling was manifested in favour of doing away with chopped dollars altogether. A desire was expressed to obtain the necessary coins from England, instead of being dependent upon two foreign countries for them. An adjourned meeting of the Chamber (February 2, 1874) expressed an almost unanimous opinion against introducing the American trade dollar and the Japanese yen as legal tenders in the Colony, and a decided preference for a suitable dollar to be coined by the Royal Mint in London. Later on, the Chamber of Commerce advised the Colonial Secretary to communicate with the Authorities of the Mint as to the coinage of a suitable dollar for the Colony. In reply, the Governor informed the Chamber (July 31, 1875) that Mr. Fremantle, the Deputy Master of the Mint, was of opinion that the Japanese yen might be accepted as a legal tender in Hongkong, that the American trade dollar, not being a dollar of an equivalent value, should be rejected, but that the proposal to coin in England a special dollar for Hongkong was impracticable, as it would cost two per cent. for coinage and one per cent. for freight to lay it down in Hongkong. This brought

the movement to a standstill. But when, next year, the Shanghai Chamber of Commerce invited the Hongkong Chamber to join in an address advocating the establishment by the Chinese Government of a Mint, the Hongkong Chamber resolved (November 2, 1876) not to make any recommendation of that sort, but expressed itself in favour of the dollar being made the uniform standard of value in China. Whilst thus the general desire for a special Hongkong dollar remained unfulfilled, the Government obtained from the Mint in London a new supply of subsidiary coins for use in the Colony. A quantity of bronze cents was obtained first (July 19, 1875) and subsequently a large supply of silver five cent pieces, ten cent pieces and twenty cent pieces (June 20, 1876), which has been kept up ever since.

On 27th January, 1873, the Chamber of Commerce resolved to memorialize each of the Naval Commanders-in-chief on the Station, requesting them to assist in obtaining a new, complete and reliable survey of the coast from Hongkong all the way to Woosung. The local Government also joined in this movement, when the mail-steamer *Bokhara* struck (June 21, 1873) on a previously unknown rock in the fairway just outside Lyeemoon pass, and a reward of ten dollars was offered to fishermen for pointing out any hitherto unknown rock in the neighbourhood of Hongkong. The Chamber, having received favourable replies from the British and American Admirals, proceeded (August 27, 1873) to memorialize both the British and the United States Governments, to move them to take concerted action in completing the surveys required. In January, 1874, the Chamber was informed by Vice-Admiral Shadwell, that the Admiralty was going to send out at once a suitable surveying vessel to complete the survey of the coast of China.

In the matter of lighthouses, the Chamber requested the Governor (January 27, 1873) to obtain from the Secretary of State a grant from the Special Fund, to cover the cost of erecting several lighthouses. This application was indeed negatived (June, 1873), but on 27th August, 1873, the Chamber was informed that the Government had resolved to erect lighthouses

at Cape D'Aguilar, Cape Collinson and Green Island. An Ordinance (17 of 1873) was passed (December 9, 1873) giving the Government power to advance, for the purpose, out of the Colonial Treasury, funds to be subsequently repaid out of the light dues. At Cape D'Aguilar, a round stone tower was erected 200 feet above the sea, and measuring from base to vane 57 feet. It was furnished with a fixed dioptric white light of the first order, which was lit for the first time on 16th April, 1875, and found to be visible at a distance of 21 nautical miles. The position of the lighthouse was calculated to be in $22^{\circ} 12' 14''$ Lat. N. and $114^{\circ} 15' 44''$ Long. E. The lighthouse erected (July 1, 1875) on Green Island was furnished with a fixed dioptric red light of the fourth order, visible at a distance of 14 miles. The third lighthouse, that on Cape Collinson (between Cape D'Aguilar and the Lyeemoon), was completed eight months later (March 1, 1876). It was supplied with a fixed dioptric apparatus of the sixth order, shewing a white light visible at a distance of 8 miles. Light dues were forthwith (March 30, 1875) levied on every ship, entering the waters of the Colony, at the rate of one cent per ton; men-of-war, Chinese junks, and river-steamers entering the harbour in daytime only, were exempt, and river-steamers entering by night had (since September 1, 1875) to pay only one third of a cent per ton.

It appears that, previous to Sir Arthur's arrival, the British Cabinet addressed some remonstrance to the Lisbon Government with reference to the undeniable horrors of the Macao coolie trade, whereupon the Portuguese Government replied, that the coolie emigration referred to, whether slave trade or not, flourished as much in Hongkong as in Macao. This was rather a home thrust. But whilst one unofficial Member of Council (J. Whittall) denied this insinuation and stated in Council (February 11, 1873) that English merchants in Hongkong had no interest in the Macao coolie trade, another unofficial Member (R. Rowett) subsequently alleged that London commercial houses and banks of the highest standing, as well as certain men and firms in Hongkong, had derived large profits from

the Macao coolie trade. The Chief Justice (J. Smale), now took occasion to announce from the Bench (April, 1873), that he held the coolie trade to be a slave trade, and that any one in Hongkong taking part in it, either directly or indirectly, would be liable to be punished for felony under the Imperial Act for the suppression of slavery. The result of all this agitation was that, with special reference to the fact that two Spanish ships (the *Buena Ventura* and *Yrurac Bat*) had been fitted up in Hongkong before proceeding to Macao to load coolies, an Emigrant-ship Fittings Ordinance (3 of 1873) was passed (April 24, 1873) and came into force a few months later (August 2, 1873). The effect of this Ordinance was to prevent any person in the Colony in any way supplying stores or fittings to vessels in the harbour destined to carry emigrants from any place outside of Hongkong. Not content with this Ordinance, the Governor brought before the Council (April 17, 1873), with special reference to the ship *Fatchoy*, which had taken emigrants to Cuba, another Bill for the repression of abuses in relation to Chinese Emigration. Messrs. Ph. Ryrie and J. Whittall strongly opposed this Bill (April 28, 1873), on the ground that the Fittings Ordinance was perfectly sufficient to rectify and prevent all abuses connected with coolie emigration, and that the present Bill was too sweeping. The protest of the two unofficial Members having been disregarded, they absented themselves from the meetings of Council until the Bill, after many alterations and additions, had passed as Ordinance 5 of 1873. When the Macao coolie trade had been entirely closed (March 27, 1874), both Ordinances were repealed (September 7, 1874) by the consolidated Emigration Ordinance (5 of 1874). This Ordinance, once more, placed the issue of warrants in connection with emigrant ships exclusively in the hands of the Governor, who was instructed to allow contract emigration only to countries where a British Magistrate could control the enforcement of the contracts. To stop abuses connected with emigration, the Committee of the Tungwa Hospital applied for and received permission from the Governor to employ special

detectives to discover kidnappers, and in May, 1873, whilst the Macao coolie trade was still going on, these detectives brought almost every day some two or three cases into Court. Two years later a deputation of Chinese merchants agreed (August 9, 1875) with the U.S. Consul, D. H. Bailey, to form a Committee to assist him in ascertaining the moral character of women wishing to emigrate to America, with a view to stop the manifest abuses connected with voluntary emigration from Hongkong to San Francisco. The Dutch Government at Batavia also made an attempt to start Chinese emigration, under Dutch official management, from Hongkong to Acheen (August 20, 1875), but the Governor refused to sign a warrant or to sanction such emigration, although it was eventually proposed to do away with contracts altogether.

In the old question of the Customs Blockade of Hongkong, the mercantile community had a fertile source of constant irritation. A report of the Chamber of Commerce, published (April 30, 1872) within a fortnight after Sir A. Kennedy's arrival, stated that a Memorial to the Secretary of State, in course of preparation, had not yet been completed, because the Chinese were afraid to give evidence, but that a system of espionage within and a blockade outside the Colony existed. The Chamber also expressed a hope that Sir A. Kennedy would institute a strict inquiry with a view to prevent Chinese in the Government Service from rendering assistance to the Chinese Blockade officers. It was an open secret at the time that these remarks pointed again at the Registrar General's Office, a Chinese clerk of which resigned soon after (June, 1872). What gave the blockade question special importance in the eyes of Hongkong merchants, was the general belief that Sir R. Hart encouraged the Chinese to believe that eventually the English Government might be brought to consent to the surrender of all ex-territoriality rights over Hongkong and to include the Colony in the list of Chinese Treaty ports. Sir Arthur was very slow in taking up this grievance of Hongkong merchants, but at last (December 15, 1873) he appointed a Commission (Ph. Ryrie, H. G. Thomsett, M. S.

Tonnochy) to inquire into abuses connected with the action of the Chinese Maritime Customs in the neighbourhood of Hongkong. Whilst this Commission was sitting, the Harbour Master (H. G. Thomsett) stated, in his official report for the year 1873, that the junk trade of Hongkong had diminished in consequence of the interference of Chinese cruisers. Moreover the latter, seizing a junk bound for Hongkong, the *Kamhopsing*, in the Lyeemoon pass (January 19, 1874), aptly illustrated the truth of the Harbour Master's statement. The report of the Commission (April 28, 1874) entirely confirmed the views of the community, but the Governor refused to publish it until the decision of the Secretary of State on the report was received (May 10, 1875). Meanwhile a fresh outrage occurred. A Chinese revenue junk was arrested near Cape D'Aguiar (May, 1874) in the act of firing into some fishing boats in British waters. The crew of the junk were tried in the Supreme Court on a charge of piracy, but the Viceroy of Canton wrote to the Governor claiming the vessel as a Government cruiser, acknowledging that she had no right to fire in British waters and promising to punish the men. Thereupon the Attorney General was ordered by the Governor to enter a *nolle prosequi*. The men were accordingly discharged to the great regret of the Chief Justice and the whole community. The Chinese community also presented (June 24, 1874) a petition to the Queen, and this petition was followed up by a decision of the Chamber of Commerce (August 3, 1874) to memorialize the Secretary of State, and by a public meeting (September 14, 1874) which condemned the blockade as an organized invasion of the freedom and sanctuary of the port and harbour of Hongkong. In reply to a Memorial agreed to at this meeting, Lord Carnarvon, in a dispatch published 11th May, 1875, admitted that abuses and excesses had occurred in connection with the action of the Chinese revenue cruisers, but pleaded that the exercise of the right of search, in close proximity to Hongkong, for the purpose of defeating attempts on the part of Chinese subjects to defraud the revenue of their country, did not affect the freedom of the port, and afforded no valid ground

for diplomatic remonstrance. As a remedy of the existing state of things, Lord Carnarvon revived (March 22, 1875) the old suggestion of Sir R. Alcock, to entrust to a Chinese Consul in Hongkong the privilege of collecting from junkmasters the receipts for export duty levied in China and issuing to them in the Colony similar receipts for duty payable on account of importation into China. Lord Carnarvon's reply caused much discontent in Hongkong, as the position taken by him was honestly believed by Hongkong merchants to impair British prestige in China. Considerable excitement was caused soon after by the news that the British steamer *Carisbrook* had been fired into (June 13, 1875) when crowded with Chinese passengers and captured by the Chinese Customs cruiser *Pengchauhoi* (officered by Englishmen in the Hoppo's pay) for landing passengers at Hainan when that island was not yet opened to foreign trade. Great rejoicing, however, took place in Hongkong, when a dispatch from Mr. Herbert, the Under-Secretary of State, was read in Council (January 7, 1876) announcing that Lord Carnarvon had formally renounced the views of Sir Brooke Robertson and come round to see that the community of Hongkong really had a grievance and were entitled to protection and relief. Sir Arthur now at last took up the matter and recommended three proposals, intended to solve the knotty problem, viz. (1) that all Chinese revenue cruisers should be prohibited interfering with Hongkong junks with the exception of those of the Hoppo; (2) that a definite Chinese tariff of import and export duties, applicable to Hongkong junks, and fixed regulations for the Hoppo's dealings with Hongkong junkmasters be published and adhered to; (3) that a joint Board should be appointed to investigate all complaints of illegal seizure. The Chamber of Commerce endorsed these proposals (February 3, 1876) and addressed Lord Carnarvon accordingly (February 10, 1876). The matter now passed into the hands of the Foreign Office and became the subject of negotiations between H.M. Minister at Peking (Sir Thomas Wade) and the Tsungli Yamên. The latter, of course, denounced the first and second

of Sir Arthur's proposals as utterly impracticable, but adopted a shadow of the third by including in the Chefoo Convention (September 17, 1876) a stipulation providing that a Mixed Commission, consisting of a British Consul, a Hongkong Officer and a Chinese Official, should arrange a set of regulations calculated to benefit the revenue collection of China without interfering with the commercial interests of Hongkong. When it was rumoured later on, that Sir Brooke Robertson was to be appointed a Member of the proposed Commission, the Chamber of Commerce at once passed a unanimous resolution (February 12, 1877), protesting against such a measure as defeating the ends of justice and common fairness.

Besides harassing the junk masters and subjecting the local junk trade to severe exactions, the Customs Blockade caused a portion of the Chinese trade, formerly confined to junks, to be conducted by means of foreign-owned steamers and sailing vessels. The Hoppo at Canton, whose revenues accrue exclusively from the junk trade, found his monopoly seriously impaired by the preference which Chinese merchants now gave to the employment of foreign vessels. Accordingly he did everything in his power to counteract this movement and sought even to draw away from foreign steamers goods which for years past had always been conveyed by them. It was discovered (July, 1874), that the Hoppo had for some time charged differential duties on cotton imported in Chinese junks, lowering the duty so far below the tariff rate levied by the Foreign Maritime Customs that, even if foreign steamers had offered to carry cotton gratis, it would still have paid Chinese importers better to import the cotton by junks charging heavy freight. But the movement in favour of foreign vessels continued to spread among the Chinese. This movement, however, did not stop at giving business to foreign steamers, but Chinese merchants gradually took to purchasing steamers and working them on their own account. The starting of the first merchant steamer, *Aden*, under the Chinese flag (December, 1872), by a Chinese Company which would not allow foreigners to hold

any of its shares and which sought to obtain admission for its steamers to ports in China not open to foreign trade, heralded a change in the share which foreign merchants had hitherto enjoyed in the coasting trade, and the movement was viewed by many with serious apprehensions. This Company, which (in 1874) developed into the well-known China Merchants Steam Navigation Company, failed indeed to obtain the privilege of trading, by means of steamers, with ports not opened to foreign commerce, but instead of that monopoly the Company received official recognition and organization and the privilege of carrying 627,000 out of a total of 1,800,000 piculs of the annual tribute rice. There was at the bottom of this movement the vain hope of developing this Chinese Company to such an extent as to drive foreign-owned steamers entirely out of the coasting trade. But although the Company was well supplied with funds, strongly supported by Chinese officials and merchants in every port, and purchased (January 15, 1877) the whole of the steamers, real estate, wharves and plant of the Shanghai Union Steam Navigation Company, it only proved how unfounded was the fear that the whole coasting trade would pass into native hands. This Chinese Company obtained no more than that share in the coasting trade which naturally belongs to the Chinese, and its history demonstrated the truth that it is in the matter of money where the strength of the foreign trade in China lies, and that the greater the share which the Chinese take in the minor portions of the trade, the greater will be the growth of the more important portions of the foreign trade with China, loss in one direction being directly compensated by gain in another.

Sir A. Kennedy was the first Governor of Hongkong who invited prominent Chinese merchants, although they were mostly the servants (compradors) of the principal English firms, to social gatherings and public receptions at Government House. This practice, which was rather distasteful to most English merchants, Sir Arthur stoutly adhered to. He also for some time encouraged the Chinese to bring any public grievances,

they might have, before him. Shortly after his arrival, a Chinese deputation waited on him (April 4, 1872), when he told them that the Chinese could always see him when they had matters to lay before him, if they gave notice before hand and brought an interpreter with them. The Chinese were not slow in availing themselves of this offer which rescinded *sans façon* the policy initiated by Sir H. Robinson. The outgoing and incoming Directors of the Tungwa Hospital now made it a rule to wait on the Governor once a year. The first thing they asked of the Governor (December, 1872) was that he should pass an Ordinance punishing adultery in the case of Chinese women. Considering that nearly every man in the deputation had formally married several wives and was, if English law had been applied, liable to be punished for bigamy, it was rather naive of these Chinamen to ask that their runaway concubines should be punished under English law for adultery. The next thing they asked (July, 1873) was that the Governor should grant the Chinese community some form of municipal government, and, to begin with, authorize the election, by the people, of a Chinese Municipal Board, consisting of two Chinese residents from each district, to assist the Registrar General with their advice in all Chinese municipal matters. In December 1874, they urged the Governor to pass an Ordinance making it compulsory for all Chinese shops and firms to register the names of all their active and sleeping partners. In the following year they solicited an improved Bankruptcy Law, the erection of a harbour of refuge to be used by small craft in case of a typhoon, the grant of a site for the erection of a Chinese townhall, and the opening of a lepers' asylum on some small island. It is only to be regretted that Sir Arthur could not see his way to take up any of these suggestions; with the exception of a site for a public meeting hall which he promised to give them, and that he failed to make good the promise he had hastily given. Towards the close of his administration, when he knew the Chinese character better, Sir Arthur changed his attitude towards the Chinese and made an order (January 8,

1876), couched in language of extraordinary circumlocution, the effect of which briefly was, that the Chinese, whenever they had any grievance or petition to present, should communicate with the Government through the Registrar General.

How little hold the Government really had on the Chinese population, was shewn by several incidents during this period. In August, 1872, the Executive ordered a small tax to be levied on coolie lodging houses, with a view to bring these, generally overcrowded, places under sanitary surveillance. But small as the fee was, the Chinese at once resisted and the whole community was put to great inconvenience by a general strike of all carrying coolies, kept up for three days. The coolies did not resume work until they were given to understand that, as soon as they returned to their work, the Government would entertain their petition and repeal the tax. Another case in point is the Servants Registration Ordinance (7 of 1866). Efforts were made during Sir A. Kennedy's administration, and especially in August, 1874, to prevent this Ordinance continuing to be a dead letter, but it was found impossible to enforce its provisions. The Chinese managed to evade the law or persisted in disregarding it. The same was the case with the measures taken by the Government to repress public gambling. The Registrar General and the Captain Superintendent of Police, having been appointed special commissioners to see to the suppression of public gambling, caused prosecutions to be instituted (May, 1872) against landlords owning houses in which secret gambling establishments were kept, but the prosecutions broke down and whatever the Government did in the matter proved fruitless. Public gambling continued as before by means of pretended clubs and other arrangements which proved to be entirely beyond the reach of the law.

As regards sanitation, Dr. Dods, in his report for 1872, formulated the theory that fever is most prevalent in Hongkong when the rainfall is below the average and the range of the thermometer is small, and Dr. Ayres added, in 1873, the axiom that the heavier the rainfall, the better is the health of the

community. One hundred men of H.M.S. *Barossa* were attacked with fever in 1872, whilst the ship was in dock at Aberdeen. Genuine typhoid fever was not noticed in the Colony until 1874, when some cases were imported by ships. Dengue fever occurred in Hongkong for the first time in September, 1872, imported from the North. It was officially declared an infectious disease (October 4, 1872). In 1874, many cases of phthisis occurred both among the European and Chinese communities. But on the whole there was no extraordinary outbreak of serious disease during this period. The attention of the Government was drawn by Dr. Ayres, in spring 1874, to the extraordinary defects of scavenging and domestic sanitation in the Chinese quarters of Taipingshan and Saiyingpun, where it had become customary to keep, under Government licences, pigs on the upper floors of densely crowded houses. The scavenging arrangements of the town were somewhat improved in consequence (October 2, 1874), but otherwise the sanitation of the Colony remained as it was. The annual death rate of Hongkong per 1,000 of the whole population was 22·57 in 1873, 32·23 (owing to the many deaths caused by the typhoon) in 1874, and 24·29 in 1875, but Dr. Ayres remarked, in his report for 1876, that, considering the defective sanitation of the town, it was a wonder to him that the mortality was so small. Mount Davis and the hill side above Kennedy Road were covered with fir trees in 1876 and a large number of eucalyptus trees, imported from Australia, were planted in different localities. Building operations on the Peak multiplied in summer 1876 and residence on the Peak now commenced to be widely popular as a summer resort. The Civil Hospital having been demolished by the typhoon of 1874, the patients were accommodated in the former *Hotel de l'Univers* in Hollywood Road whilst a new and larger hospital was erected. The private Seamen's Hospital, erected by Jardine, Matheson & Co. on the hill above Wantsai, having for years been carried on at a loss, was closed in March 1873. The Small-pox Hospital, which from 1871 to 1873 had been located on Stonecutters' Island, was also closed in April, 1873, and the patients were thenceforth

accommodated in town at the Civil Hospital. A new Lock Hospital was established, in connection with the new Civil Hospital, and a series of regulations for it published in the Gazette (November 2, 1875). The Chinese also started what was at first intended to be a branch of the Tungwa Hospital at Wantsai (December, 1872) but subsequently developed into a separate public dispensary at the Wato Temple.

In the educational problem of the Colony Sir A. Kennedy took much interest, but only as an uncompromising secularist. The Hon. Ph. Ryrie having mentioned in Council (April 29, 1872) the need of a Public School for the education of the children of middle-class Europeans, the Governor stated at the next meeting of Council (May 16, 1872) that in his opinion the Government should not move in the matter until the views and requirements of the community upon the subject had been fully ascertained. Accordingly a public meeting was held at the City Hall (June 25, 1872) and attended by the Governor himself, who spoke strongly in favour of a non-denominational scheme, and the general feeling of the majority of those present appeared to be in favour of that view. A Committee was appointed to report upon the suggestion, made at this meeting, to resuscitate St. Paul's College, to turn it into a secular European middle-class school and to work it as a feeder of the Government Central School. Eventually a Grant-in-Aid school, under the management of the Hon. Ph. Ryrie, was established by Mr. and Mrs. Hanlon, called the Victoria English School, but it failed to fulfil its purpose and soon became a Portuguese school under the management of the Roman Catholic Mission. For the better promotion of elementary education in the Colony; Dr. Stewart recommended to the Government (February 14, 1873) the introduction in the Colony of an adaptation of Forster's Education Act of 1st August, 1870. But in adapting Forster's Scheme to the peculiarities of Hongkong, Dr. Stewart stripped it of the concessions which the Education Act of 1870 made to the recognized needs of a religious education. Instead of adopting Forster's conscience clause, Dr. Stewart made the Hongkong

Grant-in-Aid Scheme an absolutely secular measure, offering to all schools, willing to devote four consecutive hours a day to exclusively secular teaching, annual grants, on the basis of definite results in secular instruction, ascertained by examining each individual scholar. This Scheme having been approved by the Legislative Council (April 24, 1873) and provisionally accepted by the Protestant and Catholic Missionaries, was at once put in operation, 5 Protestant and 1 Catholic school being placed under the Scheme. To conciliate objections raised by some of the Missionaries (Dr. Eitel and Bishop Raimondi) to the absolutely secular teaching demanded of Grant-in-Aid schools, whilst the Government schools used Chinese school books containing Confucian and Buddhist religious teachings, a compromise (refused by the Catholics) was made, allowing the Grant-in-Aid schools to use Chinese reading books containing an admixture of religious teaching. To compile these reading books, the Governor appointed (April 17, 1873) Dr. Eitel as chairman of a Schoolbook Committee which produced without delay a set of three graduated readers after the pattern of the Irish National Schoolbook Society's publications. By the end of the year 1876 there were 11 Protestant schools under the Grant-in-Aid Scheme, but the Roman Catholics withdrew entirely, being dissatisfied with the rigid exclusion of religion from every one of the four hours of daily instruction required by the Scheme. The attendance in schools under Government supervision rose during Sir Arthur's administration from 1,480 scholars in 1872 to 2,922 scholars in 1876. There was similar progress made, during this period, in the sphere of religious education. Bishop Burdon resuscitated St. Paul's College, in 1876, by opening a Church of England school for Chinese and European scholars under an English Headmaster (A. J. May) and two Chinese Assistant Masters. Most striking, however, was the manner in which the Roman Catholic schools now came to the front under the direction of Bishop Raimondi. When the latter first arrived in the Colony, in 1858, there was only one Catholic school in existence, numbering eight boys, but in 1874 there were

18 Roman Catholic schools at work with 723 scholars under instruction, and in the following year (November 15, 1875) the Christian Brothers re-organized the former St. Saviour's School as a College dedicated to St. Joseph which, by the end of the year 1876, numbered 165 boys. The establishment of a Morrison Scholarship in connection with the Government Central School (January, 1874), the selection and clearing of a costly site for new and extensive buildings for the use of the Central School (May 30, 1876), and the collection of funds in the Colony in aid of the new Chinese Professorship at Oxford (September 15, 1876), indicate the interest taken during this time in matters educational.

The religious history of the period under review is characterized by the opening of St. Joseph's Church (November 30, 1872), by the installation of two Bishops, Bishop Burdon (December 31, 1874) and Bishop Raimondi (January 19, 1875), and by the passing of two Ordinances, a Marriage Ordinance and a St. Paul's College Ordinance. The former Ordinance (4 of 1875) was passed (April 8, 1875) to secure more accurate registration of Christian marriages (Chinese non-Christian marriages being left out of consideration) and to give equality in privileges to the various religious denominations. In deference to objections raised by Bishop Raimondi, this Ordinance was subsequently repealed and another (14 of 1875) substituted and passed (January 7, 1876) after a most acrimonious debate in Council concerning the objectionable attitude taken by the Roman Catholic clergy. That attitude was described by the Governor in very strong terms which were afterwards deliberately recorded in the Gazette (March 4, 1876). As regards St. Paul's College the revocation, in consequence of the resignation of Bishop Alford (November 1, 1872), of the original Letters Patent (of May 11, 1849, and January 14, 1867), having abolished the See and Bishopric of Hongkong, a Missionary Bishop (J. S. Burdon) was appointed Warden of the College whilst the lease and site vested in the Archbishop of Canterbury (Ordinance 7 of 1875). The Chinese community also had some

religious excitement during this period by the appearance in the harbour (January 22, 1874) of a large junk fitted up as a floating temple for the worship of three large idols. The vessel, known as 'the spiritual junk,' was visited daily by thousands of worshippers admitted on payment of a fee. Finding the business extremely profitable, the proprietors hired the Tunghing Theatre where the idols were exhibited and worshippers admitted on payment of 15 cash a person. As the matter was thus plainly a financial speculation, the Registrar General (C. C. Smith), with the approval of the leading Chinese merchants, interfered on the ground that the theatre was not licensed for religious purposes and the proprietors were fined \$15 in the Police Court.

There was annually during this period the usual number of conflagrations in the town, but since 1875 their frequency appeared to increase. Yet none of these conflagrations extended beyond the destruction of two, or at the utmost six, houses at a time. But quite a number of vessels were on fire within two years. The Peruvian ship *Columbia* was burned in the harbour (February 15, 1874) and the Pacific mail-steamer *Japan* was destroyed by fire at sea, in close proximity to Hongkong (December 18, 1874), causing the death of a large number of Chinese passengers. The S.S. *Panay* (August 30, 1875), the coalship *Pilgrim* (September 20, 1875) and a Chinese junk laden with hay (November, 3, 1875) were on fire in the harbour in one and the same year. In the one year 1874, three ships were wrecked at or near Hongkong. The S.S. *Wanlung*, built in Hongkong, capsized (February 13, 1874) on her first trip with passengers to Canton, within a few minutes after leaving the wharf, when some 30 lives were lost in the harbour. The S.S. *Mongol* was lost on a rock near Cape D'Aguiar when 17 persons were drowned (December 12, 1874), and the S.S. *Japan* ran on a rock, near Wantsai, in the harbour (December 17, 1874). Several collisions occurred during this period. The barque *Glimt* was sunk in harbour in consequence of a collision with the S.S. *Geelong* but was successfully raised again (March,

1872). The steamship *Glendarrock* and the barque *Parame* also collided in the harbour (December 7, 1876). In consequence of the explosion of the superheater of the river-steamer *Kinshan* (June, 1876), by which a passenger was killed, two engineers of the steamer were charged with manslaughter and tried in Supreme Court, but they were found not guilty.

The severest disaster that ever befell the Colony of Hongkong (since July, 1841) was caused by a typhoon of unprecedented suddenness and power. It commenced on the evening of 22nd September, 1874, when small boats were still plying on the harbour, and was at its height shortly after midnight. The tide was exceptionally high at the time and an earthquake appears to have occurred whilst the typhoon was raging. On the morning of 23rd September, 1874, the town looked as if it had undergone a terrific bombardment. Thousands of houses were unroofed, hundreds of European and Chinese dwellings were in ruins, large trees had been torn out by the roots and hurled to a distance, most of the streets were impassable, being obstructed with fallen trees, roof timber, window frames and mounds of soil thrown up by the bursting of drains. Business was at a complete standstill for several days. The Praya was covered with wrecked sampans and the debris of junks and ships, whilst in every direction dead bodies were seen floating about or scattered along the ruins of what was once the Praya wall. Thirty-five foreign vessels, trusting in their anchors, were wrecked or badly injured. Over 2,000 lives were lost in the harbour within the space of about six hours, during which time the screams of Chinese in distress on the water were heard by residents, on the upper levels of the town, to rise above the terrific din of the storm. The Hospital-ship *Meanee*, the only ship in harbour which held on to her anchors, had her four anchors twisted into one mass of tangled iron, the photograph of which is a curious sight. Special attraction for sightseers, who came out in thousands to view the havoc which had been wrought, was afforded by two steamers, the *Leonore* and the *Albay*, wrecked on the Praya wall near Victoria wharf, and the Pacific mail-steamer *Alaska*,

blown ashore and left high and dry on the beach at Aberdeen. The loss of the river-steamer *White Cloud* near Macao also attracted much attention. The amount of property destroyed in Hongkong within those six terrible hours was estimated at five million dollars. A fire that broke out while the typhoon was at its height was actually put out by the force of the wind. Her Majesty sent (November 18, 1874) a message expressing her 'sincere regret for the suffering which this sad calamity occasioned.' The brothers Tauffer, who had specially distinguished themselves by daring and successful efforts to save lives, were presented (January 7, 1876), at the hands of the Governor, with a testimonial by the Royal Humane Society. But very little was done to utilize the lessons taught by this typhoon. Meanwhile another typhoon swept over the Colony (May 31, 1875). It did little damage, however, though Macao and Canton suffered severely, as evidenced by the wreck of the river-steamer *Poyang*, on her way from Canton to Macao, when some 100 lives were lost. A Humane Society was now formed in Hongkong (July 26, 1875) for the special purpose of preventing the frequent loss of life in the harbour and particularly to give assistance during typhoons. This Society, under the presidency of the Hon. Ph. Ryrie, entered upon its labours with great enthusiasm, officers were appointed and stations fixed, funds were raised and left, after the purchase of the needful apparatus, a large sum in hand (June 6, 1876). A life-boat was talked of, additional funds were voted by Legislative Council (December 11, 1876), and after that the whole scheme was allowed to drop.

The social life of the period under review is notable for two sensational incidents. In March, 1872, Mr. D. Welsh, a highly talented and respected English merchant, head of the firm MacGregor & Co., having freely commented, in a local paper, on the public conduct of the Acting Chief Justice Ball, was sentenced, without the option of a fine, to fourteen days' confinement for contempt of Court. The whole foreign community, filled with indignation, petitioned the Governor to remit the sentence. The Acting Chief Justice, having thereupon

suggested that the petition to the Governor should first be withdrawn and an application for clemency made to the Court by prisoner's Counsel, released Mr. Welsh as soon as these conditions were complied with. To mark its sense of the proceedings, the Chamber of Commerce, at its next meeting, elected Mr. Welsh as Member of the Chamber. Another sensational event of the same year was a duel fought with pistols (July 29, 1872), on Kowloon Peninsula, on account of some card debt dispute between the Consuls for Spain and Peru, the latter being wounded in the arm. Warrants for the arrest of every person present at the affair were issued, but bail was allowed. The two duellists were tried in Supreme Court (August 25, 1872) and, having pleaded guilty, were fined each in the sum of \$200.

Quite a number of new institutions brightened social life in the Colony during this period, the year 1872 being specially productive in this respect. The Philharmonic Society (Choral Society) which had been established in July 1872, gave concerts every winter, including also a choral festival held at the Cathedral (April 18, 1876). A Debating Society was established in July 1872 but came to an end in the following year. A series of lectures given at the City Hall found considerable favour with the public. The undertaking was inaugurated in the presence of the Governor (November 5, 1872) by a lecture on Hongkong reminiscences by Dr. Legge, and followed by four other lectures, by Dr. Denny on Folklore (November 19, 1872), by Dr. Eitel on Fengshui (December 6, 1872), by Mr. J. J. Francis on Jesuitism (December 19, 1872) and by Mr. J. W. Torrey on American Humourists (February 4, 1873). Another institution of the year 1872 is the Victoria Recreation Club which was formed (May, 1872) by the amalgamation of the Boat Club, Gymnasium and Swimming Bath, and opened in its new form on 30th November, 1872. The publication of the *China Punch* was resumed on 5th November, 1872, and continued at irregular intervals until 22nd November, 1876, when its talented editor (Middleton) left

the Colony. Subsequent years produced a few additional new institutions. The Horticultural Society, which for many years thereafter held an annual flower and vegetable show at the Public Gardens, was established (February 13, 1873) by the official Garden Committee. Three years later (November 23, 1876) the Government formally withdrew its control of the Horticultural Society which, under unofficial management, continued to exist for some years longer. The members of the German Liedertafel gave their first performance on 4th November, 1873, and continued to enliven winter evenings under the direction of Dr. Clouth, whose departure from the Colony (April, 1874) was felt as a public loss. Another institution of the year 1873 was the opening of the first Good Templars' Lodge in Hongkong (September 25, 1873), which was followed by a steady spread of the Temperance movement in the Colony and led eventually to the opening of a Temperance Hall in Stanley Street (April 17, 1876), subsequently removed to Queen's Road East.

During the time of Sir Arthur's administration the relations, always friendly, which existed between the American and English sections of the foreign community, were particularly cordial. This was specially evidenced by the success of a reception given by Admiral Jenkins, in 1872, on board the U. S. Flagship *Colorado*, when the Governor and all leading residents attended, and especially by a grand promenade concert and supper, given, at the City Hall, by the American residents (July 4, 1876) on the occasion of the centennial celebration of American Independence. The Yacht Club attracted special attention in 1875 by an ocean yacht race (January 27, 1875) from Hongkong to Macao and back, won by the *Wave*, by the yacht race for the American cup (December 4, 1875) won by *Naomi*, and by the enthusiastic farewell demonstration made on the occasion of the departure (January 27, 1876) of the Yacht Club's Commodore (W. H. Forbes) when the whole of the Club's yachts escorted the mail steamer as far as Long Island.

The annual regattas and races were largely patronised during this period. The Amateur Dramatic Corps gave very frequent

performances between 26th January, 1872, and 19th February, 1877. The District Grand Lodge of Freemasons invaded, in 1875, the Cathedral when a Masonic sermon was preached (December 23, 1875) by the Grand Chaplain, the Rev. H. H. Kidd. The arrival of the Flying Squadron (April 7, 1876), consisting of four frigates, gave a new zest to social life in 1876. The latter year is also distinguished by the first loan exhibition of works of art, held in the City Hall (July 18, 1876). This exhibition became eventually the parent of the Sketching Club.

In addition to the foregoing general description of the progress made by the Colony during Sir A. Kennedy's administration, the following particulars have yet to be mentioned. The sphere of Hongkong's commercial operations was considerably extended during this period by the opening up of new countries and ports and by the starting of new lines of communication. The famous expedition, under M. Dupuis and M. Millot, which eventually led to the opening of Tungking (the North-east of Annam) to foreign trade, started from Hongkong on 25th October, 1872. The direct object of the expedition was to convey, on behalf of the Chinese Government, munitions of war to the Chinese army operating in the South of Yunnan against the Mahomedan rebels. But the personal aim of M. Dupuis was to demonstrate, in the eyes of France, the importance of northern Annam as possessing, in the Red River, an artery of trade by which the commerce of South-western China might conveniently be tapped and directed to the Gulf of Tonquin. The expedition returned to Hongkong (July 2, 1873), having successfully pushed its way by the Red River route from Hanoi by way of Laokai to Talifoo in Yunnan. That the Hongkong Chamber of Commerce also looked to the opening up of South-western China is evidenced by the above mentioned exploration of the commercial capabilities of the West River, undertaken by Mr. Moss in 1872. Quite a number of ports in different countries were opened to Hongkong commerce during this period. The commercial ports of Legaspi in Albay (Island of Luzon) and Tacloban (Island of Leyte) were opened by the Spaniards (December 3, 1873) and so also the

Tungking ports of Hanoi and Haiphong (September 15, 1875) under French protection, the Chinese port of Hoihow (on Hainan Island) forming the harbour of Kiungehow (April 1, 1876), and the Annamese port of Quinhon (November 1, 1876). New steamship lines also were established during this time. The China Trans-Pacific Steamship Company (December 30, 1873) brought Hongkong and San Francisco still nearer together and was succeeded on this line by the Pacific Mail Steamship Company (March 25, 1875) and the Oriental and Occidental Steamship Company (May 27, 1875). On the Canton River, Messrs. Butterfield and Swire started (July 20, 1875) a new line of large river-steamers to run side by side with the older Company's steamers between Canton and Hongkong. The progress made by the Colony in the direction of ship-building, is indicated by the completion (October, 1875) of the Cosmopolitan Docks, where forthwith a small steamer (*Fookien*) of 200 tons was constructed and by the launching of two gunboats (January, 1877) which were built for the Chinese Customs Service, one by Messrs. Inglis & Co., at Spring Gardens, and one at Captain G. U. Sands' Patent Slip at Westpoint. The invention by Dr. Dennys, of a hydraulic cofferdam, for the purpose of facilitating repairs to the hulls of ships (June 12, 1873), must also be mentioned in this connection.

Further indications of progress are the establishment (February, 1872) of a new Bank, the *Comptoir d'Escompte*, the formation of a Volunteer Fire Brigade (April 11, 1873) under the auspices of the Hongkong Fire Insurance Company, the establishment of the exchange of Post Office money orders between Hongkong and India (August 28, 1875), the reduction of postal rates on letters to England (July 1, 1876) and the entry of Hongkong into the Postal Union on payment of £3,150 per annum (September 21, 1876), and finally the establishment of a steam laundry (January, 1877). The Rev. J. Lamont, pastor of Union Church, collected in Hongkong and forwarded to the British Museum (April 25, 1874) a collection of 1,100 different Hongkong plants, among which there were as many as 90 different

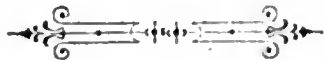
species of Hongkong ferns. The Government also published (January, 1877) a complete alphabetical catalogue, compiled by Mr. C. Ford, of the plants in the Public Gardens.

The Chinese community shared in the general progress of the Colony. Whilst previously the Chinese newspapers of the Colony were exclusively under foreign management, the Chinese started (March, 1873) a Company, in which no foreigner was allowed a share, for the purchase of the London Mission type foundry, and published forthwith in Chinese a newspaper of their own (*Universal Circulating Herald*). Another instance of Chinese enterprise is the attempt made, in July 1873, to run steam-ferries between Hongkong and Kowloon city, though the movement was stopped at the time through the action of the British Consul in Canton, who represented to the Viceroy that the ferry-boats were merely intended to bring customers from Hongkong to the Kowloon gambling houses. That Hongkong had risen in the estimation of China, is evidenced by the fact that the Imperial Government of China condescended, in December, 1874, to contract a loan of £600,000 at 8 per cent. with the Hongkong and Shanghai Bank and pledged as security for the loan the whole of the revenues of the Imperial Maritime Customs.

The obituary of this period includes, among many, the following most prominent names:—Lady Kennedy, who died in England (October 1874) highly revered by Hongkong residents as she had always given a tone of gentleness to the sterner rule of even the least severe Governor of Hongkong; F. Douglas (June, 1874), for over 12 years Superintendent of the Gaol; G. B. Falconer (died in London, August 5, 1875), the founder of the jewellers' firm of the same name; D. R. Caldwell (October 2, 1875), formerly Registrar General and latterly agent and general adviser to the leading members of the Chinese community by whom he was greatly trusted and respected; the Hon. W. H. Alexander, Registrar of Supreme Court, who died in Chefoo (February 22, 1876); Inspector O'Brien (July 21, 1876); Thomas Green, of the P. & O. Company (August 4, 1876);

A. Dalgarno, of the Ordnance Store Department (September 14, 1876).

When the time came for Sir A. Kennedy's departure, enthusiastically laudatory addresses were presented to him by the Protestant Missionaries, by the Members of Council, and by the Chinese residents. The whole community testified to the regard in which they held their Governor by a public dinner given (February 27, 1877) in his honour at the City Hall. Sir Arthur started from Hongkong (March 1, 1877) to take up the Governorship of Queensland, leaving behind a kindly message to the Police Force and a farewell address to the whole community, published in the Gazette. When the news of his death (June 3, 1883), on board the mail-steamer in the Red Sea, reached the Colony; a public meeting resolved (July 14, 1883) to erect in his memory the statue which now decorates the Public Gardens. Sir A. Kennedy indeed was in the estimation of the Colony one of those few men who deserve a statue because they do not need one. It was acknowledged that he had not done much, but he had made himself pleasant to all and his memory was cherished by the Colonists who looked upon him as the Governor 'who ruled them always with their own consent.'



CHAPTER XXI.

THE ADMINISTRATION OF SIR JOHN POPE HENNESSY.

April 22, 1877, to March 7, 1882.

MR. (subsequently Sir) John Pope Hennessy, C.M.G., arrived in Hongkong on 22nd April, 1877, too late in the evening to take the oaths of office on the same day. He was welcomed on board by Major-General Sir F. Colborne, and by the Administrator, the Hon. J. G. Austin, and on landing, at Murray Pier, by the Heads of Departments, Members of Council, Bishop Raimondi, and a number of the leading residents. Mr. Hennessy's reception in Hongkong was not an enthusiastic one, but it could not be said that public prejudice welcomed him. There was, indeed, a presentiment that troublous times might ensue, but there was also, on the part of the European community, the honest determination to judge of his administration as they might find it. Mr. Hennessy had enjoyed various opportunities of gathering experience. He had sat, as Member for King's County, in the House of Commons (1859 to 1865), and he had served as Governor of Labuan and Consul-General for Borneo (1867), as Governor of the West African Settlements (1872), of the Bahamas (1873), and of the Windward Islands (1875). Pending the issue of Letters Patent, Mr. Hennessy had now been appointed provisionally (March 12, 1877) as Lieutenant-Governor of Hongkong, and accordingly he was sworn in as such (April 23, 1877), on the day after his arrival. On this occasion, Mr. Hennessy volunteered the announcement that he would endeavour to follow the footsteps of his distinguished predecessor, Sir A. Kennedy, and that the main policy of his administration would be to protect the mercantile interests of this Colony which, he said, rivalled in

its transactions the greatest Colonies of the world. Six weeks later, the Letters Patent (dated April 10, 1877) having arrived, Mr. Hennessy was sworn in, with the usual solemnities, as Governor and Commander-in-Chief of Hongkong and its Dependencies (June 6, 1877).

With the exception of a visit to Japan (May 31, to September 6, 1877) and a trip to Peking (September 11, to October 24, 1881), the Governor spent his whole term of office in Hongkong. During his absence in Japan, the Hon. W. H. Marsh, and, during his trip to Peking, the Hon. M. S. Tonnochy administered the Government temporarily. On 22nd April, 1880, Her Majesty was pleased to confer on Mr. Hennessy the honour of knighthood, which fact was published in the Hongkong Government Gazette by anticipation on 21st April, 1880.

Apart from private correspondence with a few distinguished diplomatists in China and Japan, Sir John Pope Hennessy had, like his predecessor, no diplomatic correspondence with the representatives of other Governments, beyond one brief exchange of notes with the Governor of Macao. A Chinese junk having properly cleared from Hongkong (November 29, 1877) with a cargo of gunpowder for Macao, was stopped by the officers of the Chinese Customs Blockade on issuing from the harbour and forced to return to Hongkong. When the owners of the junk complained to the Governor, they were informed (June 29, 1878) that the Governor could not interfere, because the Cantonese Authorities considered Macao to be a part of China. This reply having been noticed in the public papers, the Governor of Macao forthwith addressed an official protest to Sir John, asserting the sovereignty of the King of Portugal over Macao and pointing to the fact that all the nations of Europe had hitherto recognized it, and so also the Chinese officials, while the flag of Portugal had waved over the peninsula for 300 years. Sir John replied that he did not lend any countenance to the Chinese pretensions to the sovereignty of Macao.

During this administration, the Colony had unfortunately repeated occasions of expressing sympathy with the inroad which

death made among the Courts of European nations. The flags of the Colony were at half-mast, and minute guns were fired, on the decease of the Queen of the Netherlands (January 13, 1877), the King of Italy (January 15, 1878), Princess Alice (December 18, 1878), Czar Alexander II (March 14, 1881) and President Garfield (September 20, 1881). In striking contrast with his predecessor, who took no notice of the death of the Emperor of China, Sir John ordered the flags of the Colony to be lowered and 21 minute guns to be fired (April 23, 1881) on the death of the Chinese Empress Dowager, the event being solemnly announced in the Gazette. Sir John also attended officially at celebrations, in honour of the birthday of the King of Portugal (October 31, 1878) and of the second anniversary of the coronation of Pope Leo XIII (March 3, 1880), held at the Roman Catholic Cathedral.

In the way of hospitable entertainment of the representatives of foreign Powers, Sir John had even more to do than his predecessors. Of Chinese officials, there came the Hoppo Tsun Kai (May 11, 1878); Chen Lan-pin, Minister to the United States, Spain and Cuba (June 5, 1878); Chung How, the Ambassador to St. Petersburg (November 11, 1878 and November 26, 1879); Liu Wan-shung, Minister to Germany (November 11, 1878); the Canton Viceroy, Liu Kwan-yih (January 25, 1880); finally, the new Hoppo Chung Kwan (April 10, 1881). There were also a good many foreign dignitaries whom Sir John had the honour to entertain in one way or other. General U. S. Grant, the hero of the American Civil War, arrived in Hongkong (April 30, 1879), was entertained at a state dinner at Government House (May 3, 1879), spent a few days in Canton and Macao (5th to 10th May), was presented with an address by the Chinese (May 12, 1879), but had to leave Hongkong before the garden party, with illuminations and fire-works, which the foreign community had arranged in his honour, could come off. The next visitor was Prince Thomas of Savoy (Duke of Genoa) who arrived in the Frigate *Vittore Pessani* (June 23, 1879, and again in 1880). Prince Heinrich of Prussia arrived in the Frigate *Prinz*

Adalbert (May 1, 1880), assisted at the unveiling of the portrait of the Prince Consort at Government House (May 7, 1883) and acted as joint host with the Governor in receiving the Duke of Genoa and the community of Hongkong at Government House on the occasion of Her Majesty's birthday (May 24, 1880). Next year King Kalakan, of the Hawaiian Islands, arrived in Hongkong (April 12, 1881), and stayed at Government House. Mr. C. P. Chater gave a public banquet in his honour (April 18, 1881) at Kowloon, and a public reception was held on the same evening at Government House. The King left for Bangkok a few days later (April 21, 1881), not without having had a taste of the bitter feeling existing at the time between the Governor and the British community. The greatest event, however, was the arrival (December 20, 1881) of the Detached Squadron with the Princes Albert Victor and George of Wales on board the *Bacchante*. A ball was given in honour of the Royal visitors at Government House (December 22, 1881) and the town was festively illumined (December 24, 1881), but the public had no opportunity of seeing the Princes, until December 30, 1881, when, after calling at Government House, and taking lunch there, the Princes attended in the evening a public subscription ball given at the City Hall. The Princes, having previously visited Canton (26th to 29th December), left Hongkong on the last day of the year. The visits of the ex-Governor, Viscount de Paço d'Arcos, of Macao (October 31, 1879), of his successor Senhor da Graça (November 26, 1879), and of the Brazilian Embassy to Peking (May 28, 1880) conclude the list of foreign representatives entertained at Hongkong during this period.

A new Charter, issued by Letters Patent (April 9, 1877), revoked the Supplementary Charter of June 8, 1875, and defined the constitution, power and authorities of the office of Governor, stated that Members of Executive Council may be appointed by Warrant or by Instructions, and added to the power of granting pardons also that of remitting fines. The new Charter further revoked Article XI. of the Charter of 1843 and stated that, in case of death, incapacity or absence

of the Governor, the Government should be administered by the Lieutenant-Governor or by an Administrator appointed for the purpose, or by the Colonial Secretary for the time being.

One new Sub-Department, that was much needed and did good work thereafter, was established by Sir John (February 1, 1881), viz. that of the Government Marine Surveyor (J. S. Brewer), under the Merchant Shipping Consolidation Ordinance (8 of 1879). The attempt (November 16, 1878) to form a new office of Chinese Secretary to the Governor and Translator to the Colonial Secretary (E. J. Eitel) failed to gain the approval of the Secretary of State, and the office which the latter substituted for it, viz. that of Supervisor of Interpreters and Translator for the Supreme Court (November 25, 1881) hardly outlasted this administration. To the management of the Government Gazette, Sir John gave much painstaking attention. He combined the separate editions of the English and Chinese issues of the Gazette into one (January 1, 1879) and had every document, that could be of any interest to the Chinese, translated in the Gazette, the English and Chinese texts being placed side by side in parallel columns. In the Police Department, the vacant office of Assistant Superintendent of Police was abolished by the Secretary of State (January 30, 1879). A more important change was made by Sir John (March 17, 1879), by ordering two-thirds of the Police Force to be always placed on night duty. The Superintendent of Police himself reported three months later (July 1, 1879) that this measure had a decidedly beneficial effect in diminishing the amount of crime. The employment of steam-launches (1879), the removal of the Water Police from the rotten hulk in the harbour to the new Tsimshatsui Station (1881), together with the numerical increase of the Force, were steps of progress which the Governor reluctantly conceded to the demands of the Superintendent. The subject of competitive examinations was a favourite topic with Sir John, who announced (May 28, 1877), shortly after his arrival, that, as a general rule, all appointments at his disposal in the Civil Service of this Colony

would be given by a system of competitive examinations, similar to that which had been established for the Civil Service of the United Kingdom by Her Majesty's Order in Council of June 4, 1870. To stimulate the study of the Chinese language, Sir John published (February 4, 1881) an extract from an old dispatch by Sir George Grey (April 28, 1855) stating that, as a rule, subject only to very special exceptions, no application for increase of salary in the Civil Service of Hongkong was to be made for any person who had not learnt Chinese. He also published a notification issued (July 2, 1855) by order of Sir J. Bowring to the effect that, in claims for promotion, a knowledge of Chinese would be considered a recommendation. But the Board of Examiners, specially appointed by Sir A. Kennedy, was quietly shelved by Sir J. Pope Hennessy. At first, indeed, he recognized the existence of the Board, by publishing (April 27, 1877) the names of the Members (C. C. Smith, F. Stewart, J. Russell, E. J. Eitel and A. Lister), but a month later he ignored the existence of the Board by appointing, without apparent reason, for the first of the new competitive examinations (June 2, 1877) a separate Board (Bishop Burdon, C. C. Smith, and Ng Choy), and did so again for the next examination (June 19, 1877) when three examiners (Bishop Burdon, Ch. May, and Ng Choy) were appointed. When the original Board thereupon sent in their resignation (July 18, 1877), it was not accepted, but a separate Board was thenceforth appointed for every competitive examination. The Gardens and Afforestation Department, which in 1872 had been treated as a separate Department, but in 1873 placed under the joint control of the Surveyor General and a Garden Committee, was (February 3, 1877), before Governor Hennessy's arrival, again made a branch of the Survey Department by the dissolution of the Garden Committee. The result was considerable friction, which continued until the management of the Gardens and Plantations was once more constituted a separate Department (March 15, 1879). A report, giving a history of the former dissensions, was published in the Gazette (October 16, 1879)

but subsequently (February 5, 1881) cancelled by order of the Secretary of State. An Order of the Privy Council (October 23, 1877) directed that the jurisdiction of the Supreme Court should include crimes and offences committed by, or disputes existing between, British subjects at any place on land being within 10 miles of any part of the Colony. The defalcations of the Deputy Registrar of the Supreme Court, discovered in October 1878, gave a sudden and painful shock to the community, because the investigation revealed a total absence of control and audit in the Supreme Court Department, for which the latter blamed the Executive, while the Executive sought to lay the blame on the Court. Sir John appointed (September 14, 1878) a Commission (Ch. May, G. Philippo, A. Lind, W. Wotton) to inquire into the management of all moneys or securities coming into the hands of any officers attached to the Supreme Court, but substituted, for this Commission, later on (November 7, 1878) another (Ch. May, G. Philippo, Th. Jackson, W. Wotton), instructed to inquire whether or not greater precautions may be adopted for the security and distribution of moneys or securities received by the Supreme Court. In accordance with some of the recommendations made by this Commission (May 25, 1879), the office arrangements of the Supreme Court were remodelled and a new Registrar (H. Gibbons) was sent out (April 14, 1880) by the Secretary of State. But internal friction now arose in the Court, through continuous misunderstandings between the Chief Justice and the new Registrar, which culminated in a lamentable public scene (July 26, 1880), and put a stop to the business of the Court until the Registrar was interdicted (July 30, 1880) from the performance of his duties. After the great fire of 25th and 26th December, 1878, which destroyed 361 houses in the centre of the town, and which, in the opinion of the community demonstrated the absence of all system in the management of the Fire Brigade, Sir John promised (January 18, 1879) various reforms. But nothing of any moment having been done, the foreign community deputed a Committee (W. Keswick, Ph. Ryrie,

Th. Jackson, W. H. Forbes, H. Hoppius, W. Reiners, J. B. Coughtrie and E. F. Alford) to urge upon the Governor the appointment of a skilled firemaster, the employment of paid firemen, and the desirability of an adequate supply of water. Sir John promised to get a skilled firemaster from England and to provide, if possible, high level tanks and fire brigade mains. The question of the water supply was, however, a financial one, and pending the consideration of the two alternative schemes thus put forward, viz. the Taitam reservoir scheme and this new project of tanks for fire brigade mains, the re-organization of the Fire Brigade was suspended, and meanwhile neither of the two water supply projects was carried out. Beyond the purchase of a new fire-bell for the Clock Tower (July 12, 1880), the supply of new uniforms for the brigades in town and villages (July 19, 1880), and the publication, in English and Chinese, of the old Fire Brigade Ordinance (4 of 1868) and a series of regulations issued under that Ordinance (October 5, 1880), the Fire Brigade question was left in *statu quo*. There were other Departments of the Public Service, between the Heads of which and the Governor there was said to be constant friction, but the disputes did not force themselves upon public attention, though as early as October 7, 1880, one of the resolutions of the public meeting of that date specially desired a Commission from outside the Colony to be appointed, in order to inquire, among other things, 'into the relations between the Governor and his officials.'

The Legislative Council Chamber was the arena of almost perpetual strife. In several cases even the election, by the Governor, of new Members of Council impressed the British community as an intended affront. In October, 1878, when the Surveyor General (J. M. Price) applied for leave of absence, and the Registrar General (C. C. Smith) proceeded (October 17, 1878) to Singapore to take up the appointment of Colonial Secretary of the Straits Settlements, the foreign community of Hongkong, whilst wondering how Sir John would reply to the damnatory resolutions of the public meeting of 7th October, 1878, were

startled by the news that Mr. J. A. da Carvalho, a worthy Portuguese clerk in the Treasury, had been appointed Acting Colonial Treasurer with a seat on the Council. The appointment had, however, to be revoked, as it was found that Mr. Carvalho, being an alien, could not take the oath of allegiance. A similar surprise was sprung upon the Colony on 22nd January, 1880. The Hon. H. B. Gibb left the Colony on that day and, in the ordinary course of events, his seat in the Council would have been given again to Mr. H. Lowcock, who had returned from England; but, to the surprise of the community, Sir John gave the appointment to a Chinese barrister, Mr. Ng Choy (January 22, 1880). These two appointments were interpreted by the English community as attempts to gain the favour of the Portuguese and Chinese sections of the community, to create an anti-English party feeling, and to strengthen personal government. Some years later another vacancy in the Council was filled, in an unobjectionable manner, by giving a seat in the Council to Mr. E. R. Belilios, one of the two leading Indian opium merchants of the Colony, who had favourably distinguished himself as a Director of the Hongkong and Shanghai Bank.

A proviso was added (May 23, 1877) to the Companies' Ordinance of 1865, that the amount to which shares may be reduced by subdivision shall in no case be less than one-fourth of the original share. With the approval of Lord Carnarvon the Bill (1 of 1877) was passed (June 21, 1877). This was the only legislative measure of the year 1877. Next year three very brief Ordinances were passed, viz. a Chinese Emigration (Special Licenses) Ordinance (1 of 1878), a Gaol Amendment Ordinance consisting of one paragraph (2 of 1878) and a Markets' Ordinance (3 of 1878). More work was done in the year 1879. Two Opium Excise Ordinances (1 of 1879 and 7 of 1879), an Amendment of the Emigration Ordinance (6 of 1879) and a bulky Merchant Shipping Consolidation Ordinance (8 of 1879) were passed in 1879, but had to be further amended in the year 1880. In the latter year a short Ordinance (6 of 1880), giving the French mail-steamers the status of men-of-war for twelve months,

was passed and thenceforth annually re-enacted. A Naturalization Ordinance (4 of 1880), giving a European resident (E. J. Eitel) the privileges of a British subject within the Colony but not elsewhere, having been approved by the Queen, was in subsequent years followed by an annual batch of such Ordinances, as Chinese residents now began to attribute great value to such naturalization, limited as it is. A few more Ordinances were passed in the year 1881, dealing with Macao Extradition (1 of 1881), the Census (2 of 1881), the naturalization of Chinese (5 to 10 of 1881), banishment and conditional pardons (12 of 1881) and a fresh Amendment of the Companies' Ordinance (14 of 1881). Finally, in January, 1882, a Tramway Ordinance (1 of 1882) provided for liberty to establish tramways all along from Westpoint to Shankiwan and from St. John's Place to Victoria Gap.

But although the legislative work done by the Council during this period produced comparatively little fruit, there was much in the way of leaves and the leaves were prickly. The Council meetings were not frequent but lengthy, the attention of the Members being largely occupied by Sir John with exhaustive laudations of the financial, commercial and industrial progress of the Colony. Frequently also the time of the Council was monopolized by polemical debates on assumed local race prejudices, on the proper treatment of Chinese criminals and on the general principles of Sir John's policy. Instead of making the most of those points on which all were agreed, these discussions only served to bring into prominence, and to widen year by year, the breach which the Governor had created in the relations existing between him and the European community. As to the constitution of the Council, the Hon. Ph. Ryrie (February 26, 1880) brought forward the question whether the Governor would recommend an addition to the number of unofficial Members, on the ground that the proportion of three unofficial to five official Members (beside the Governor) was unsatisfactory. Sir John stated that he had already made the same recommendation to

the Secretary of State, suggesting that the number of unofficial Members be raised to four or five. Next year (August 8, 1881) another unofficial Member was accordingly added (E. R. Belilios). The old complaint of insufficient time being allowed to unofficial Members, to examine the Estimates, was once more brought forward (August 31, 1880), and it was further arranged that, if any general discussion were thought desirable, it might be raised on the motion to go into Committee. The question of a proper system for reporting the debates in Council was also raised (August 23, 1881) by the unofficial Members who suggested the employment of an official short-hand reporter. Sir John promised to take the matter into consideration, but no such appointment was made. Another much needed suggestion was made by the Acting Chief Justice who moved (June 13, 1881) that the repeal, amendment and consolidation of a large number of the Ordinances in force in the Colony had become a work of urgent necessity. Sir John stated that he had placed the matter some time ago into the hands of the Attorney General, and steps would soon be taken to revise and consolidate the Ordinances.

As regards judicial matters, the admission to the local bar (May 18, 1877) of the first Chinaman (Ng Choy) who had adopted the law as his profession, deserves special mention. The admission to the bar of Mr. J. J. Francis (April 16, 1877) added new zest to the local displays of forensic eloquence. On the other hand, the departure from the Colony of the Chief Justice, Sir John Smale (April 11, 1881), and of the Queen's Counsel, Mr. Th. C. Hayllar (January 23, 1882) who had repeatedly served as Attorney General and Puisne Judge, deprived the Colony of two of its brightest legal luminaries. Among the cases tried in Court during this period, the interest of the community was specially attracted by the trial of two engineers of the coast steamer *Yesso* who were convicted (January 29, 1878) of manslaughter on account of the explosion of a boiler: by the *Kate Waters* case, in which three Malays were convicted and sentenced to death (May 13, 1879) having murdered their

captain, mates and Chinese crew on the high sea; and by a Club case (April 8, 1881) testing the right of the Committee of the Hongkong Club to expel members. In May, 1879, the Chief Justice decided a question of considerable importance to commercial men, by laying down, in the strongest terms, that a comprador, receiving no wages directly from his employer but remunerating himself out of commissions paid by customers, is essentially a servant, no matter how he may receive an equivalent of wages. For the benefit of journalists, the Chief Justice defined (December 12, 1879) the rights and liabilities of newspaper proprietors. As to the exceptional status claimed by the French mail-steamers, an important decision was given (January 7, 1880) by the Chief Justice, when the local Opium Farmer applied for a search warrant against the S.S. *Anadyr*. The Chief Justice ruled that the French mail-steamer was not a vessel within the meaning of the Convention concluded (September 24, 1856) between England and France, but the property of a private Company; that even if she was a national vessel, no legislative sanction had been given to the terms of the Convention, and that it was not competent for the Crown to deprive a subject of his right as against any vessel without legislative sanction; that, assuming the vessel was within the terms of the Convention, that Convention only applied to vessels carrying the mails between the ports of England and France, and Shanghai being neither a French nor an English port, a vessel on a voyage between Shanghai and Hongkong did not come under the terms of the Convention until the mails were put on board in Hongkong; that, finally, the vessel covered a breach of a fiscal Ordinance, that is, covered smuggling which is contrary to the comity of nations and an abuse of international immunities. A search warrant against the *Anadyr* was accordingly issued, but the French Consul declined to give any assistance, and the vessel sailed for Singapore without any search having been made.

The population of Hongkong increased, during this period, from 130,168 Chinese in 1877, to 150,690 Chinese in 1881, whilst the non-Chinese population increased during those same

years from 8,976 to 9,622. The total population of the Colony increased therefore during those five years by 21,258 souls.

The revenue of the Colony increased proportionately. The revenues of 1877 amounted to \$1,005,312, and those of 1880 to \$1,069,947, while the revenue of 1881, owing to particular and exceptional causes, rose to \$1,324,455. Going into particulars, we find that the revenues of the Colony, which in 1876 had stood at \$919,088 increased in 1877 by \$86,224. But in 1878 the revenue fell off again by \$57,674. Another increase, amounting to \$16,457, occurred in 1879, followed in 1880 by an increase amounting to \$105,852, and in 1881 by a further, most extraordinary, increase of \$254,508, so that the revenue of 1881 totalled up to the above-mentioned respectable sum of \$1,324,455. The difference which this rapid development of the financial resources of the Colony, during this administration, presents when compared with the sluggishness of the revenues during the preceding five years, is very striking. The only question is how this enormous increase accrued.

The annual variations of the revenue derived from the working of the Stamp Ordinance naturally depend on the state of the share market. There was in 1877, through the establishment of a Chinese Stamp Agency and through prosecutions instituted against Chinese evading the Stamp Ordinance, an increase amounting to \$24,951, in the yield of the stamp tax as compared with 1876. A further small increase, amounting to \$8,584 was obtained in 1878, followed in 1879 by a decrease of \$12,307 which the Blue Book explains as caused by a decrease in the transfer of shares. In 1880 there was a small increase of \$5,913. We see therefore that during the first four years of this administration the annual yield of the stamp tax varied very little, being \$120,956 in 1877 and \$120,678 in 1880. But in 1881, the precise year during which an extraordinary mania for gambling in land and house property seized the Chinese, the stamp tax suddenly produced \$165,340, constituting an increase of \$44,661. In 1882 the yield of the stamp tax fell again by \$18,360 and the Blue Book of that year states that 'this large decrease

is entirely due to the collapse of the land speculations of last year.'

The yield of the police, lighting, water and fire brigade rates rose in 1877 to \$194,838, constituting an increase of \$14,945 as compared with the year 1876. This increase is explained in the Blue Book as caused by an increase in the number of tenements. In 1878 there was a further small increase amounting to \$7,060, followed in the year 1879 by a large decrease amounting to \$26,583 which Sir John accounted for by a lower valuation having been fixed by the valuers for the year. Next year, in 1880, the yield of the rates rose again by \$59,215, explained by the restoration of the former higher valuation. In 1881, the rates fell off slightly, there being a decrease of \$8,761. There was therefore little development in respect of rates on tenements, as the yield of the rates, which in 1881 produced \$221,796, was only \$26,958 above the produce of the same rates in 1877.

As to the land revenue, the produce of land leases was \$123,064 in 1877, constituting an increase of only \$2,950 as compared with the results of the preceding year. Nor was there any more variation in subsequent years, for the yield of land leases in 1881 was \$123,115, shewing an increase of \$51. But as to the yield of premia on leases newly granted, the case is very different. From this source there was, in 1877, through extensive land sales arranged by order of the Governor, an increase amounting to \$72,158. But in 1878 there followed a decrease amounting to \$73,958, another decrease of \$9,624 in 1879, and again a slight increase of \$4,590 in 1880. Now considering that the premia on land newly granted amounted in 1878 to \$11,031, in 1879 to \$1,407 and in 1880 to \$5,998, it is rather startling to find that these premia suddenly rose in 1881 to \$203,659. Sir John, in his speeches and official documents, laboured hard to shew that this extraordinary increase of revenue was the sober result of the natural and healthy progress of the Colony. The mania for gambling in land, which was the rage all through the year 1881, is the real solution of the puzzle.

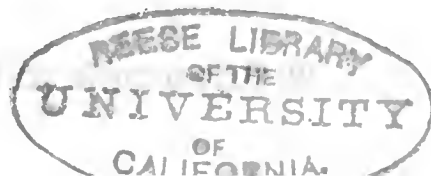
The revenue derived from the opium monopoly amounted in 1877 and 1878 to \$132,000 a year, which was less, by \$1,500, than the amount derived from the same source in 1876. This monopoly, which had all along been held by a Chinese syndicate in Hongkong at an unfairly low rate, was sold by public tenders, in 1879, to a partner of the Singapore Syndicate (Tan King-sing), in a manner with which the public was not satisfied, at an increase of no more than \$77,916. At the next sale (February 11, 1882), the farm was sold, for one year, for the sum of \$210,000, being virtually the same amount as that obtained in 1879.

It appears from the foregoing analysis of the principal sources of local revenue, that, whilst there was as regards rates on tenements and opium a moderate increase of revenue spread over the whole period and commensurate with the natural increase of the population, there was in respect of stamp duties and premia on leases newly granted an unnatural sudden increase, derived from the one and the same source, viz. dealings in land, and confined to one and the same year, 1881. Early in the year 1881, the Chinese residents of Hongkong were seized by a mania for speculating in land and in house properties. This frenzy lasted until October, 1881, when the bubble burst and a general panic ensued. The value of the properties, which had been unduly inflated by the Chinese speculators, then fell suddenly some 45 per cent. and great depression followed. The Chinese, and principally those among them whom Sir John had looked upon as the leading men of the Chinese community, were the principal sufferers by this collapse of the land speculations, the Government and British and foreign residents having been in most cases the original sellers, after which the properties changed hands rapidly at ever-increasing rates, until at last a deadlock ensued from want of funds. The collapse of the bubble was followed in 1882 by numerous bankruptcies and endless litigation. On the whole, however, the results were far less disastrous than might have been anticipated, the depreciation in real values being comparatively slight. Still, all through the

year 1882, the property market was encumbered with the estates of embarrassed owners. What the original cause of this sudden mania for gambling in land and in house property was, is difficult to say with certainty. Foreign residents generally attributed it to Sir John's inflated periodical laudations of the general prosperity of the Colony, and to his personal influence with the so-called leading Chinese traders, whom he constantly urged to take the position occupied by foreign merchants in the Colony and to purchase dwelling houses and offices in the European quarter of the town. But whatever may have caused this gambling mania, this much is clear, that the greatest gainer in the matter was the Government which derived, at the expense of Chinese gamblers, a net increase of its revenue, amounting, in one year, to the sum of \$242,322.

Such was the result of Sir John's financial policy in the year 1881: profit from gambling in land \$197,661, profit from gambling in house property \$44,661, total \$242,322. So marked was this success, that the unofficial Members of Council, before they had had time to realize the true character and cause of the increase of revenue, complimented the Governor (August 23, 1881) on 'the success of his financial policy.' They added, however, to their rash eulogy the modest request that, in the face of such a large reserve and annual surplus, a reduction of taxation should now be made. Sir John replied that he would, indeed, like to reduce the house tax from 12 to 6 per cent., and he thought if larger powers were given to the opium farmer the monopoly would yield \$400,000, in which case a reduction of the taxation might be allowed.

Turning now to the question of expenditure, we find that there was in 1877 a decrease in the expenditure of the Colony, amounting to \$29,008, caused chiefly by a reduction of expenses for public works. In 1878 there was an increase of expenditure, amounting to \$37,315, caused by the payment of the Colony's share in the Postal Convention (\$20,023), increased Police expenses (\$10,051), and laying of submarine cable to Green Island (\$5,211); but expenditure on public



works decreased from \$83,409 in 1877 to \$68,633 in 1878. In 1879 the expenditure further increased, but only by \$16,344, the outlay on public works was reduced to \$62,571, the increase of the expenditure of 1879 being chiefly caused by orders for Police recruits and steam-launches (\$10,839) and new furniture for Government House (\$5,107). In 1880, when the revenues were calculated to amount to over a million dollars, the Governor ventured to increase the expenditure by \$21,146, and in 1881, with a still rising revenue, the expenditure was further increased by the modest sum of \$33,567. This was certainly economic management and the result was showy. For there was, throughout this administration, an annual surplus of revenue, over expenditure, left in hand. This annual surplus amounted, in the successive years from 1877 to 1881, to the following sums respectively, viz. \$132,105, \$37,114, \$37,227, \$121,933 and finally (in 1881) to \$342,873.

With the exception of the re-construction of the Praya wall, which had been demolished by the typhoon of 1874, hardly any public works of any importance were undertaken during this administration. On the day after Sir A. Kennedy's departure, the Legislative Council agreed (March 2, 1877) to a vote of \$200,000 which sum was to be taken from the Special Fund, and the sum of \$50,000 was at once appropriated for the purposes of the re-construction of the Praya wall. Nevertheless the work was delayed until the autumn of 1879 when it was commenced in earnest, and, as happily no typhoon intervened, the work, which cost altogether \$244,254, was completed in 1880. The new Civil Hospital was completed in 1877, a small market at Yaumati and a Lunatic Asylum at Saiyingpun were built in 1879, a new Lock Hospital was erected in 1880 and in 1881 work was commenced at the Causeway Bay Breakwater. The construction of this Breakwater had been urgently recommended in 1877 by a Commission (H. G. Thomsett, R.N., J. M. Price, J. Dixon, R.N., S. Ashton, J. P. McEuen, R.N., R. McMurdo) and their scheme had been strongly supported (November 4, 1877) by Admiral Ryder, but it was not until the end of 1881 that

the work was commenced and the sum of \$3,090 spent on it. The main burden of the work fell therefore upon the next administration. As regards public works, Sir John's term of office is chiefly remarkable for the number of important works discussed, declared urgent and rejected or postponed. On 12th November, 1878, the foreign property owners of Hongkong memorialized the Governor, asking that the Praya road be widened 20 feet, by proportionate reclamation of the foreshore, in connection with the reconstruction of the Praya wall. This proposal, a sensible and modest anticipation of the more ambitious reclamation scheme started ten years later, was rejected on the ground that it would delay the re-construction of the Praya wall. Again, after the fire of 25th December, 1878, which laid a large area of houses in the overcrowded central portion of the town in ashes, it was strongly urged upon Sir John that he should use this opportunity for widening, and improving the direction of, the streets of that district, but the suggestion was rejected as too costly. The erection of a new Gaol on the separate system, though indispensable for the effectiveness of the Governor's scheme of repressing crime without flogging, was indefinitely postponed by Sir John for financial reasons. The construction of new Central School buildings, for which a costly site had been purchased and cleared of houses, was postponed from year to year under various pretexts, and left untouched. The Taitam waterworks, the plans for which had been elaborated and approved under the previous administration, Sir John fought shy of for years, and when at last the Colonial Office sent out peremptory orders that the work should be commenced at once, Sir John, for purely financial reasons, took it upon himself to disregard the commands he received from Downing Street, and the work was not commenced until 1882, on the eve of his departure. The same was the case with the Kowloon Observatory. This scheme was first mooted in spring 1877, when some shipmasters and the manager of the P. & O. Company circulated for signature a petition requesting the Government to arrange for the daily

dropping of a time ball. The movement was taken up by the Surveyor General (J. M. Price) who elaborated the very plan on which the Observatory was subsequently established and suggested the construction, on mount Elgin at Kowloon, of an Observatory, which should be placed under the charge of a professional man to be recommended by the Astronomer Royal, and, whilst procuring storm warnings and meteorological observations, secure the daily dropping of a time ball in front of the Water Police Station. Apart from the subsequent demand for astronomical observations, every essential feature of the present Observatory scheme was proposed in detail by Mr. Price. On 30th October, 1877, Admiral Ryder wrote a letter, warmly supporting Mr. Price's suggestions and adding the recommendation that the observation of tides and currents should also be included in the scheme. Both papers were published in the Government Gazette of 17th November, 1877, and in his Estimates for the year 1878 Sir John included the sum of \$5,000 for the construction of an Observatory. Nothing was, however, done in the matter until some three years later, when another series of papers was published in the Gazette (September 2, 1881), propounding a seemingly new scheme, which, though being merely an expansion of the details of Mr. Price's scheme by Major H. S. Palmer, R.E., with the superaddition of some recommendations concerning astronomical observations to be taken, not only omitted all mention of Mr. Price, but gave the credit of the scheme to Sir J. Pope Hennessy. Nevertheless the construction of the Observatory was left to the next administration, though Major Palmer took great pains in making stellar observations (published in the Gazette of March 4, 1882), by means of which he determined the site of the Observatory to be in Lat. 22 degr. 18 min. 11.91 sec. North.

Statistics of crime, and theories as to the best treatment of Chinese criminals, were a very prominent topic of debate in Council and in the public press during this period. Sir John arrived in the Colony with the determination to apply to the

treatment of Chinese criminals the humanitarian views as to prison discipline and the objections to corporal punishment which, after centuries of progressive civilization, had lately gained ground in Europe as applicable to European prisoners. Shortly after the Governor's arrival, flogging was practically abolished. Only a few whippings, privately administered within the walls of the Gaol, took place. This change, and the attempt Sir John made to establish a Chinese Discharged Prisoners' Aid Society, although it proved a complete failure, made a great impression upon the Chinese criminal classes, among which Sir J. Pope Hennessy was thenceforth spoken of as 'the merciful man.' 'If we have a gaol on the separate system,' said Sir John (September 17, 1877), 'where the prisoners must do some useful hard work, and where they know there is not the slightest chance of their release before the end of the Judge's sentence, except by steady good conduct; if we provide reformatory and industrial training for juvenile criminals, and if we let it be clearly understood that second offences will be punished with a long sentence, that will do more to check the growth of crime than anything else we can devise.' An excellent theory this, but considering that Sir John established no prison on the separate system nor any reformatory for the reception of juvenile offenders, the theory could hardly be expected to check crime in Hongkong. The community differed from their Governor not merely because they thought that his mode of treating prisoners would be ineffective in the absence of flogging, but chiefly because they considered the immediate introduction of the separate system a practical impossibility, and meanwhile they looked to the branding, deporting and flogging system as having been found practically an effective deterrent during two preceding administrations.

In order to make his theories as to the treatment of prisoners and the abolition of flogging acceptable to the Council and people of Hongkong, Sir John laboured assiduously to produce criminal statistics, calculated to show that the re-introduction of the branding, deporting and flogging system, at the beginning

of Sir A. Kennedy's administration, had not only failed to reduce crime, but that on the contrary crime had been rapidly increasing in Hongkong since that time. In spite of voluminous arrays of figures, and notwithstanding the most dexterous handling of plausible deductions from them, placed before the Council and the public with the consummate skill of the orator and the special pleader, the community stoutly maintained that, whatever might be logically deduced from Sir John's statistics, their own personal and practical experience was, that life and property had been more secure in Hongkong all the time before the arrival of Sir A. Kennedy's successor, than it had been ever since. The more Sir John insisted upon the accuracy of his statistics and the correctness of his analysis of his figures, the more was the distrust of both, on the part of the community, converted into positive irritation. Now it so happened, whether in consequence of the Governor's treatment of criminals or otherwise, that the year 1878 was extraordinarily fruitful in serious crimes. On 1st February, an armed attack was made by a large gang of Chinese burglars on the village of Aplichau. On 19th May, the Superintendent of Police and several constables were wounded in the streets by armed burglars whom they had intended to intercept. On 30th May a woman was murdered in town. On 31st May again a woman was murdered at Sheko. On 14th July a third woman was murdered at Taipingshan. On 8th August a Portuguese was murdered by a European. Then, on 25th September, from 40 to 80 armed burglars attacked a shop in Winglok Street, when these marauders took forcible possession of the thoroughfare, held it for some time against armed Police and finally escaped with their booty in a steam-launch. When the news of this night attack spread in town next morning, public indignation, which had been gathering for some time, owing to the palpable increase of serious crime, burst out into strong condemnation of the Governor's systematic lenity to criminals and of the encouragement thus given to crime. A public indignation meeting was called for. Before it could be held, another crime occurred which added fuel

to the flame, for a European house in Seymour Terrace was attacked (October 3, 1878) by armed burglars.

On 7th October, 1878, the great public meeting of this period was held on the cricket ground. The following resolutions were, with hardly any opposition, passed. It was resolved, (1) that life and property had been jeopardized by a policy of undue leniency towards the criminal classes; (2) that flogging in public had been found the only really deterring punishment, and that to its suspension was due the daring boldness which had lately characterized crime; (3) that a Commission of medical men should be appointed to inquire into the alleged injurious effects of flogging on the back; (4) that the almost total abolition of deportation was injurious and would cause the criminal population of South China to overcrowd the Hongkong Gaol; (5) that a Commission from outside the Colony should be appointed to inquire into the application of criminal laws, the carrying out of sentences of the Courts, and the relation between the Governor and his officials, and finally (6) that a copy of these resolutions should be forwarded to the Secretary of State through the Governor. Mr. H. B. Gibb was in the chair, and the movers and seconders of the foregoing resolutions were Messrs. W. Keswick, W. Reiners, W. H. Forbes, G. Sharp, D. Ruttonjee, W. S. Young, H. H. Nelson, A. MacClymont, H. Loweock, N. J. Ede, A. P. McEwen and C. D. Bottomley. The senior unofficial Member of Council (Ph. Ryrie) was conspicuous by his absence. Strong as the indictment contained in the above resolutions was, both in argument and in the support it received from the British and foreign community of Hongkong, the Secretary of State left the Memorial embodying those resolutions unanswered for nearly a year. Meanwhile the Chinese Committee of the Wato Dispensary at Wantsai canvassed the lower classes of Chinese shopkeepers in the interest of Sir John, whose impeachment at the bar of public opinion was resented by them as an attack on a Governor whose policy was characteristically pro-Chinese. Accordingly they produced an address to the

Queen (October 29, 1878) signed by 2,218 shop-keepers. It was practically an expression of confidence in the Governor, intended as a set-off against the views of the British and foreign community, and couched in the usual inflated style of exaggerated flattery, common in China. After some significant hesitation, the Committee of the Tungwa Hospital, representing most of the Chinese merchants, also presented (November 13, 1878) a Memorial, deprecatory of the resolutions passed at the public meeting. On 5th May, 1879, the Chinese were informed that Her Majesty was pleased to receive their address. On the same day Sir John re-appointed the gentleman (H. B. Gibb), who had acted as chairman of the great indignation meeting, to a seat in the Council. On 31st May, 1879, the movers and seconders of the resolutions of that meeting addressed to the Secretary of State (Sir Michael Hicks-Beach) a complaint on account of their Memorial having been left unanswered. A few months later (September 17, 1879), Sir John, deeming himself to have scored a victory, had the satisfaction of publishing in the Gazette the resolutions of the public meeting and a series of documents connected with it, including the reply of Sir Michael (dated July 17, 1879) to the Memorial of the European community. In this reply the Secretary of State quoted statistics showing a great increase of serious crime having taken place in 1877 and 1878, admitted also that during those two years the criminal classes of Hongkong had advanced in audacity, combination and the habit of carrying arms, and acknowledged the reasonableness of the alarm felt by residents in the Colony, but declined sending out a special Commission, believing that meanwhile all cause for fear had been removed by the action of the Governor. Nevertheless crime had continued to flourish for a little longer. On 22nd October, 1878, a coolie was beaten to death in High Street and on 17th January, 1879, an armed attack was made on Hunghom. In January, 1879, the general sense of insecurity was such that a rumour spread among the Chinese and gained credence that preparations were being made by a fleet of pirates to descend upon Hongkong

and to sack the whole town. The rumour was so strong that the Police took accordingly precautions. However, with the year 1879 Sir John commenced a system of increased strictness of gaol discipline. The system of deportation also was resumed in 1879 and a rule was made that all old offenders should be tried in Supreme Court, where they might receive sentences commensurate with habitual indulgence in crime, instead of the frequent short sentences inflicted by the Police Magistrates. These measures served to disperse the illusions which Chinese offenders had entertained concerning the regime of 'the merciful man' and crimes began to decrease, both as regards their type and their frequency. Unfortunately the annual reports of the Superintendent of Police for the four years from 1878 to 1881 were suppressed and for them were substituted, by order of the Governor, bare statistics of crimes committed. But even these tables show that there was in 1877 an increase of serious crimes, amounting to 12.86 per cent., which the Superintendent ascribed to famine and floods in China and to the unusually high price of rice in Hongkong. In 1878 there followed a further enormous increase of serious crimes amounting to 32.31 per cent. The year 1879 brought a decrease of 8.19 per cent. but, whilst in 1880 there was a further decrease of 14.43 per cent., there was a fresh increase of serious crimes in 1881, amounting to 13.55 per cent.

Whether successful or not in the reduction of crime, Sir John gained his main points in the treatment of Chinese criminals. Almost all that he had been seeking in this respect since he made the first declaration of his philanthropic policy in the Legislative Council in 1877, he obtained in November, 1880, when Lord Kimberley sanctioned the final abolition of all branding of criminals, permanent discontinuance of public flogging, repeal of all Ordinances providing for the flogging of Chinese, prohibition of all flogging except in cases where it would be inflicted in the United Kingdom, and finally an order that flogging of Asiatics should in all cases be on the breach and not on the back. In September, 1881, notice was given that the Prison Amendment

Regulation Ordinance (7 of 1880) was disallowed, whereby the old law (2 of 1878 and 4 of 1863), which this Ordinance had been intended to modify, revived.

In May and July, 1878, the attention of the Government was directed to the custom prevailing among the Chinese community of Hongkong, as throughout the whole Empire of China, of buying and selling girls for the purpose of domestic servitude. This custom was generally practised in Hongkong by means of nominal adoption connected with the payment of money to the parents in return for the privilege of using the child's services. The Attorney General (G. Phillippo) distinctly declared (June 21, 1878), in contradiction of the Governor's original views, that this practice did not constitute a criminal offence (May 30, 1878); that parties entering into a transaction of this nature in England would in no way bring themselves within the operation of the criminal law (June 21, 1878), and that the Police Magistrates had no jurisdiction in the matter. At the same time the Chinese community observed that, since the abolition of the Macao coolie trade, the practice of kidnapping young Chinese girls for exportation to the Straits Settlements, California and Australia, had enormously increased. As the kidnappers were believed to be chiefly people of the Tungkoon District, a Committee of Tungkoon merchants, headed by Mr. Fung Ming-shan, was appointed by the Chinese community to devise some means to stop these kidnapping practices. Mr. Fung Ming-shan and others accordingly petitioned the Governor (November 9, 1878) for permission to form an Anti-kidnapping Association with power to employ detectives. Sir John appointed an official Committee (C. V. Creagh, J. J. Francis, W. M. Deane, E. J. Eitel) to investigate the matter, and this Committee recommended that the sanction of the Government be given to the constitution of the proposed Association on the basis of definite statutes (Gazette of February 4, 1880) drafted by Mr. J. J. Francis. The Association, which adopted the name Po'eung Kuk, was accordingly formed and received (June 24, 1880) the formal approval of the Secretary of State. Later on (Gazette of August 5, 1882) rules

for the working of the Poleung Kuk were published, differing from the statutes framed by Mr. Francis in that they did not require the Association to be incorporated under the Companies' Ordinance of 1865, nor did the new rules give to the Government that tight hold on, and constant insight into, the working of the Poleung Kuk which Mr. Francis' draft scheme had devised. Meanwhile, however, the Chief Justice also noticed that the practice of kidnapping, for purposes other than the coolie traffic, was alarmingly on the increase, and, making no distinction between the sale of girls in connection with domestic servitude and in connection with exportation (for immoral purposes), repeatedly denounced from the Bench, in summer 1879, the system of purchasing or adopting girls for employment as domestic servants as a form of slavery. The Chief Justice alleged that there were from ten to twenty thousand female slaves in the Colony, and that this form of slavery flourished only through the failure of Government officers to enforce the existing laws. This action of the Chief Justice caused at first great alarm and excitement among the Chinese. A deputation called on the Governor (September 24, 1879), and, while asking for permission to form the above mentioned Anti-kidnapping Association, suggested to regulate Chinese domestic servitude by means of registering all purchased servant girls. The fears of the Chinese community were, however, considerably allayed, when the Governor, who had previously been anxious to institute prosecutions against the purchasers of servant girls, now assured them that he would not allow of any harsh measures dealing with an established Chinese national custom. But on 6th October, 1879, the Chief Justice again denounced the female servitude system of Hongkong as strongly as ever, called it down-right slavery, and addressed a few weeks later (October 20, 1879) a letter to the Governor, in which he requested that the Police should be instructed to bring every person, known to have a purchased servant, before the Magistrate, to be dealt with mildly. The Chief Justice at the same time alleged that kidnapping was encouraged by the social habits of foreigners in Hongkong, that a class of mean whites

was springing up in Hongkong and living in abject misery, and he claimed that it was the duty of the Government to put down a system which, by debasing all moral tone, tended to crime. To rebut the arguments of Sir John Smale, Dr. Eitel wrote (October 25, 1879) an exhaustive report on the origin and characteristics of Chinese slavery and domestic servitude in Hongkong. The whole dispute was thereupon referred to the Secretary of State, and reviewed in a debate in the House of Lords (June 21, 1880), when Lord Stanley of Alderley, favourably criticizing Dr. Eitel's report, stated that the Attorney General had been wrong in his exposition of the law, but that, on the other hand, the Chief Justice had rushed into wild exaggerations. Lord Kimberley remarked, on the same occasion, that the custom of adoption was deeply interwoven with the forms of Chinese society, and that care must be taken not to confound the habits and institutions of the Chinese with what prevailed in other parts of the world. After this, the brief turmoil caused by the local slavery question disappeared as quickly as it had arisen. The Poleung Kuk, however, did good work in bringing kidnappers to justice, and on 24th March, 1881, the Chief Justice, having observed a steady decrease in kidnapping crimes, complacently ascribed it to his own efforts. He stated from the Bench that Chinese public opinion now appeared to have been educated to a great sense of the evils of kidnapping and the worst of the evils arising out of domestic servitude, that his denunciations of these crimes had produced an awakening of the Chinese conscience, and that a large proportion of the Chinese community now desired to improve the tone of social thought in China. 'Slavery of every kind,' he said, 'is doomed in China; it is merely a question of education through discussion and time.'

The question of Colonial defence was agitated for several years during this administration. All through summer 1878, rumours of war with Russia were current. Whilst this war fever lasted, the Volunteer Ordinance (2 of 1862) was re-published (May 4, 1878) and a new Volunteer Corps was formed and placed (May 16, 1878) under the command of Captain Dempster,

subsequently succeeded by Captain A. Coxon, under whom Mr. W. Danby served as Lieutenant. By 1st June, 1878, the names of 142 gentlemen, who had been enrolled in the Volunteer Force, were published in the Government Gazette. Torpedoes were constructed at the Naval Yard and torpedo practices were held in the Lyceum. The batteries also were put in a temporary state of defence and guns were mounted in some. In January, 1879, the Governor received instructions to proceed with the necessary works in order to place several batteries, thrown up during the preceding year, in a condition of permanent defence, and operations were immediately commenced at North Point. The Home Government, having at last woke up to a recognition of the need of a comprehensive system of Colonial defence, appointed (September 8, 1879) a Royal Commission, headed by the Earl of Carnarvon, to inquire into the state of the defences of the Colonies. The instructions of this Commission were published in Hongkong (December 17, 1879) and, at the request of the Commission, a local Committee set at once to work to report on questions connected with the defences, armament and provisioning of Hongkong. The rumours of an impending war between Russia and China gained in probability in spring 1880 and thus kept up public interest in the matter of Colonial defences. In summer, General Gordon, known as Gordon Pasha, spent a week in Hongkong and Canton (3rd to 9th July, 1880) and made various suggestions as to the defences of Hongkong, advising especially the removal of the Naval Yard, Barracks and Military Stores, to Causeway Bay. On his return from a visit to Li Hung-chang in Tientsin, he published in the *China Mail* the main part of the advice he had given to the Chinese Government, and made a brief, but fruitless, attempt to interest the leading Chinese merchants of Hongkong in a proposal to concert measures towards the expulsion from China of the Manchus and the restoration of a Chinese Dynasty. The war fever was now dying out and dissensions arose in the Volunteer Corps. The Commandant, Captain A. Coxon, and Lieutenant W. Danby resigned (July

13, 1880) and were succeeded by Captain J. J. Francis and Lieutenant J. McCallum. A turret ironclad, the *Wivern*, with whose seagoing qualities fault had been found in England, was sent out to Hongkong (June 2, 1880) at the suggestion of the Governor, to be permanently stationed here for harbour defence. The last flickering up of the dying war spirit was observed on the occasion of a grand naval review held at Tsimshatsui (December 30, 1880), but by the beginning of the year 1881 the war cloud had passed away, by the consent of Russia to restore Kuldja to the Chinese, and the whole question of Colonial defences was shelved.

The year 1877 was on the whole a fairly good one for mercantile men. Business, although rather restricted in extent, was of a healthy character. Shares were steadily rising, though there was little speculation, and real property became more valuable. But a change took place in 1878. Freights now commenced to fall, profits on goods of all descriptions became smaller and smaller, and wild speculation took possession of the share market, with the usual result of inflation followed by subsequent depreciation. Still, there were no bubble companies kept afloat merely by the credulity of the public, and stocks were in a sound condition. But a general depression crept into all commercial branches, locally as well as in China and Japan, and several local firms of very old standing failed. At the beginning of the year 1879 freights were so low that the carrying trade ceased to be remunerative. Shipowners began to think of laying up their vessels rather than run them at a loss. Accordingly a Conference of London steamship owners formed (September, 1879) a combination to regulate the tonnage on the berth, to prevent the accumulation of cargoes, and to protect each other from loss. Through want of coherence among the signatories of these Conference rules, rather than through outside competition, the combination failed and the rules were cancelled (January 5, 1880) so far as Hongkong was concerned. But apart from freights, the year 1879 was in other respects also a year of great depression. Arrivals of

foreign ships declined to the extent of 5.28 per cent., the greatest decline being on the part of vessels under Continental flags. Money was scarce in the Colony and quotations for most stocks continued to fall, though known to offer good investment for capital. Sterling exchange declined until the dollar touched 3s. 6½d. and the tael fell below 5 shillings. Never, it was said, was trade less profitable in Hongkong. However, with the year 1880, a general improvement set in. Trade now shewed a disposition to be more brisk and remunerative, than it had been for years before. Speculation was kept within reasonable limits, time bargains, owing to the bitter lessons of 1878, were now regarded as dangerously hazardous ventures, and stocks accordingly kept on a sounder footing. The H.C. & M. Steamboat Company received a new lease of life by a friendly arrangement with the opposition line of Messrs. Butterfield and Swire. In the year 1880 the sugar refining industry of Hongkong commenced to be a great source of wealth to Hongkong, and the East Point Company solidified for the time all the local sugar interests by purchasing the concerns of dangerous competitors. Nevertheless there was room for yet another large sugar factory, and next year (July 6, 1881) ground was purchased at Quarry Bay by Mr. E. Mackintosh for Messrs. Butterfield and Swire, who immediately commenced the erection of new and extensive sugar works. The Hongkong and Shanghai Bank attained in 1880 to a commanding position in the China Trade, being content to mind its own legitimate business. Year after year, throughout this period, the Bank made a substantial addition to its reserve fund, it being the intention of the Directors to raise the reserve fund to a level with half the amount of the paid up capital. Most noticeable was, by the end of the year 1881, the growing favour in which the Bank was held by investors. Its shares continued to rise and stood at 116 per cent. premium at the beginning of 1882. The announcement in the London Gazette (November 14, 1881) of the charter of incorporation of the British North Borneo Company, was hailed in Hongkong with great satisfaction. It was generally considered that the

new territory, though thinly peopled, was capable of great development, that labour could be readily supplied from China and that the situation of North Borneo, midway between Hongkong and Singapore, was even of political and strategical importance.

The old problem of the Customs blockade, the only point regarding which Sir John might have usefully redeemed his promise to protect local commercial interests, was not brought a single step nearer solution during his administration. In 1877, Sir A. Kennedy, before leaving the Colony, forwarded to the Secretary of State his recommendations with reference to that clause of the Chefoo Convention which referred to the Mixed Commission that was to settle the blockade question, and the Legislative Council recorded (February 26, 1877) its sense of obligation to the efforts of Sir Arthur to remove the impediments to commercial intercourse between Hongkong and China. But for more than two years nothing further was done in the matter, except by the blockade officers who became more audacious than ever in their interference with the trade of the Colony, and by mild remonstrances forwarded by Sir J. Pope Hennessy to the British Consul in Canton whenever Chinese petitioners presented a specially strong grievance. For the blockade officers now attempted to levy their exactions on non-dutiable articles of daily consumption, and although this was resisted and eventually, owing to the representations made by the Consul to the Viceroy of Canton, abandoned, the blockade officers succeeded in confining the exemption from duties to positively fresh provisions, and then went further and excluded even cattle from the catalogue of non-dutiable articles. When Sir Thomas Wade passed through Hongkong (April 7, 1879), on his way to England, the Committee of the Chamber of Commerce told him that they considered the Convention as a retrograde measure, needing careful revision, and that, although five new ports (Wuhu, Wenchow, Ichang, Pakhoi and Hoihow) had been opened under its provisions, it was their earnest hope that Lord Salisbury would refuse to ratify it. Great was the surprise of the

community, when it was reported that, in a debate in the House of Lords (May 9, 1879), Lord Salisbury had stated that the Governor of Hongkong had reported that the grievance, which a certain clause of the Chefoo Convention intended to remove by the appointment of a Mixed Commission, had ceased to exist and that therefore there was no further reason to appoint the Commission. This was the more puzzling as, a few weeks before this news arrived in the Colony, Sir John had admitted in Legislative Council (May 29, 1879), in speaking of the blockade, that 'there is something pressing on the junk trade of the Colony that prevents its expansion.' When Sir Th. Wade again passed through Hongkong (December, 1879), he suggested to a Committee of the Chamber that the blockade stations would not be removed by the Chinese until the Colony devised some scheme by which the Chinese Government could collect the revenue fairly due to them. Sir John, taking the same view, now gave some hints of the plan by which he proposed to remove the blockade. He stated in Legislative Council (December 30, 1879) that, if the trade in salt were put down and an undertaking entered into for the collection of duty on opium, the Chinese Government would be willing to remove the taxing stations. Practically, therefore, the question was whether the Colony was willing to sacrifice the freedom of the port in order to gain the removal of the blockade, or, in other words, whether the Colony would prefer to have Chinese Customs offices in town or Chinese blockade stations outside the harbour. Such was Sir John's plan, so far as he unfolded it. The determination shown by him, on all occasions, to court the good-will of the Chinese Authorities, combined with his habitual disregard of the views of 'the British trader,' as he called the mercantile community of Hongkong, caused the community to mistrust any scheme for the abolition of the blockade emanating from Sir J. Pope Hennessy. Hence there ensued now the general apathy of hopelessness, which Sir John was careful not to disturb, and thus it happened that the blockade question was allowed to slumber all through the year 1880. On 10th March, 1881, the

Chamber of Commerce, once more appealed to the Secretary of State for the abolition of the blockade and invited the principal Chambers of Commerce in the United Kingdom to support their petition, but this movement did not produce any results during Governor Hennessy's term of office.

The currency question entered upon a retrograde movement now, owing to the greater influence the Chinese gained at this time. Seeing that it had become an established custom in Hongkong to prefer a clean currency and to accept broken silver or chopped dollars only at a discount of one per cent., the Canton Cotton and Yarn Guild passed a resolution (April, 1877) that Chinese dealers in Hongkong should suspend trade with any foreign firm refusing to accept broken silver at par value of currency. At first the European merchants made joint resistance to this attempt to force broken silver and chopped dollars upon their acceptance. But the local Chinese dealers supported the movement initiated by the Canton Cotton Guild and presented a petition to the Registrar General asking the Governor to make broken silver a legal tender. Sir John hesitated. Unfortunately, however, individual foreign merchants yielded (May 5, 1877) to the pressure brought to bear upon them by the Chinese, and by 19th May, 1877, the demands of the guild, through want of unanimity among the European merchants, were generally accepted. The latter now confined themselves to memorialize the Government against the Chinese proposal to make broken silver (including chopped dollars) a legal tender. The memorialists did not propose to prohibit the practice of chopping dollars, but earnestly deprecated any compulsion to be brought upon merchants unwilling to accept chopped dollars as currency. A year later (March 7, 1878) the Chamber of Commerce, recognizing that there was no prospect of the proposed British dollar being coined in England by the Imperial Government, pronounced now in favour of reviving the Hongkong Mint. It was alleged that the former closing of the Hongkong establishment was a premature and ill-advised measure, that there were now excellent guarantees for the success of the undertaking, and

that the profits derivable from the subsidiary coins alone would pay the expenses of the Mint. It was also stated that if the Government objected to undertake the management of the Mint, it might be started by a private Company under Government supervision. Sir John, however, shelved the whole question. Meanwhile attention was drawn to the manufacture in the Colony, at the village of Tokwawan, of immense quantities of Annamese cash for exportation to Annam and Tungking, where no State Mint existed. Some of the manufacturers of these cash were tried in the Police Court (Hon. C. B. Plunket) but discharged, as no offence against English law was brought home to them. But thereupon the Colony itself was flooded with these cash, until a notification was published in the Gazette (October 29, 1879) warning the people that the circulation of these cash in the Colony was illegal. On 23rd February, 1880, the Chamber of Commerce resolved to memorialize the Government, requesting that action be taken with a view to make the Japanese yen current in Hongkong, the Chinese community having (February 5, 1880) petitioned the Government to the same effect. Although this was in entire accordance with Sir John's own wishes, no action appears to have been taken in the matter by this administration.

In the sphere of emigration, considerable irritation was caused in January, 1878, by the case of two ships which took emigrants under the belief that permission would be granted, but at the last moment Sir John refused to sign the warrant. The S.S. *Perusia*, the first steamer of the new China-Peru line, had thus to sail (January 13, 1878) without her cargo of emigrants, and the charterers of the American ship *Charter Oak* were put to serious loss, having filled the ship with emigrants for Honolulu, but being met, at the moment of her intended departure (January 15, 1878), with a refusal on the part of the Governor to sign the warrant, because the Tungwa Hospital Committee had represented to him that the emigrants would be lured into slavery. The consequence was that trade with Honolulu was for several years afterwards conducted from

Whampoa and taken up by the China Merchants S. N. Co., which sent one of their steamers, *Hochung* (October 20, 1879), to Honolulu with a large number of emigrants, and endeavoured, through Captain C. C. Moreno, to negotiate a treaty between China and Hawaii. The only emigration that Sir John sanctioned was emigration to Demerara (December 23, 1878) and subsequently to Antigua. Emigration to the Australian Colonies the Governor was specially averse to and he discouraged it (in 1881) in a manner which caused strained relations between Sir John and the Harbour Master's Department. The reason was that the labouring classes of several Australian Colonies began (since 1878) to agitate for the total exclusion of Chinese labourers and artisans. In this connection, Sir John took special credit to himself for having stopped what he called deportation of criminals to Australia (November 22, 1879). It appears that for several years the practice had obtained in Hongkong of allowing Chinese prisoners under sentence of deportation to elect the country, China or otherwise, to which they wished to go, and in case any one preferred to go to Australia, he was allowed to do so, the Police seeing him on board, to make sure that he left the Colony. Thus it happened that in several cases men left the Gaol to emigrate to Australia, and this was the practice Sir John stopped. A few years later, there was a debate in Council (August 23, 1881) which brought out the difference of opinion that separated the community from the Governor on the question of emigration, as on almost every other subject. The Hon. F. B. Johnson drew attention to the unrestricted right which persons of any nationality in Hongkong had, to go to another country, and stated that Chinese profited greatly by their sojourn in foreign countries, that trade follows wherever they go, and that Hongkong benefits largely from the passenger traffic and from the trade which that traffic gives rise to. On the other hand Sir John declared that Chinese emigration was not desired by foreign countries and that the Chinese Government was opposed to it because it took the bone and sinew out of the country. However, in spite of Sir John's opposition to Chinese emigration,

the natural outflow of the Chinese population continued, though in a diminished degree, to utilize the facilities for emigration offered by Hongkong in some form or other.

Apart from the foregoing subjects, there were but few minor questions of commercial interest agitating the mind of the community during this period. In June, 1878, the *Gunga* case aroused some transient indignation against the Spanish authorities at Manila, the S.S. *Gunga* having, after striking on a reef on her way from Hongkong to Australia, put into Manila in distress for coal, when the Spaniards seized her on account of some informality in declaring the ship's cargo. Another matter of transient interest was the proposal made at a meeting of the Chamber of Commerce (March 4, 1879), to establish a general exchange and commercial sales-rooms where merchants might meet on a common platform, membership being open to all classes and nationalities. A few months later (May 28, 1879) the promoters of the Hongkong Commercial Exchange secured offices at the Marine House, and at a meeting held at the City Hall rules were drawn up and a Secretary (E. George) appointed to work this institution, which collapsed almost as soon as it was started.

The junk trade of the Colony did not develop, but shewed rather a steady decrease, during the first four years of this period. A slight increase took place in 1881, as compared with the preceding year, but whilst in 1877 as many as 26,500 junks with 1,798,788 tons entered and cleared in Hongkong, the corresponding figures for 1881 are 24,339 junks with 1,680,025 tons, and this in spite of a considerable increase of the Chinese population. The rise and fall of the commerce of Great Britain appears to exercise very little influence on the junk trade of the Colony which is more affected by the increase of the Chinese population of Hongkong, by the varying degrees of strictness exercised at the blockade stations and the variations of the policy of the Canton Provincial Authorities, than by the commercial movements of London or Manchester. As regards the import and export trade of

Chinese merchants in Hongkong, the development of the China Merchants S. N. Co. was of great moment. This Company, in which Chinese merchants of Hongkong hold a large share, and which was practically the creation of Li Hung-chang, the Viceroy of Chihli, succeeded, after many mistakes and losses, in making good reports and paying fair dividends (10 per cent. in 1881), besides writing off a liberal sum for depreciation of its fleet. After establishing a Chinese Insurance Company, Li Hung-chang's next step was to run steamers to Honolulu (October, 1879), and when this measure was found unremunerative, a new departure was taken (October 11, 1881), by putting a steamer on the berth for London, with a view to commence direct trading between England and China and to establish a firm of Chinese merchants in the City of London. An association was formed for the purpose in Shanghai and Hongkong with a capital of £150,000. The avowed object was to wrest the China Trade from foreign hands and to carry the struggle into the enemy's camp. Sir J. Pope Hennessy encouraged this enterprise on the ground that the interests of the Imperial trade would be furthered by bringing the English manufacturer and the Chinese consumer nearer together, though it might be to the detriment of the British intermediaries of the trade in the Colony. But, as the Company had no experienced men to start the business in London, and as it naturally met with uncompromising opposition from British merchants and shippers, the attempt proved a conspicuous failure. Even more short-lived was another project, which Sir John did his utmost to encourage and which, in his farewell summary of the condition of the Colony, he triumphantly pointed to as a sign of progress, viz. a proposal to start, at Belcher's Bay, a Dock to be worked with exclusively Chinese capital for the purpose of docking the steamers owned by the China Merchants S. N. Co. and other Chinese firms. It was merely a paper scheme, and as Li Hung-chang naturally declined to benefit the Colony in any way, it fell to the ground. There was at

one time a third gigantic scheme on foot. Li Hung-chang memorialized the Throne on the subject of opium and dispatched (August 8, 1881) the Taotai Ma Kien-chung on a secret mission to the Viceroy of India, to ascertain how far the Indian Government would be willing to meet his proposal that India should year by year gradually reduce its opium production, whilst China would make good from year to year the deficit of Indian opium revenue, on a sliding scale which was to terminate after a certain period, when the whole area, originally devoted to opium plantations, would have been gradually brought under cereal cultivation, thus preventing any serious injury to the revenues of India. In direct connection with this scheme of the Viceroy, there was a further project, devised in Hongkong by Mr. Ho Amei, but contemptuously rejected by Sir John. Mr. Ho Amei proposed to start in Hongkong, under the sanction and control of the Chinese Government, a Company with a capital of twenty million dollars, for the purpose of purchasing all the opium required for Chinese consumption sent from India and then distributing it to the various ports. It was supposed that this scheme would make smuggling impossible, do away with the necessity for the numerous existing Li-kin stations and put a stop to the prevailing evasion and misappropriation of Li-kin duties in China. But the whole scheme failed because the Indian Government declined the Viceroy's proposal. An equally unsatisfactory result had the project of Mr. Ho Amei, to start at Aberdeen salt-pans to manufacture sea salt for exclusive consumption in the Colony. Ignoring the fact that salt is an Imperial monopoly in China, and that therefore the manufacture of salt in Hongkong would give an immense stimulus to the existing forced contraband trade in salt, to the injury of Chinese revenue and in violation of the friendly relations between the two countries, the Chamber of Commerce (March 10, 1881) viewed the proposed manufacture of salt in opposition to the Governor's views as an enterprise as legitimate as that of refining sugar. Sir John would not

entertain the scheme for a moment. A fifth project of the Chinese community was the establishment of a Chinese Chamber of Commerce, which was to take over all the extraneous functions of the Tung-wa Hospital Committee. Sir John encouraged this project and suggested to combine with the Chamber of Commerce a Chinese Industrial Museum. The plan was often discussed, petitions and deputations pressed it upon the Government, year after year, but although the Governor finally (February 20, 1880) promised to recommend a Government grant of \$10,000, in addition to the grant of a piece of ground, nothing was really done.

The sanitation of Hongkong was, during this administration, a subject fruitful of bitter strife, as it brought the Surveyor General, the Colonial Surgeon and the Military Medical Authorities into direct opposition against the views of the Governor. The annual reports of the Colonial Surgeon for the years 1879 and 1880 having been suppressed by the Governor, our records are incomplete. However, the Registrar General's statistics of the annual death-rate per 1,000 of the whole population (being 26.81 for 1877, 29.60 for 1878, and 32.14 for 1879) show a steady increase for the first three years of this administration, followed by a considerable decrease in 1880 (28.71) and 1881 (24.07). As no material changes were made in the system of sanitation, it seems that the rise and fall of mortality during those years had nothing to do with the Governor's attitude towards, or inactivity in, matters of sanitation. The increase of sickness in 1877 is accounted for by meteorological conditions, the heat registered during that year having been in excess of anything experienced during the preceding eight years, while the rainfall (77.24) was below that of previous years (104.02 in 1876). As to the year 1878 shewing a rise in the mortality tables, the Colonial Surgeon reported that the health of the Colony was exceptionally good in 1878, and during the year 1879, when the mortality among the Chinese population rose to 33.11 per 1,000, the health of the troops was even better than in 1878. The common practice during this period was, when things sanitary were found fault

with in Hongkong, to lay the blame on the Governor. Owing partly to the annual philippica of the Colonial Surgeon, who asserted that large numbers of Chinese houses in Hongkong had been rebuilt on plans wanting in all sanitary principles, as they drained mostly into the subsoil, and principally on account of the trenchant representations, regarding the alleged mismanagement of sanitary affairs in Hongkong, made by Deputy Surgeon General McKinnion to the War Office, the Secretary of State sent (June, 1881) Mr. O. Chadwick, C.B., at the expense of the Colony, to inquire into and report to the Colonial Office on the sanitary condition of Hongkong. Apart from the prejudice in favour of the dry earth system which the Governor had, the only branch of sanitation, in which he positively interfered, was the working of the C.D. Ordinance, and in this respect also the Governor's action ran counter to the views of the local sanitary authorities. Sir John appointed (November 12, 1877) a Commission (T. C. Hayllar, W. Keswick, E. J. Eitel) to inquire into the working of Ordinance 19 of 1867. But beyond abolishing the most glaring abuses which had connected themselves with the local system, and bringing together a mass of information as to the local history of this branch of sanitation, the Commission produced no result.

In educational matters, the real good, which Sir John did for the education of the youths of the Colony by a reform of the Grant-in-Aid Scheme, escaped public attention almost entirely. As regards the Government Central School, then the most popular educational institution of Hongkong, there appeared (December 1, 1877) a pamphlet questioning the *raison d'être* of this School. The anonymous author argued that the Government should confine its operations to promoting elementary education, leaving all higher education to be organized on the voluntary principle and to be paid for by those who value it. The pamphlet was believed to express the Governor's views and caused accordingly disquieting apprehensions. The Central School, however, continued as before. What the Governor did for, or against, the School, had practically no effect at all, except that the erection

of new buildings was stopped. On the ground that political and commercial interests rendered the study of English of primary importance in all Government Schools in the Colony, a principle which an Educational Conference (February 25, 1878), appointed by the Governor, strongly enunciated, the Governor urged (but without effect) that more attention should be paid in the Central School to promoting the speaking of English, that attendance at Chinese lessons should be made optional, and that smaller classes and a larger staff should be organized. An attempt which the Governor made, by the appointment (August 27, 1880) of an Education Commission (F. Stewart, E. L. O'Malley, J. M. Price, Ph. Ryrie, W. Keswick, E. J. Eitel, E. R. Belilios), to substitute five elementary district schools for the preparatory classes of the Central School, and to convert the latter into a Collegiate Institution, miscarried entirely. A Normal School, for the training of Chinese teachers of English, was established (September 1, 1881) but was condemned by the Education Commission. The separation of the offices of Headmaster of the Central School and Inspector of Schools, the appointment (March 7, 1878) of a separate Inspector as Head of the Education Department (E. J. Eitel), and the revision of the Grant-in-Aid Scheme (1879) met with no opposition. The latter measure revolutionized the educational system of the Colony. By a few verbal alterations in the Grant-in-Aid Code, approved by the Secretary of State, the secular system was confined to the Government Schools, whilst all the Grant-in-Aid Schools were set absolutely free to devote their whole time to education (whether secular or religious) in both primary and secondary subjects. The consequence was that, whilst Sir J. Pope Hennessy on his first arrival in Hongkong (in 1877) found 41 schools reported as existing in the Colony, with 2,922 scholars, he left behind him, on his departure from Hongkong (in 1882), 5,182 scholars enrolled in 80 schools under Government supervision.

The Roman Catholic community had St. Joseph's Church re-opened for services (June 3, 1877) and a new Church, of the Sacred Heart, at Westpoint, built for them (March 22, 1879)

on ground granted by the Government. The German community erected a Lutheran Church (March 12, 1879) in connection with the Berlin Foundling House. The first Chinese civil marriage was solemnized at the Registrar General's Office on 7th June, 1877. The Sunday labour question was brought before the Government (May 1, 1879) by the joint action of the Protestant and Catholic clergy. A Memorial presented by them requested that on Sundays all labour should cease in the Colony and that Statute 29th of Charles II. should be put in force. The question was referred to the Secretary of State, but Sunday labour continued in Hongkong unchecked.

Such was the mutual incompatibility of temperament, views and ways, between Sir John and the European community, that he deliberately assumed a position of entire isolation, whilst the European community felt, year by year, less and less disposed to disturb his insularity. Apart from Sir John's general policy, there were special causes which irritated the community. Such were, for instance, his interference (October 24, 1879, and February 5, 1881) with the rules of admission to the City Hall Museum, his attempt to confiscate the steam-tug *Fame* (October 28, 1879), and his prohibition of the sale of refreshments at the City Hall Theatre (February 25, 1880). As regards amusements, however, the community was, during this period, well provided for. In addition to the established periodical treats provided by the Amateur Dramatic Corps, the Choral Society, the Horticultural Society, the Victoria Recreation and Regatta Clubs, the Liedertafel of the Club Germania, and the Race Club, this period is distinguished by some specially successful celebrations, among which mention is due to St. Patrick's festival (March 17, 1879), the centenary of the birth of the Irish poet Tom Moore (May 28, 1879), the Masonic Ball of 15th January, 1880, the anniversary of Washington's birthday (February 23, 1880), and the tercentenary of Camoens (June 10, 1880). As to other social events those deserving mention are the semi-extinction of the Humane Society (May 13, 1878), the formation of St. John's Lodge under the Scottish Constitution (November 30,

1878), a banquet and presentation of an address in honour of Professor Nordenskjold (November 3, 1879), the starting of jinrikshas in the Colony (April 22, 1880), the establishment of a Polo Club (April 27, 1880), the presentation of an address and testimonial to the Hon. W. Keswick (May 14, 1881), the arrest of Messrs. Rapp and Schmidt by a Customs cruiser while on a shooting expedition (November 26, 1881), and the appointment of Mr. C. P. Chater as Masonic District Grand Master of South China (February 2, 1882).

The charity of the Hongkong community was, during this period, called forth and exercised to an extraordinary degree. To the relief of the famine in North China the Hongkong community contributed (from April, 1877, until August, 1878,) an aggregate sum of \$132,000. Floods in Canton necessitated (in May, 1877) a separate appeal which in a day or two produced \$5,000. The Freemasons raised separately funds (October, 1877) for the relief of sufferers from famine in India, and in January, 1878, a subscription was started for the sufferers from the *Yesso* explosion, when Messrs. Douglas Lapraik & Co. headed the list with a subscription of \$10,000. An Amateur Concert was given (December 12, 1878) on behalf of sufferers by the failure of the City of Glasgow Bank. An Irish Famine Relief Committee was started (March 8, 1880) and collected \$36,000. The Hon. E. R. Belilios having (October 15, 1878) placed in the Governor's hands the sum of £1,000 for the erection of a statue of Lord Beaconsfield, used this sum, when Disraeli deprecated the honour, to establish a Medical Scholarship Fund (October 7, 1879), subsequently changed (November 29, 1883) into the Belilios Scholarship Fund, and gave to a row of houses opposite the City Hall, which he erected at the time, the name Beaconsfield Arcade. A Medical Mission Committee (J. C. Edge, Dr. Young, and H. W. Davis), having, since October 1871, established a public dispensary in Taipingshan, made (January 13, 1872) an appeal to the community and commenced taking steps which ultimately resulted in the establishment of Alice Memorial Hospital.

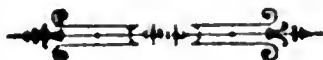
Several gales passed over Hongkong in 1879 (10th July, 13th July, 10th October), one in 1880 (23rd September) and two in 1881 (21st August, and 14th October), but with the exception of the last gale, by which many small craft were wrecked and some lives lost, these gales did no serious damage. Besides the case of the China Merchants' Steamer *Haishin*, which went ashore in Fat-tau-moon, opposite Sheko, there was but one extraordinary disaster. The S.S. *Yesso* was being moored alongside the wharf, when one of her boilers burst (November 22, 1877) and 87 persons were scalded to death. There was no unusual number of conflagrations during this period, but the average number of houses destroyed on the occasion of fires was much greater than anything previously experienced, indicating a defective condition of the Fire Brigade.

The history of the ship-building movement during this period is characterized by keen competition, ending in the triumph of the H. & W. Dock Company. The most prominent landmarks in this struggle were the launch of the Customs cutter *Li Chi* from Captain Sands' slip at Westpoint (March 5, 1878); the launch of the S.S. *Kiungchow*, built by W. B. Spratt & Co. (July 28, 1878) at Spring Gardens; the launch of the S.S. *Zephyr* from Captain Sands' slip (November 23, 1878); the purchase of the late Captain Sands' slips by the H. & W. Dock Company (September 1, 1879); the starting of opposition Docks at Shamsnipou by the Cosmopolitan Dock Company (February 3, 1880), and the purchase of these Docks by the H. & W. Dock Company (December 31, 1880). As to other local industries, there is to be recorded the establishment of an iron foundry at Shaukiwan (June 6, 1878), the attempt made by the Kai-ning Company to start a match factory at Yaumati (June 15, 1880) and the registration (December 31, 1880) of a new Ice Company. On 1st April, 1877, postal rates were reduced (to 16 cents for a letter to England) and local rates lowered by one half. A further reduction in postal rates (to 10 cents for a letter to any country of the Postal Union) was made in 1879, when an almost uniform postal tariff was

introduced, and an exchange of money orders arranged with India and most of the Australian Colonies. Telegraphic cable-connection was extended to Manila (May 1, 1880) and to Canton (March, 1882), whilst the town was provided with telephones, there being on one occasion (June 24, 1881) three Telephone Companies applying for permission to establish lines in the Colony. A short-lived line of steamers was started (January 13, 1878) to connect Hongkong with Peru; the S.S. *Washi* commenced to run regularly between Hongkong and North Borneo (June 13, 1878); the Mitsu Bishu Company started a new line of connection with Japan (October 12, 1879), and the Austro-Hungarian Lloyds extended their steamship traffic by bringing Hongkong into regular monthly connection with Triest (April 1, 1881). To the foregoing evidences of prosperity may be added the establishment of an Anglo-Chinese Debating Society (March 4, 1880) and the starting of a third daily newspaper, the Hongkong Telegraph (June 15, 1881), by Mr. R. Frazer Smith.

The obituary of this period includes an extraordinary number of prominent citizens:—H. Thorburn, Acting Manager of the Chartered Bank (April 19, 1877); W. H. Bell, lessee of the Daily Press (May 16, 1877); Captain G. U. Sands, founder of the Patent Slip and Dock Company (October 28, 1877); J. J. dos Remedios, Consul General for Portugal (July 30, 1878); John Jack, proprietor of the Hongkong Distillery (August 15, 1878); Hon. Ch. May, Colonial Treasurer (April 23, 1879); Captain E. Punchard, commander of coast steamers (July 12, 1879); Rev. H. H. Kidd, Colonial Chaplain (July 31, 1879); Hon. C. B. Plunket, Police Magistrate (December 21, 1880); Captain R. W. Hutchinson, commander and owner of several steamers (January 30, 1881); Mrs. McIver, wife of Superintendent P. & O. Company (February 11, 1881); Sir Richard Graves McDonnell (March, 1881); T. G. Lindstead, Masonic District Grand Master (April 30, 1881); W. R. Landstein, merchant (June 21, 1881); Pastor Klitzke of the Berlin Foundling House (July 3, 1881); Rev. C. G. Booth, Military Chaplain (January 14, 1882).

In October, 1881, it was stated that the question of the Governor's rule or misrule would shortly be brought before Parliament. This was not done, but in February, 1882, it was generally understood that the Governor was about to leave the Colony for good. The Tungwa Hospital Committee gave the Governor a farewell banquet (February 27, 1882), and when Sir John, after a stormy debate in Legislative Council, announced (March 1, 1882) his approaching departure, the Hon. Ph. Ryrie, expressing his own views, praised the Governor as having been a longer time at his post than any of his predecessors. Two complimentary addresses were presented to Sir John on the eve of his departure, one by a Chinese deputation and the other by the Portuguese community (March 6, 1882). On 7th March, 1882, Sir John left Hongkong ostensibly on leave for six months, but it was understood at the time that his return was beyond the bounds of probability. Later on, when a contrary rumour reached the Colony, the strongest remonstrances were addressed by the leading British merchants to the Authorities at Downing Street and thereupon all doubts as to the permanent severance of the tie between Hongkong and Sir J. Pope Hennessy (beyond the payment of a pension) were removed, and the Colony entered, after five years of incessant turmoil, upon a season of quiet and steady work. Sir John himself carried with him to another Governorship (Mauritius) the same odd perverse antipathies, and roused there also, among the British community, the whirlwind and the storm which it required the interference of Sir Hercules Robinson to assuage. The abrupt termination of Sir John's official career was rendered tragic through its being followed by his premature death (October 7, 1890) at a moment when re-entrance upon the scenes of Parliamentary life seemed open to him and to offer a vista of success in the sphere of Irish politics. *Requiescat in pace.*



CHAPTER XXII.

A SHORT SUMMARY.

1854 to 1882.

THE epoch in Hongkong's history which opens with the administration of Sir John Bowring (1854) and closes with that of Sir J. P. Hennessy (1882) is characterized by the severance (since March, 1857) of the ties which had united the interests of the Colony with the Imperial policy of Her Majesty's Government in China. When the successive Governors of Hongkong ceased to act as Her Majesty's diplomatic agents in China, it was not merely that the connection of the Colony and its Governors with the Foreign Office ceased and determined. The change involved the subordination of Hongkong's interests to the desire, always uppermost in the mind of H.M. Minister in Peking, to keep on good terms with Hongkong's implacable enemies, the Chinese Mandarins. The first Governor of this period, Sir J. Bowring, was not only deprived of the office of H.M. Representative in China, but found his successors in that office to sacrifice the welfare of the Colony to a maudlin policy of cringing subservience to China as a fancied equal of Europe and a supposed great and mighty Empire. And the last Governor of this period, Sir J. P. Hennessy, whose one desire was to obtain that same post, exhibits the strange spectacle of a Governor of Hongkong deliberately acting on the false assumption that the Imperial interests of Great Britain and of peaceful relations with China are irreconcilably hostile to the local interests of the Colony.

The earliest portion of this narrative is occupied with the story of that struggle between China and Europe, in which,



for two long centuries, Manchu arrogance and tyranny has, thanks to the apathy of the East-India Company's Directors, the upper hand over the representatives of European commerce and civilization, and keeps them locked up within the narrow limits of the Canton Factories. The latest portion of this volume exhibits that same Manchu tyranny, undeterred by repeated defeats and humiliations, because aided and abetted by H.M. Ministers and Consuls in China, surrounding the hated Free Trade Colony of Hongkong by a narrow circle of Customs stations and maintaining an effective blockade which to the present day disgraces British relations with China. All honour to Great Britain's magnanimous forbearance in the interest of what her Crown lawyers consider to be the just demands of international law. Covered by that law, Mandarindom still seeks to strangle the Free Trade movement of the Colony and still slanders the fair name of the Colony by regarding that amount of smuggling, which everywhere in the world naturally results from oppressive and irregular taxation and peculation, as an inherent vice of the native population of Hongkong. But a divine Nemesis is watching over all these things and Mandarindom will eventually discover its mistake when British patience is exhausted. An effective solution of the problem can, however, hardly be expected so long as the present division between the Colonial and Foreign Offices continues. This division which, in its practical working in the Far East, bristles with unavoidable jealousies and irreconcilable antagonisms, impedes the natural process of bringing China into subordination to Europe. The furtherance of that process demands a special Ministry charged with the direction of all Her Majesty's possessions and interests in the East and bringing British Colonial and Imperial policy into a working and effective unity.

Historically speaking it seems undeniable that, as in the days of the East-India Company at Canton, so in the more recent history of Hongkong, European merchants have ever been the leaders and the Chinese merchants the indispensable hangers-on

and go-betweens of the China Trade, and that this twofold commerce made immense strides for the benefit of both parties from the moment when it came under the impulse of the mighty spirit of free trade, which fused the interests of European and Chinese merchants into indissoluble unity. If we view the history of the China Trade from the standpoint of Europe's relations with China, it is clear that the tendency, which God put into the movement that commenced at Canton two centuries ago and which resulted in the establishment of this British Colony, was the inchoative union of Europe and China, by the subordination of the latter to the former, and this by means of free trade coupled with enlightened and humane local government. The genius of British free trade and political liberty constitutes unmistakably the vital element in the historic evolution of Hongkong. Hence it is that co-operation with this divine tendency of things is the unalterable condition of success. Every measure, every event in the history of Hongkong, that is in harmony with this general innate tendency, is in part a fulfilment of Hongkong's mission in the history of the universe.

That this view is correct, may be inferred from the historic fact that nothing ever seriously endangered the existence of this Colony but tampering with the free trade palladium of Hongkong. Few of the Governors of this epoch recognized the importance of this truth, and among the merchants even there was often entire forgetfulness of this principle. Sir A. Kennedy, no doubt, thought he was doing the right thing when he introduced lighthouse dues, and the mercantile community submitted to the measure without a murmur. Sir R. MacDonnell came near the truth when he saw the essential importance of Hongkong in its convenience as a commercial depot and recommended that the shipping interests be better looked after. The only Governor of this period whose eyes were fully open on this point, was Sir J. Bowring. The following words, taken from one of his published dispatches, are worth remembering. 'Believing that the

satisfactory development of our prosperity is mainly due to the emancipation of all shipping and trade from fiscal vexations and exactions, I trust no custom-house machinery will ever be introduced, either for the collection of tariff or harbour dues or for any purpose which may check the free ingress and egress of all shipping to and from the port nor the free transfer of commodities from hand to hand. Hongkong presents another example of the elasticity and potency of unrestricted commerce which has more than counterbalanced the barrenness of the soil, the absence of agricultural and manufacturing industry, the disadvantages of its climate and every impediment which would clog its progress.'

The greatest revolution that ever upheaved the affairs of Hongkong came from a purely commercial source, from the sphere of its shipping interests. I refer to the opening of the Suez Canal. For several years after that momentous event, Hongkong commerce seemingly followed its old impetus in much the same lines as before. But step by step it was seen that a change had come over Hongkong's dream, amounting to a complete revolution. The markets in England for silk, tea and other Chinese exports had been entirely ruled by the prices paid in China. Now the price realised in England became the norm and guide of all purchases to be made in China. As to imports into China, the change wrought, by bringing the English manufacturer into closer connection with the Chinese consumer, was equally formidable. The China Trade now drifted into the hands of home capitalists. Successful trading on credit, formerly so common in Hongkong, became year by year rarer and large monied firms only appeared to profit in the long run.

But the remarkable thing is that even the political and strategical importance of Hongkong was immensely enhanced by that same commercial event. It was the opening of the Suez Canal which placed Hongkong in line with Gibraltar and Malta and made it combine their functions as applied to the Far East. Hongkong now dominates the China Sea as Malta dominates the Mediterranean and strategically closes

the road to India from the East as Gibraltar opens the gateway from the West. As the opening of the Suez Canal, with its consequent increase of European trade with China, enhanced the importance of Hongkong as a commercial emporium, so the universal employment of steamers in the navies of all the great Maritime Powers, which likewise followed from the opening of the Suez Canal, gave Hongkong a new important function to fulfil as the only coaling station of the British navy in the Far East. But, as it took Hongkong merchants several years to realize how much nearer, to London, Hongkong now was, so it took Her Majesty's Government and the British public several decades of years to realize the increased political and strategical importance Hongkong had assumed, by that same commercial event, in the general scheme of British Colonial defence, and its consequent need of first class fortifications.

As to the individual Governors of this epoch, one feels tempted to say that apparently 'each man begins the world afresh and the last man repeats the blunders of the first.' However, it is remarkable how little really depended upon the character, wisdom or energy, of any of these exalted individuals. Sir J. Bowring, the man of ideas, had rare capabilities and was brimming over with fruitful schemes, but, to use Lord Clarendon's words, 'events which could not be foreseen and which got (or rather all along were) beyond his control' left him stranded powerless. Sir H. Robinson, Fortune's favourite, was apparently the most successful Governor of Hongkong, thanks to an adventitious prosperity of commerce, but if his administration had fallen into his successor's time of financial insolvency, he would have been deprived of all the means of success and left as helpless as his successor. Sir R. MacDonnell, the autocrat, was perhaps the greatest, most energetic and powerful, Governor that ever ruled over this much-ruled Colony, but adverse circumstances, bad times, opposition on the part of the colonists and dissensions with the Colonial Office rulers, clipped the wings of his usefulness and success. Sir A. Kennedy, the amiable, is the model of a successful and most popular Governor who

achieved local immortality by doing as little as possible whilst making himself personally pleasant to the Colony as well to the Downing Street officials. As to Sir J. P. Hennessy, the less said the better. His acts speak powerfully enough. The centre of his world was he himself. But with all the crowd of dark and bright powers that were wrestling within him, he could not help doing some good and the Colony emerged out of the ordeal of his administration practically unscathed. No, what makes or mars the fortunes of Hongkong is not the wisdom or foolishness, the goodness or badness of its Governors. There is an indomitable vitality within and a Supreme Governor above this British Colony, and these powers irresistibly push on and control the evolution of Hongkong until its destiny be fulfilled in accordance with a plan which is not of man's making.

Several important social problems were taken up during this period. In the case of the gambling question, first investigated by Sir J. Bowring, worked out by Sir R. MacDonnell in a spirited but unsuccessful manner, and religiously eschewed by his successors who, however, did not escape the curse of this rampant evil, all that can be said is that the Sphinx will have to solve its own riddle, for no one seems able or courageous enough to deal with the problem. As to the Contagious Diseases question, a solution was sought, in a more or less half-hearted manner, by several Governors of this epoch, but, as no great results were expected, public expectation was not seriously disappointed. Strange to say, the problem of municipal government, raised by the Parliamentary Committee of 1847, and diplomatically handled by Sir G. Bonham, was allowed by the mercantile community to remain dormant through the whole of this epoch. Stranger still, the only Governor who alluded to the subject was autocratic Sir R. MacDonnell who suggested to H.M. Government that the Colony should be allowed, as far as possible, 'the liberty to expend, on local improvements and works, all the available public income that can be raised from the community for these purposes.' But the strangest thing.

was that, while the foreign community remained silent on the subject, the Chinese residents came forward of their own accord and requested the organisation of a distinctly Chinese Municipal Council for their own particular benefit, and obtained a Police of their own and a consultative voice as to the management, by the Registrar General, of Chinese affairs. As to a British Municipal Council, it has to be noted, that the history of this period emphatically contradicts one great objection to it, which Sir G. Bonham formulated by asserting that out here in the East there is no leisured class and that men of standing possess neither time nor inclination to devote to the interests of the public. The long continued and varied activity in purely public affairs, displayed during this period by individuals like J. Dent, Ph. Ryrie, J. Whittall, W. Keswick and others, and most particularly the large share of attention and time which the Hongkong Chamber of Commerce devoted to questions of general policy, gives the lie to the assertion that the commercial men of this Colony are unwilling to sacrifice their time and their strength to the management of communal affairs.

As regards the general attitude of the Chinese community, it seems that, in proportion as the leading Chinese residents learned, towards the end of this epoch, to understand the principles of British communal liberty, there appeared among them a tendency to retire into their own shell, deliberately refusing any identification with the European community. The persistent refusal to adopt European costume or English ways of living, the uniform aversion to participation in local politics coupled with a deep-seated anxiety to keep on good terms with Chinese Mandarindom even when it blockaded the port to throttle their trade, the steady increase of Chinese joint-stock companies from which foreign investors were jealously excluded, the readiness of secret combination to retaliate against unpopular Government measures by a general strike,—all these symptoms of Chinese clannish exclusivism, natural enough in people whose just liberties have for centuries been invaded by despotic rulers, clearly indicate that on the Chinese side there is, as yet, no

desire to see the chasm that still separates Chinese and European life in this Colony, bridged over.

The educational history of this period is characterized by the continued subordination of English to Chinese teaching and by the deliberate abandonment, on the part of the Government, the foreign community and some of the missionaries, of the principle of religious education. Half-hearted religionism had clearly failed during the preceding period, but secular education now tentatively pursued was likewise bound to fail so long as insufficient attention was bestowed on a general promotion of the English language. There was, during this period, hardly a thought of aiming at that regeneration of the Chinese community which would raise them to the level of the Europeans. The regeneration of a community can only come from the education of the individual and until English education is fostered and honoured in Hongkong more than it has been hitherto, the Colony will lag behind its full measure of unity and strength.

So far, however, the history of Hongkong has on the whole been the gentle dawning of a bright success. Our hope of the future is but the memory of the past reversed. Hongkong has clearly fulfilled, up to this point, the purpose of its establishment as the guardian of the interests of Europe in China. Notwithstanding all its faults and shortcomings, this British Colony has set before the people and Mandarins of China a praiseworthy example of free trade principles and humane government. *Floreat semper!*



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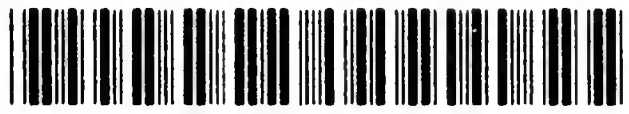
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